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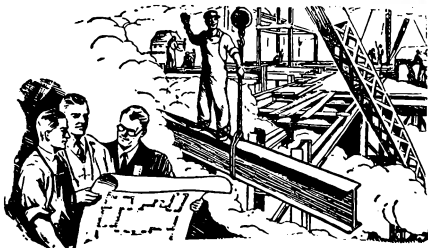
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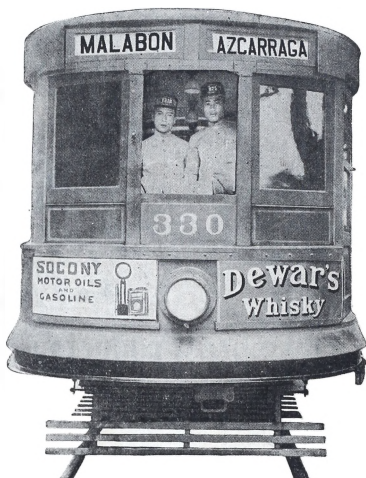
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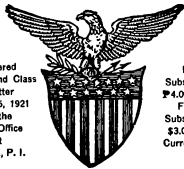
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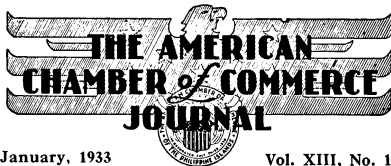
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WALTER ROSS  
Editor and  
Manager



# The British World View of Commerce

*From the current number of the London Chamber of Commerce Journal accessible at the library of the American Chamber of Commerce*

## Ottawa Again

With the publication of the so-called "secret" Dominion schedules in the middle of the month, it is possible to form a rather more complete picture of what the Ottawa Conference means, though it is still exceedingly difficult to make any estimate of the benefits that British trade will receive. On the face of it some of the concessions made by the Dominions and India appear reasonably certain materially to assist our goods in competition with those of foreign countries, while in others the benefits conferred remain full of uncertainty. In addition there are a few points arising from the Ottawa agreements which leave an unfortunate impression. For example, it is stated by the trade interests concerned that the Canadian tariff concession on battery plates over  $\frac{3}{4}$  inch thick is quite valueless, since plates of such dimensions are not manufactured; and it was stated in the House of Commons that the United Kingdom duty on copper, imposed under the Ottawa agreements, was equivalent to no less than 55 per cent *ad valorem*, a serious matter particularly for the British electrical industry.

However, it is virtually impossible to draw any hard and fast conclusions about the results, in terms of increased total British exports, that may follow the agreements, although for each Empire country the value is given of the trade covered by the various concessions. A very great deal is bound to depend on the spirit in which the agreements are carried out, but in a number of instances at any rate there has been a positive lowering of the tariffs against British goods.

## International Trade

The survey of world trade up to the end of last June, published in the *Board of Trade Journal*, throws some light on the appalling contraction that is taking place. The percentage decline in the value of exports (in dollars) of the gold standard countries during the first half of 1932, compared with January-June, 1931, amounted to no less than 37.1, against 32.8 for the non-gold standard countries, the figures for imports being 34.4 and 33.9, respectively.

Another table shows the percentage decreases, as compared with 1929, in values of the imports for home consumption and domestic exports of 18 principal countries in each of the half-yearly periods from 1930. The United Kingdom decline for the first six months of this year was, in imports, 39.2 per cent, and only five countries—Japan, the Scandinavian nations and Switzerland made a better showing than this. Some of the percentage decreases are colossal—for instance, the United States (67.3), Australia (67.6), Germany (65) and

Canada (63.6). In domestic exports the United Kingdom decline is 47.9, and again there are only five countries with a lower figure, while the United States, British Malaya, Austria, Czechoslovakia and Canada are all over 60 per cent.

A comparison of the first half of 1932 with the same period in 1931 also indicates that the United Kingdom decline (13.5 per cent) is substantially less than the average for all countries specified (23.9 per cent). Australia and Japan on this basis show import increases, while on the export side Norway and Australia show increases, the United Kingdom and Japan alone of the rest having reductions of less than 10 per cent. Austria, Switzerland and Czechoslovakia have declines between 42 and 43 per cent and Germany, France, the Netherlands and the Belgo-Luxemburg Economic Union between 35 and 40 per cent. In all these statistics it should be noted, however, that the conversion into sterling has been made at par.

In the light of such an appalling drying up in the flow of trade the World Economic Conference when it meets will at least have no excuse for failing to realize the desperate need for taking immediate steps to stop the general calamitous contraction of purchasing power.

## Canada

Canada's new shipping route to the United Kingdom from Port Churchill, which was successfully tested last season by two shipments of wheat, has this year been inaugurated on a commercial basis, and for the past two months vessels have been engaged in the transport of grain from the vast fields of Manitoba and Western Canada via Hudson Bay and Hudson Strait, thus effecting a saving of over a thousand miles as compared with the distance from Montreal via the Great Lakes. This new route will be, of course, a great factor in the development of the Canadian grain trade with the United Kingdom and the Continent, but there are possibilities in other directions, not the least being that by the recent extension of the Temiskaming and Northern Ontario Railway to the port of Moosonee on James Bay, Hudson Bay is now connected with the industrial districts of southern Ontario and Quebec.

Moreover, attention has been directed in Western Canada to the possibility that the Hudson Bay route may eventually become a link in the "short circle" route from Europe to the Far East, the distance from London to the Far East via Port Churchill being less than half that on the route via Suez, and shorter than that via New York and San Francisco; while in regard to the United States grain trade, it is interesting to note that Minneapolis, an important centre of the American business, is so situated that if the Hudson Bay route were ever

used for the transportation of northern United States products a saving in mileage similar to that gained by Western Canada might reasonably be expected.

### Denmark

There is no doubt that this publicity has had and is having an excellent effect, and that British exporters will find it even easier to make headway in these two Scandinavian markets than they did before. But without in any way wishing to make a hasty generalization, one may say that the British exporter will find the Danish market, under present conditions, easier to handle than the Swedish. The average Dane is so very conscious of the fact that the Anglo-Danish trade balance is heavily against England, that he is quite willing to buy British goods, even when Danish are available. If only British exporters can be assured that the Valutakontor (the centralized foreign exchange office) will not place obstacles in their way, the market for British goods is certain to expand still further. But it needs constant pressure and much hard work.

### British Overseas Trade

For the first nine months of the year, imports amounted to £520,215,226, which shows the heavy reduction of £101,131,802, as compared with the corresponding period of 1931. It is interesting to note that towards this greatly reduced

figure, manufactured goods contributed £69,548,100, the chief goods affected being apparel and textiles, iron and steel, non-ferrous metals and manufactures, pottery and glass, and leather. One important group, manufactured oils, fats and resins, showed an appreciable increase, and in the raw materials class there were several groups showing advances over the 1931 figures, the chief being raw cotton and undressed hides and skins.

Exports for the nine months have fallen off by £21,283,125 to £271,107,476. Manufactured goods at £206,832,201 were less by £14,234,829, and although the majority of the important groups showed declines, the most important cotton yarns and manufactures, actually increased by nearly £5,600,000 on the 1931 figures of £42,716,920. Raw materials exported declined by £2,891,696 to £31,807,636, coal being the product most affected, although there was a noticeable fall in exports of other minerals, the oils, fats and resins group, and undressed hides and skins. Exports of food, drink, and tobacco were down by £2,348,911 to £23,441,752 the only class in this group showing an increase being grain and flour.

Re-exports for the nine months amounted to £39,028,120, a decrease of £9,227,300, the heaviest declines taking place in food and drink, undressed hides and skins and apparel.

The apparent adverse balance of trade for the nine months was £210,079,630, which shows a reduction of £70,621,377 on the first nine months of 1931.

## Do Something To Save Philippine Birds

"Rizal was not in favor of killing birds not fit for food as was proved one time when he prohibited an officer of a boat from shooting them.—" Filomeno Acopiado, a one-time pupil of Rizal's at Dapitan, as quoted by Serapio J. Datoc in the *Tribune* magazine, Sunday, January 1.

Everyone interested in the preservation of birdlife in the Philippines would do well to seek every occasion to explain to the common people what good birds do and how wanton it is to kill them for sheer sport, the useful birds should be killed only to eat, and then not in quantities promising their extinction or at times when they are breeding and raising their young. This seems a petty subject for treatment in a review of the kind the *JOURNAL* is, but truth is that preservation of birdlife is so essential that hardly anything transcends it in importance. Truth is too that birds by thousands are wantonly killed throughout the Philippines all summer long.

As soon as schools dismiss for the summer vacation, troops of idle boys go about the country killing birds wantonly; not birds to eat, not birds whose mangled little bodies they can pick up and take home with them to brag over, but birds they shoot with sling-shots in bamboo clumps where they must leave them dead for ants and vermin to devour. No boyhood sport could be more wanton or more cruel than this, the prime vacation sport for so many Philippine schoolboys that the wonder is there are any birds left in the islands at all.

A snake will easily escape these boys, a bird hardly ever; a troop of boys, ever more accurate with their sling-shots, will return to a bamboo clump day after day until the last harmless bird nesting in it or taking refuge in it has been killed.

And why? For one reason, the boys are utterly idle and their leisure utterly undirected. For another, apparently the little catechisms informing their morals have nothing

to say about killing birds: He who marks the sparrow's fall is preached unto them, but not, apparently, as an avenger of the sparrow. Nor can we say the schools have frowned down wantonness toward lower creatures enough when it is with the vacation season that the war upon the birds begins. If you object to having the birds on your place killed, you are put down by the boys as a harsh neighbor who should be outwitted; they therefore get track of the hours you keep, and kill the birds while you can not watch them. Not one seems to understand why, for any reason, moral or otherwise, he should not kill birds.

The bill, of course, is paid by the crop-maker. If the practice is not soon checked, and that effectively, balance between bird and insect life in the Philippines will be destroyed and crop pests now unheard-of will appear. Individual effort at restraint of the boys is useless, the vice is too prevalent, too popular for that. Nor would law do any good. Moral tutelage is the only remedy; the new community assemblies might be good places for the preaching to begin, but everybody who can catch the real attention of a boy can do a little. As soon as there is a general consciousness among grown-ups that birds must not be wantonly killed, boys will catch the notion from their elders. The real fault is grown-up indifference. Without law the government might help a little. It could get something out to the people through the community assemblies, and it might get some towns to encourage, with prizes, the boys' natural interest in birds by rewarding studies of the birds by the boys—ways of fostering their life instead of taking it. Parents, church and school have failed so far of inculcating in boys intelligent and merciful ideas about birdlife.

The least observation, during vacation, will reveal to anyone how grave the question is. The sling-shot and air gun threatens our birds with extinction.

# Just How "Wearing" Is The U. S. Presidency?

Calvin Coolidge's death January 5, in his sixtieth year, less than four years after he had retired from the presidency of the United States he had enjoyed from August 3, 1923, to March 4, 1929, recalled Warren G. Harding's death in the presidency. Woodrow Wilson's physical breakdown there, and gave color to a specious journalism that has been current of late, that the presidency is a killing job. The facts seem to run the other way. They have been taken from the *World Almanac* of 1932 and put into the table published on this page, a table valuable to school students when their elders may have glanced through it.

Washington, whose 8-year administration saw the birth of partisan politics in America and the division between John Adams and Thomas Jefferson that was to bring on the War of 1812, lived three years into Adams's administration. He died at 67, of pneumonia, when his general health gave him a long expectancy of life. Adams lived 25 years and died at 91 after leaving the Whitehouse; he and Jefferson, Madison and Monroe all survived Monroe's administration, and for a year and half all four were still living under John Quincy Adams's administration. During all of Van Buren's administration, 1841-1845, John Q. Adams and Andrew Jackson, ex-presidents, were living. Madison almost lived out Jackson's term of 8 years; that is, retiring from the Whitehouse at 66, he saw out James Monroe's administration of 8 years, John Q. Adams's of 4 years, and 7 years and 4 months of Andrew Jackson's administration of 8 years.

Harrison and Tyler's administration ended March 4, 1845. Ex-presidents then living were Jackson, John Q. Adams, Martin Van Buren. Tyler and Van Buren lived through Polk's administration and 13 years longer. Abraham Lincoln was president from March 4, 1861 to April 14, 1865. It is legendary to think of him as old when he was killed, but he was only 56. Five ex-presidents were living during almost the whole of his first year in office: Tyler, Van Buren, Fillmore, Pierce, Buchanan. Fillmore, Pierce and Buchanan lived him out. Fillmore and Pierce survived Johnson's administration, Buchanan 3 years of it, so most of the time Johnson was in office, 3 ex-presidents were living. Grant survived Hayes's, Garfield's and Arthur's administrations; Hayes, Garfield's and Arthur's. Until Grant's death, July 23, 1885, and Arthur's, November 18, 1886, three ex-presidents lived under Cleveland's first administration, but Benjamin Harrison was the only ex-president living during Cleveland's second term, 1893-1897. During McKinley's first term, Harrison and Cleveland were both living.

Theodore Roosevelt's administration began September 15, 1901, and ended March 4, 1909. Cleveland survived 7 years of this period and was the only ex-president living under Roosevelt, just as Roosevelt was the only one living under

Taft's administration. Wilson's administration ended March 4, 1921. Roosevelt saw 6 years of this administration, Taft lived it out, as chief justice of the U. S. supreme court, and died March 8, 1930. Harding's death ended his administration August 2, 1923. Taft and Wilson survived it. Coolidge's administration ended March 4, 1929. Wilson saw 6 months of it, Taft survived it. Coolidge witnessed 3 years and 9 months of Hoover's administration, enjoyed unimpaired health and died without prolonged suffering—simply lay down and was found in eternal sleep.

Presidents who survived their administrations more than 10 years, and the years they lived after leaving the Whitehouse, are: John Adams 25, Jefferson 17, John Q. Adams 19, Van Buren 21, Tyler 17, Fillmore 21, Pierce 11, Hayes 12, Cleveland 11, Roosevelt 10, Taft 17. Dean of this list is John Adams, 91 years old when he died, a president who lived to see his son president.

The presidency, even in contentious times, seems not to be a killing office. Among men who filled the office and lived longest after leaving it are some of the presidents who had the bitterest quarrels with congress—quarrels more bitter than death. But they were men able to sustain their views.

It is not the fact that presidents commonly survive their administrations for many years that is most remarkable about American public affairs. It is the grace with which the constitution and their own deference to democratic forms retire them to civil life. This was observed in Coolidge, firmly believing in the integrity of the states and a Federal government not too centralized; he said centralization inevitably entailed bureaucracy and invasion

of personal liberty and the domain of local institutions. He stepped quietly down, however, for Herbert Hoover—of diametrically opposite views. A federation of 48 sovereign states, the United States changes presidents as easily as a city changes mayors; and the brave display of military force and pomp, at the inauguration of succeeding presidents, is a display of the people's power of defense and not of the personal power of him who, still president at the hour, is commander-in-chief of the American army and navy.

The highest in America defer to the rule of the people, else of course presidents could not be changed at all—one military ruler would succeed another. And when a president leaves the Whitehouse, he leaves all power; if he ever goes back there, he has to build it all up from the bottom again. He chooses to do so. Cleveland did. Roosevelt almost did. Coolidge might have had he lived. And Hoover may, since Cleveland who had lost all popularity was able to regain it. The point is, the whole appeal is to the franchise: though every president from Washington on might have effected a *coup d'etat* and thrown the country into the confusion of a

(Please turn to page 7)

## U. S. PRESIDENTS

Name	Birth	Term	Death
George Washington.....	Feb. 22, 1732	1789-1797	Dec. 14, 1799
John Adams.....	Oct. 30, 1735	1797-1801	July 4, 1826
Thomas Jefferson.....	April 13, 1743	1801-1809	July 4, 1826
James Madison.....	March 16, 1751	1809-1817	June 28, 1836
James Monroe.....	Feb. 28, 1758	1817-1825	July 4, 1831
John Q. Adams.....	July 11, 1767	1825-1829	Feb. 23, 1848
Andrew Jackson.....	March 15, 1767	1829-1837	June 8, 1845
Martin Van Buren.....	Dec. 5, 1782	1837-1841	July 24, 1862
W. H. Harrison.....	Feb. 9, 1773	1841.....	April 4, 1841
John Tyler.....	March 29, 1790	1841-1845	Jan. 17, 1862
James K. Polk.....	Nov. 2, 1795	1845-1849	June 15, 1849
Zachary Taylor.....	Nov. 24, 1784	1849-1850	July 9, 1850
Millard Fillmore.....	Jan. 7, 1800	1850-1853	March 8, 1874
Franklin Pierce.....	Nov. 23, 1804	1853-1857	Oct. 8, 1869
James Buchanan.....	April 28, 1791	1857-1861	June 1, 1868
Abraham Lincoln.....	Feb. 12, 1809	1861-1865	April 14, 1865
Andrew Johnson.....	Dec. 29, 1808	1865-1869	July 31, 1875
Ulysses S. Grant.....	April 27, 1822	1869-1877	July 23, 1885
Rutherford B. Hayes.....	Oct. 4, 1822	1877-1881	Jan. 17, 1893
James A. Garfield.....	Nov. 19, 1831	1881.....	Sept. 19, 1881
Chester A. Arthur.....	Oct. 5, 1830	1881-1885	Nov. 18, 1886
Grover Cleveland.....	March 18, 1837	1885-1889	
Benjamin Harrison.....	Aug. 20, 1833	1889-1893	March 13, 1901
William McKinley.....	Jan. 29, 1843	1893-1901	Sept. 14, 1901
Theodore Roosevelt.....	Oct. 27, 1858	1901-1909	Jan. 6, 1919
Wm. H. Taft.....	Sept. 8, 1857	1909-1913	March 8, 1930
Woodrow Wilson.....	Dec. 28, 1856	1913-1921	Feb. 3, 1924
Warren G. Harding.....	Nov. 2, 1865	1921-1923	Aug. 2, 1923
Calvin Coolidge.....	July 4, 1872	1923-1929	Jan. 5, 1933
Herbert Hoover.....	Aug. 10, 1874	1929-1933	still living

# To Double Philippine Consumption of Factory Sugar

*In this problem much depends on reaching the outlying villages with a product rivaling the locally made caramelo*

When Magellan landed in the Philippines the Chinese had taught an open-kettle process of sugar-making to the Filipinos that is still in common use throughout the islands. Boiling the cane juice in a shallow kettle resembling a large skillet, when it had sugared and while it was still hot, but tending to solidify, it was cut into flat segments. This is the *carmelo* made in practically all Philippine villages today. Something very similar to it, by descriptions extant, was among the luxuries of the islands offered Magellan's men and eagerly accepted by them because their bodies hungered for sugar. So extended is the history of the Philippine sugar industry. It is only during the past 20 years that modern *centrals* accommodated by their own railway systems, feeding into their crushers train from the plantations by the trainload, have raised production to more than a million tons of centrifugal sugar a year and confronted the industry with opposition to the marketing of so much sugar from the islands in the United States.

Sugar producers, the mills and planters, through the Philippine Sugar Association, were the first entities representing a local farm industry to unite and employ scientific men to promote the industry. H. Atherton Lee, an agronomist, heads these experts. Lee has lately been studying the Philippine sugar market with the view to marketing more centrifugal sugar here. He finds consumption of centrifugal, or granulated, sugar here very low, no more than 75,000 metric tons a year.

Such a consumption of sugar signifies no more than 11 pounds per capita a year, comparing with 117 pounds in Denmark, 116 pounds in Australia, 108 pounds in the United States, 106 pounds in the United Kingdom. But to the consumption of centrifugal sugar must be added (by estimate only, accuracy being impossible to arrive at) something on account of *carmelo*; and perhaps this should be 3 times the known consumption of centrifugal sugar, bringing the annual sugar consumption in the islands to 44 pounds per capita. This is still a very low figure. Health and science authorities support Lee's contention that Filipinos eat too little sugar, to add much more sugar to their diet would be good for their health. Lee believes much more may be added, that demand may be created for at least 300,000 metric tons of centrifugal sugar in the islands a year.

The problem of how to do this is a knotty one. The people must be reached with propaganda about sugar, and then the sugar must be at hand in convenient form. Neither the village store or its cottages have means of keeping granulated sugar from moisture and ants. The store keeps a small stock of *carmelo* cakes, slices 3 inches long, the immediate day's stock in an herb jar such as druggists use. These are sold cake by cake; they are sent out for when a household is to enjoy the luxury of coffee, tea or chocolate. Granulated sugar, kept in the ordinary cottage, would soon syrup and an unfailling decoy for a myriad ants. Soft drinks are another practical way of marketing sugar in the villages, but don't suffice to meet the situation.

The sugar association will not be able to boost sales of centrifugal sugar in the Philippines until it solves the problem

of getting this sugar in small clean units into the hands of the cottagers making up the general population. Penny candies wrapped in paper probably account for the bulk of the 75,000 tons of centrifugal sugar yearly consumed in the islands now. Could a cheap and serviceable shaker be made: an automatic vent keeping out the humid air when closed, the shaker proper impervious to the water in which it would have to stand to keep ants away from it? Who will come forward with a practical idea for a sugar-container for the Philippine cottage? The *carmelo*, you know, may be wrapped in old newspaper and hung from a kitchen rafter; so rats and mice won't gnaw it nor ants usually reach it. A paper bag, for the granulated sugar, would not equal the convenience and economy of this.

*Carmelo* cakes, though melting instantly in water, seem to resist moisture in the air— are far less deliquescent than granulated sugar.

"Distribution of sugar," says Lee, "must be provided to make sugar available at prices within the reach of the laboring man and his family. Such requirements necessitate study of the manufacture of sugar products and distribution of such products throughout the islands. . . . It must be apparent that a great deal of fundamental study is necessary before embarking upon any campaign of advertising."

How to advertise is also a problem the sugar association is now considering. It is a problem worthy everyone's attention, since doubling or trebling domestic consumption of factory sugar would be a substantial boon to general business.

It would seem that the first step in this propaganda would be to get the sugar into satisfactory form, or forms, for village use. The supply should be ready for the demand, and should recommend itself by its convenience and attractiveness. The second step should be the poster, through which in a hundred ways effective appeals could be made to children. If cooperation of the schools were obtained, the third step would be lessons to the children on the food value of sugar. There is no doubt that Filipinos eat too little sugar, a source of both physical and mental energy. There is also no doubt they will eat no more sugar than they now do until they get it in more convenient and appetizing forms and the lessons of its value are impressed on them. There might be something worth while in studying the *carmelo* with the purpose of duplicating its cheapness and convenience and surpassing its excellence. It is a sugar cake. Sugar cakes pressed more firmly, more compact for handling, wrapped individually in colored paper, might supplant it. On the other hand, they might have to be puffed out with air, to give the advantage of bulkiness over the *carmelo*.

Whatever the product may be, with which the sugar association finally attacks the village markets, it must, to succeed, be something with an instant appeal to the Chinese storekeeper. This will be something pleasing the storekeeper's customers, especially the children always loitering at his counter. This storekeeper dispenses drinking water, with *carmelo* cakes, cookies and what not. Try for something to rival or substitute these and you are a long way on the solution of your sugar-marketing problem.

To give the Philippine people sugar in better forms than they have used in the past is a worthy objective. Thus some of the mills in the sugar association are packaging granulated sugar in kilo units and attractive cartons tending to keep it dry until it is all consumed. If sugar can be substituted for other foods in the Philippine diet that are less nutritious, that will benefit both the industry and the country; and if more sugar is added to the people's diet and something added for the cost of it to household budgets, this new appetite will be an incentive for men to produce more, work harder and support their families on a higher standard of living. The trick will be for the mills to avoid pricing their sugar too high and get it to the consumer at little more than the export value plus costs of preparation and distribution. A Mr. Lee's viewpoint, "prices within the reach of the laboring man," is a good one—the right one.



Free Press Photo

H. ATHERTON LEE



# American Shipping During 1932

By R. STANLEY DOLLAR

President, Dollar Steamship Lines, United States Lines and American Mail Line

That confidence and optimism have returned, not only to shipowners but to all other business and trade activities, is the big factor to be considered in the United States today. Out of the depths of depression the mid-year brought a shadowy, almost imperceptible change for the better. So accustomed to economic hardships, business men of the nation hardly could credit the fact that the upturn had started. Then from all sides seemed to come the glad opinion, "things are getting better". This rose to a cry which swept from Atlantic to Pacific. Then confidence and optimism took command and what at first was but a flimsy improvement was nursed into strength, until today the United States is going ahead with a firm, steady stride which eventually will lead to the goal of "good times".

In my opinion this trend toward betterment is not temporary nor is it a mere spurt in business which will dwindle after a certain period. Each day brings new lines of commercial activity which join in the opinion that the backbone of the Depression has been broken and that normal times are returning. Reemployment is on the way and that is of major importance. We never will be back to true prosperity until our unemployed ones are busy. Every effort is being made by employers to bring about this happy condition.

That prosperity is immediate, or as so often described as being "just around the corner" is over-optimistic. But, with the confidence which has been reborn in our people by this trend toward good times I feel there can be no failure in the battle of business against an economic depression, such as the United States never knew before in its history. Depression is the hideous toll of bankruptcy and privation; death too being credited to it. The days since the autumn of 1929 are not pleasant to contemplate. But it seems the inroads of this enemy of progress have been checked. Our people are prone to forget the past and face the future with a smiling confidence which can bring them nothing but success. Confidence is an invaluable ally.

The shipping is looking better and better is an opinion I have reiterated frequently in the past few months. Volume is increasing gradually and I believe will continue to pick up steadily. Shipowners and operators can afford to take cheer in the trend of the last few

months. It is a certainty that we could not have reached a much lower level than observed some six months back. This country's history is that we never stay on one level long; we move either up or down. We had about reached our limit of descent, so upward was our natural course. The minute a revival is noted in any form of business, the transportation industry feels the effect almost immediately. Some where some form of transportation benefits. Thus shipping and other forms of transportation are good to watch as a weather-vane.

There can be no question but that sentiment among the shipping fraternity in this country is much better. However, shipping men are not unmindful of the fact that there is still much surplus tonnage in the Trans-Atlantic trades, with new Italian lines, the English and French liners and other ships planning to go into commission soon.

The volume of merchant shipbuilding throughout the world for the first time in fifty years has fallen below the 1,000,000 ton mark, as was recently revealed by Lloyds Register of Shipping. Decreases were reported in the quarter between June and September by all nations except Japan, which showed a slight increase. In the case of the United States this comparatively slight decrease may be described in completion of vessels in our government's ambitious merchant shipbuilding program, which was made possible under the provisions of the Jones-White Act. Notable in the 1932 list of completed ships which were built under the beneficent scope of this Act, an aid which did more for American shipbuilding than anything in the history of the industry, appear the United States Lines *Manhattan*, the largest ship ever built in our country; the *Monterey* of the Matson Line, with their "Lurline" rapidly reaching readiness; the Grace Line's *Santa Rosa*, with three sister ships crowding close behind her, and the *Chiriqui*, *Antigua*, *Veragua* and *Quirigua* of the United Fruit Company.

That the volume of shipping has fallen to a low not recorded in fifty years may be explained in part by the fact that ships planned before the slump of three years ago have reached completion. In the hitherto depressed state of the world no new ships were contemplated and building naturally was slowed down. It is to

be hoped that the trend toward good times will rehabilitate commerce to such an extent that continued shipbuilding at the former rate will be demanded.

When the turn for the better came around the middle of this year, shipping seemed to feel its effect almost immediately. Several big spurts in the Eastbound intercoastal trade (North Pacific to North Atlantic) and also to the United Kingdom were noted, but as is usual with such sensational advances they soon declined. However by now there has been a good pickup in many routes, notably the Oriental, Hawaiian, Australian and Westbound Inter-coastal, all showing steady gains which are holding. Every service in which the Dollar Line is engaged has shown slight accumulative gains in tonnage since mid-summer. Of our country's volume of laid-up tonnage, a bit of it has gone back into service since summer and more may be expected monthly.

Despite previously disturbed conditions it is noticeable that conference control has been restored to a great extent after a moderate breakdown in 1931. In many cases rates have been raised, but of course not to the levels prior to the dissolution of the conferences. However, bulk freights have been and still are moving at very unattractive rates.

Conservative management and cheaper operation are two lessons which came out of the difficult period of the depression. Coupled with the upturn which is now seemingly assured these two elements will be invaluable aids in bringing back shipping to the position it once held. Necessity of retrenchment taught shipowners, not only in the United States, but elsewhere, new ways to operate and still provide adequate and efficient service.

Closer co-operation of shipowners of all nations, in trade routes all over the world, is absolutely essential in order to hasten the return of prosperity to shipping. With this accomplished, equitable rates could be established and maintained, thus placing shipping on a firm basis.

In conclusion, I believe that the present rate of gain shown in America shipping is indicative of a material upward trend in business of the world, for the improvement in this industry in one country cannot fail to react favorably throughout the world.

## Just How "Wearing"...

(Continued from page 5)

sudden rebellion, not one has harbored the temptation.

It was not easy for John Adams to see Jefferson sweep his Federalists out of Washington, nor for John Q. Adams to see the West marching into power with the rough-hewn Jackson, nor for Johnson to see the majorities in congress, over his repeated veto yielded to save the constitution, ride roughshod over the defeated South. But Johnson would use no power beyond the little congress had left him, and the use he could make of the courts in defense of the constitution, to avert the wrath and vengeance of congress. He lived to adorn the senate that tried the impeachment charges brought against him by the lower house. He lived to have his oldtime enemies for friends. Not least among the presidential upholders of the constitution will stand Calvin Coolidge, when the biographer delves the record. In the Philippines he will be remembered for unswerving, though unobtrusive, opposition even to tolerating the thought that the islands should be separated from the United States.

## Compromise Independence Bill

### Full Official Text

Complete  
in this  
Issue

Begins on  
Page 15



This Parke-Davis germicidal soap is a wise precaution against skin infections of all kinds.

# POTATO SOUFFLÉ

By PERCY A. HILL

The purser aiding him, the little man in the checked suit was poring over the passenger list of the *ss President Madison*, commenting half audibly on each name as he spelled it out. "Mr. and Mrs. Jones . . . no, *she's* traveling alone. Mrs. James Bernhart . . . no, I don't think *she's* married. Miss Ethel Cummings . . . well, possibly. Miss Lena Apfelbaum . . . no, *she's* not a foreigner. Miss Lulu Baker . . . there, I'll bet *that's* her! The name just suits her, sounds substantial."

His deductions seemed to have ended. He gave the purser a *Manila*, his private brand.

"Say," he angled, "do you know the name of the blonde who sits third from the end on the left of the first officer's table?"

"The fat girl?" The purser lit his smoke.

"No, I wouldn't call her fat, *she's* just plump."

"I guess we mean the same girl. I mean the whale of a blonde who wore the striped dress last night. You couldn't forget her."

"That's the one." The little man edged closer to the purser. "I'm like you, I just couldn't forget her."

The purser rubbed his chin. "She's a good-looker, all right," he ventured. "Wait a minute, I'll look her up," running down the passenger list. "Here she is, 'Miss Lulu Baker, Manila,' that must be the one."

"That's just the name I'd pick out for her from the list."

The little man beamed, pleased with his wisdom about women.

"Why are you so sure?" asked the purser.

"Well, it sounds the way she looks. She ought to have an L in her name, something like Lois, Louise, or Lulu." He paused, then confided: "My first wife's name was Gwendolyn."

"I've got your number," the purser said to himself as the little man beat a triumphant retreat. "You're a six-month widower and you're on the make again." He grinned to himself.

The little man, already out of earshot, stalked his quarry from the saloon to the promenade deck, and from the promenade deck to the saloon again, without once seeing her. He was on the prowl, and he was a man of purpose. At length, passing a row of deck chairs with their muffled occupants, he turned to watch a school of flying fish. A false step tangled his feet in a trailing rug, and he fell prone on the sleepers—aided by the slight roll of the ship. In frantic struggle to right himself he rolled between two of the chairs, head down and feet upmost.

"Goodness! what's this?" came shrilly from a voice on the left. And a throaty contralto chuckled from his jailer on the right. "A man stumbled, I guess. Here are his feet, his head must be under your chair."

"Gracious!" said the shrill one, jumping up hastily.

A soft and plump white hand clutched the prisoner and helped him to his feet. Red and speechless, the little man stood before the object of his search; embarrassed no end, at any rate he had found her. His position for the moment was that of no hero. The longer she looked at him, the harder the plump contralto laughed: deep, mellow-chested chuckles that shook her fat ripplingly. He had ample opportunity to notice her blue eyes, golden hair and fair complexion, and chin— or rather her chin— before she could control herself.

"I'm sorry to be so rude," she managed to say, at last, "but I'm not used to being roused up in just this way."

"It's me who must apologize," said the little man. "My foot must have caught in your steamer rug."

"Did you hurt yourself?"

"No; just got shook up a bit."

The other lady, having received his apologies in acid silence, retired to her stateroom. The little man looked significantly at her chair. "Do sit down," said the blonde one. "And, if you don't mind my telling you, your tie seems to have got turned round."

He put his tie to rights. "There, is that better, Miss Baker?"

Her round eyes became still rounder. "How did you know my name?"

"A little bird told me."

"Must have been a sea-gull; a gossiping bird, too. If you meet it again, tell it to come around and tell me your name."

"I'll save it the trouble," said the little man, intoxicated by her repartee. "My name is Parker, Charles Parker, of Manila."

"So? A friend of mine married a man by name of Parker who lived in Manila, but I heard he didn't amount to much. Poor Gwendolyn! I heard she died some time ago."

Parker flushed crimson. "Well, I don't know," he said. "She married me."

It was the blonde's turn for blushing. "Oh!" she gasped. "Maybe I mixed her up with someone else."

"No, I guess not," said Parker, humbly. "I never did amount to much after I got out of the army. Business was rotten, you know. Gwendolyn had slim pickings until a relative of mine kindly died and left me some money. Then business picked up, too."

One morning she sought him out in the saloon, beckoned him mysteriously and dramatically placed a photograph in his hands. It was, he commented, the picture of a mighty pretty girl—reminded him of someone he knew.

"Is it your sister?"

She slumped into a chair. "It's funny—and yet it's dreadful. That's me as I looked three years ago. I've grown so fat nobody knows me anymore. When that picture was taken I weighed only a hundred and forty pounds, and now two hundred and fourteen. It's simply awful—it's a tragedy!"

Parker swallowed hard, thought even harder. He had never reached even a hundred and thirty pounds; that, no doubt, was because he had only lied when he said he relished potato soufflé.

"What—what started you upping?" he hazarded.

"I had been sick, and the doctors advised building up. And then . . . oh, I like candy and sweet things," she moaned.

"And potato soufflé."

"The worst part is, I'm going to Manila to be married, and George hates fat girls—hates 'em!"

Parker winced, not because George, whoever he was hated fat girls, but because he feared he might not hate this one enough. "Does he know you've gained?" he asked.

"No, this is the last picture I dared send him. When he went out to Manila, four years ago, he used to call me kiddie and little girl!" Her smile was large, but wan. But even in the midst of her trouble, she giggled at last. To Parker she was more desirable than ever.

"Well," he pronounced stiffly. "If George likes skinny girls, he can have 'em. For me, I like 'em plump."

She continued her confession: "He sent me heaps of embroidered things from Manila, all meant for a thirty-six model. Why, this I have on," in bewitching confidence, "is made up from two dress patterns besides what I had to fill in with stuff to match them."

"Never mind, never mind. The sweetest things grow large, sometimes I think: sugar-cane and . . . lots of things."

By the time the *ss President Madison* was midway across the Pacific, Parker was Miss Baker's avowed suitor—with the joyous approval of everyone from the captain down to the deck steward. They enjoyed the law of contrast on a steamship. Still no word had been said denoting anything beyond a cosy and understanding friendship between the pair. But they were dancing, one evening, and he asked the orchestra leader if he couldn't play *O You Beautiful Doll*.

"Sure! But how about *My Great Big Blue-Eyed Baby*? It's nearly the same." And the orchestra favored with that.

"My gracious!" she said, as they sat panting in their steamer chairs after their waltz. "Are you good at arithmetic? If a fat girl gains two pounds a week on a sea-voyage, how much will she gain in a month ashore? But don't work it out, it would scare me!"

"It wouldn't make you any different than you are, to me."

"To you, perhaps, no. But I'm not worrying about you, but about George. He hates fat girls."

"Let him go, then. I love fat girls, myself; a certain one, at any rate."

"How can I let him go? how can I? He and my aunt Mable will meet me at the pier. We are to be married at once. They will possess me as I walk down the gangplank. I can't get away without jumping overboard."

"Well," said Parker, with desperate gallantry. "You refuse me. There's nothing left then but for you to reduce to suit George."

She rewarded him with a brilliant smile. "How shall I begin?"

"I'll prescribe for you. Diet—two meals a day, only of toast, weak tea, vegetables, and no sweets nor potato soufflé. And no siestas or naps, sleep only six hours a night. Exercise, twelve turns around the deck between meals."

She heroically tried it, her suffering comparing with that of the early

Christian martyrs. With tears she eschewed the luscious menus, and kept strictly to the abstemious regimen Parker had indicated. But while the spirit might be strong, Parker suspected the flesh was weak.

"Why don't you quit torturing yourself and marry me?" he urged her.

"I don't care how fat you are. I love every pound of you, every kilo even—every ounce. I tell you, I love fat girls!" Smiling but persistent, she put him off and kept to her diet, losing an ounce or two more. It was a magnificent but an utterly hopeless struggle. One evening, as they sat together on deck and listened to the pulsing engines, he thought he heard a repressed sob from her. It had been days since they had begun calling each other Lulu and Charlie. He looked, her shoulders betrayed her; she was crying.

"Poor kid," putting an arm around her and patting a heaving shoulder.

"Tell Charlie all about it. What's the matter? Are you crying for fear George won't want you? Out with it, now!"

She nodded negation: "For fear he will want me, for fear he will!"

It took a moment for Charlie to get this. Then, when he did:

"Don't you care for him anymore?"

"No! I like you a million times more!"

For a period they were too engrossed for conversation. At last he whispered: "Then you'll marry me in Manila, instead of George."

"Oh, my gracious, no! Why, he'd kill you, Charlie! You have no idea how jealous he is!"

Parker straightened his spare shoulders. He remembered they had once carried a gun and knapsack.

"I'll inform him right away, by wireless—explain all and ask him to be my best man. It's about time for one of us to get what they want, ain't it?"

"No, no!" she wailed. "He might kill you, I say! I'm a giant, over six feet—a policeman, too."

"Ha, ha," roared Parker. "It was once a policeman, myself—in the days when they needed brains instead of brawn." Then another mood came over him; shaking his head dolefully, he faced her with her indecision. "First you were afraid he wouldn't want you, and now you're afraid he will."

They were both simple folk, with no leanings toward the psychopathic.

The ship sailed up the wide bay of Manila one sunny morning, took quarantine and tied up at the pier. Lulu, no leamer but as plumply fascinating as ever, came to Parker as he stood at the rail.

"I'll inform you on the forward deck," Charlie. "Stay aboard till I come. Don't fail me," she begged hurriedly. Then she went below. He assumed she wanted him to lead her to George, and he waited with impatience after taking leave of his other acquaintances of the voyage. However, he kept an alert eye for his Princess Plump. He was still in the game, he told himself, and his idea was fixed. The other passengers scrambled down the gangplank, but he waited faithfully and scanned the crowd below in an effort to pick out Big George and Aunt Mable.

He finally located who must be them, a big glum man with a florid middle-aged woman at his elbow. And at this moment a large lady in widow's weeds stood beside him, Lulu's voice issuing from beneath the veil.

"Charlie, guess who?"

"My goodness, Lulu! where did you get that rig, and what's the answer?"

"From the stewardess. Would you know me?"

"I should say not!"

"Then, I guess, George won't, either," she giggled as they made their way to the gangplank. "There they are, Charlie—let's pass right by them," for the waiters on the pier had come aboard on a searching trip. They brushed past, hearing George below: "She's somewhere aboard yet—she must be. Let's ask the purser."

"There's one thing," said Charlie, when they were safe in a taxi at last, "there's one thing we must do right away—get married, and explain afterwards!"

"Gee, Charlie," she said. "If George knew, I guess he'd make me a real widow in five minutes. Well, I'd be Mrs. Parker, anyway," she sparkled.

Two hours after the ceremony had been performed, with hastily drafted ship's officers as witnesses, when Lulu was still beaming at her husband, they crashed into a bulky preoccupied man on the Escolta, where they were on a happy shopping tour for their new home. The usual recoil and apologies followed. Lulu giggled inordinately and the big man's face turned sickly.

"Why, Lulu! where have you been? We went to the boat and missed you!"

"How do you do, George," said the beaming Lulu; and George, dumfounded, looked her blankly up and down.

"Say, you've certainly changed a lot since I left you in the States," he managed to stammer.

Parker sensed that George was even less prepared to meet Lulu than she was to meet him. What was wrong George soon blurted out.

"The fact is, Lulu," he said shamefacedly, "I might as well get it off my chest now—I'm a cad and all that—but my feelings changed in the last year and a half. I married your aunt Mable and—"

"Aunt Mable!" Lulu echoed, incredulously.

George held his ground and blundered on: "Yes, Lulu. She's a remarkable woman, and only six years older than me. She has great business ability and... I'm sorry I disappointed you and never wrote you anything about it, but Mable said we'd better let you come for a visit. I... well, I think we can show you a good time, too—if you can just forget—"

Lulu appeared to remember for the first time. "Just a minute, George," she said. "So rude of me, really. You must both forgive. Let me present my husband, Mr. Parker. I haven't had him very long, but I'm proud of him. And he loves fat girls." The two males shook hands in a daze, while the blonde beamed over them impartially. "You phone Aunt Mable, George," she chortled on, "and we'll all lunch together. And Charlie, dear, take us somewhere where they have potato soufflé. Really, I'm famished!"

"Betcher life!" said Charlie.

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### LOOKING FORWARD

The undersigned can not escape the conviction, and therefore can not refrain from expressing it, that the trade relations of the Philippines with the United States are the most pressing mutual problem between congress and the Philippine legislature. More, they are the most pressing problem pending between the American people and these islands. The means of solving them should be set up without delay. While they remain unsolved and nothing is done toward their solution, they will remain entangled with the question of the political future of the islands. We contend that they should be set apart for independent discussion. How far the Philippines could then make their rights hold would depend upon the market in the islands they offered American manufactures in exchange for the free-entry American market for their products.

That might be quite far. No one can tell. The question at issue, sugar, cordage and coconut oil quantities, have not been technically examined either here or in Washington. Experts should be set to examining them, to the end that congress and the Philippine legislature have full light on them. Brief laws, independent of political laws, could put the findings into effect. Faith should prevail from the out-

set that congress will do the islands no injustice.

Economic and social considerations should bring the Philippines around to this view of their export commerce to the United States. It will be most regrettable if they fail to do so. They surely would do so, and that quickly, were it not for the fact that opinion that finds expression here is still predominantly that opinion only that is expressed by the man of landed wealth who is a dilettante in the professions, politics included, who is kept by share rents and is usually as indifferent as he is uninformed as to where, beyond the merchant to whom he sells, his products go. It is true that of late he is receiving some enlightenment about this, true that at last he is receptive to this enlightenment: the hour of his response may be at hand.

Our climate, soil and varied rainfall make diversified industries possible; none should grow out of balance with the others. The regulatory power of congress is not arbitrarily against the islands' welfare, it is beneficial to them. Industries must have assurance as to the future. But the accords, to be technically based, not partisanly, should not confound cordage and oil with sugar. Oil particularly has a case apart. It is complained of by the dairy interests in America, yet the value of American dairy products sold here exceeds the value of Philippine coconut oil sold in America. This simple fact shows the give-and-take view that might be impressed upon congress if these trade questions were separately taken up, aside from politics and with the admission that congress has control of them.

Disaster, sudden and swift, may be the price of delay.

Enjoying American sovereignty with constantly extending autonomy, the Philippines have the basic right of petition to congress. This right should be enough to settle the trade questions. The islands' argument is, of course, the market they provide American manufactures. The recent tariff

legislation was frankly designed to benefit this trade. Petition, then, that time be given for it to have effect. Petition too for the technical men, whose findings might lead to widening the Philippine market for American goods. This market might be extended, by our banks and exporters who may be interested, more widely through the orient—Manila the base of distribution.

What is meant is, local capital concerned in marketing Philippine products in America might equally concern itself with marketing American goods here and throughout nearby countries—to the end that its free-entry quotas be as high as possible and the trade between America and the islands be fairly balanced.

### SUBSIDIZE AVIATION

A local airtaxi company has bought its fourth plane, a six-passenger affair able to fly between Baguio and Manila in an hour. Commercial aviation is desirable here and deserves to be supported by mail subsidies. Discretion to do this lies with the executive department. Whenever a flight is to be made with paying passengers, the government ought to help the passengers, the company and the public by sending along the letter mail and paying liberally for its transportation—thus cutting down the cost of the passengers' tickets and giving the company a chance to popularize its service and eventually succeed.—W. R.

### CONSOLATION

Dear brother, when you've paid and paid  
From all the store by you've laid

In taxes old and taxes new  
And nuisance taxes not a few

Think not of aerial stroke  
When all these evils leave you broke

But join that favored vaunted clan  
Of Teddy's—be a little man.

You'll then a homestead have at once  
And work as well, unless a dunce,

The laws, the personnel, the call  
Of government right at your call—

No need tomorrow's project plan  
When you've become a little man;

Seek not ambition's distant ken,  
On dole submit, with little men.

### TAYO-TAYO\*

Reorganizing's on full swing,  
With patronage to spread it;  
On cringing ears its mandates ring,  
All public servants dread it.

The clerk for his beloved desk  
And salary is pining;  
The secure that held no risk,  
Its holder now is whining.

But there is one who shudders not  
Amid the demolition,  
Who powerful comrades got  
Will still keep his position.

For *tayo-tayo* doth alone  
And keep the best dog under.  
To give the favored cur the bone,  
Though heaven rend asunder!

\**Tayo-tayo* as applied to politics expresses in Tagalog what Americans mean by pull in the string sense. One way of obtaining it is to have the man over you and other officials of influence stand sponsors for your child when they are asked or when they marry: these men are then your *goasps*, or *compadres*.

# Consider the Advantages of the Annuity

*Long popular among the thrifty of Britain, the annuity is a form of insurance growing in popularity in the United States*

G. W. Fitch, an insurance man of Wisconsin, discusses the annuity in the December *Mercury* under the heading *One Way to Security in Old Age*. When you see that phrase, *old age*, why is it so acrid in the mouth? It is because no one has ever found quite what to do with it, and because the hazards of earlier life usually deprive the aged of much choice in the matter. Usually? Even so. The Fitch piece begins with those somber data of every hundred Americans reaching sixty: one

is wealthy, two in comfortable circumstances, fifteen have estates of \$2,000 to \$15,000, eighty-two have no estates at all, are destitute.

Here is the sad tale of P10,000 of hard-earned savings in Manila. More than ten years ago the first P5,000 was put into a residential lot in one of the suburbs with apparently good prospects. Possibly the lot could be sold today for P1,000, but it is not worth that much as bank collateral. The next P5,000 was risked, upon what seemed excellent

advice, in securities that promised to keep earning despite the depression and are now reckoned a total loss; of course they do, but they lose, too—no one can invest savings as securely as a life insurance company can invest them for him. That is why, during the depression, the insurance companies have gone prosperously ahead.

Now listen to Mr. Fitch a moment, about annuities:

Two sisters, school-teachers, who had saved enough to buy the home in which they lived but who had made no other saving for old age, each bought, at forty, an annuity of \$50 a month to start at sixty. The investment for each was a little less than \$250 a year. It was an amount within their means and gave them a combined income of \$100 a month at retirement. Had they set the age at sixty-five instead of sixty the cost would have been less than \$145 each.

A single man thirty-five years old wished to make one provision for his mother, aged sixty. At a cost of \$75 a year he bought a contract that would, in the event of his death, pay his mother more than \$215 a year. And if he outlived her it would pay him, beginning at sixty-five, a life income of \$22.50 a month.

A prosperous farmer of forty bought at \$125 a year an annuity of \$50 a month to start at sixty-five. It matured three years ago and he is now getting along very nicely, although the rent he receives at present from his farm is little more than enough to pay the taxes.

A dentist who put his earnings into an annuity during the days when his income was the largest will begin next year at sixty to receive \$200 a month for the rest of his life.

The superiority of annuity contracts to ordinary investments was never better illustrated than in an analysis of "Investment for a Widow" by Sherwin C. Badger, in a recent issue of *Barron's Financial Weekly*. In 1925 *Barron's* invited its readers to participate in a prize contest to determine the best way in which a widow with two children might invest an estate of \$100,000. The primary emphasis was upon income, but it was required that "every investment plan be so drawn as to minimize, as far as possible, the hazards of individual judgment." Seven years of business extremes would intervene since the contest, and Mr. Badger now reviews the winning lists in the light of present conditions. As a whole, he concludes that the lists have stood up very well, but adds:

None of the fourteen winning lists was the best solution for the widow—that is, to date. As a practical matter, she would have fared better if she had placed her \$100,000 in a savings bank and made up the deficiency in her income by withdrawing some principal each year. For there is no group of investments which would have protected her principal intact. United States government securities, and the highest grade rail and utility bonds, would have come nearest to so doing, but none of these would have provided sufficient income. (To have reached the needed income of \$5,000 by bonds alone) it would have been necessary to include some issues of doubtful merit.

This careful study of investment plans submitted to a leading financial magazine by over 1100 readers confirms the belief that the prevailing business methods in the United States do not promise assured financial security either to the widow, the retired business man, or the frugal wage earner. If security is to be had it must be sought elsewhere. In Mr. Badger's article no suggestion is made that annuities might offer the best solution of the widow's problem, but it will be worth while to compare an annuity contract with the plan which won first prize.

By this plan the widow's money was placed three-fifths in bonds and two-fifths in common stocks, with a resulting income of \$5,004. If we assume her to have been thirty-five years old an equivalent annuity would have brought her \$5,418, a gain in income of \$414. Objection might properly be made to this on the ground that it would leave the children without income in the event of the death of their mother; but there is an easy way around this difficulty. We can use the \$100,000 for the purchase of three annuities, one for the mother at a cost of \$50,000 and two for the children at a cost of \$25,000 each. Such an arrangement will provide \$2,724 annually for the mother, \$1,163 for the boy, and \$1,134 for the girl, if we assume the boy to be ten and the girl eight years old. The combined family income will now be \$5,021, which is less than the income for the mother alone but it is still \$17 more than the returns from the investment plan that won *Barron's* contest.

The first advantage of these three annuities over the stock and bond investment is the guarantee that the mother will receive slightly more than \$225 a month, and each of the children nearly \$100 a month, for the duration of their lives, regardless of changing financial conditions. Also, their incomes will be net, as there is no expense connected with their payment. They are not even subject to income tax until the total family income at the original investment, which will not happen in less than twenty years.

If the comparison is now brought down to the present, the annuity income will still be intact at the original amount of \$5,021 a year. The investment plan does not fare nearly so well. The market value of the securities has decreased to \$62,000 and the dividends on the common stocks have ceased. Though interest on the bonds continues, the widow's income is now but \$3,741 a year, a decrease of \$1,263, and there is no immediate prospect of the resumption of her stock dividends. The desired stability of income and the necessary \$5,000 have been achieved only by the annuity. Mr. Badger's suggestion that the best plan might have been to put all the money in a savings bank and increase the income by using a portion of the

principal each year is virtually an annuity proposition, but with the very great disadvantage that when the principal was finally exhausted there would be nothing further for either widow or children, while an annuity would leave each one with a fixed income for life.

Life insurance companies are not subject to runs. When money is placed with one of them, the intention is to leave it there, and the members surrender their policies for their cash values only with the greatest reluctance. Money deposited in a bank is put there in order to have it ready for immediate use, and it is drawn out as soon as needed. Heavy and persistent withdrawals can destroy in a few days the most solvent bank in the world. The position of a life company is very different. Money can be withdrawn only after certain formalities, the members are never scattered, and most of them are far from the home office.

The income of a life insurance company is thus more steady than that of any other financial institution. This is due in a large measure to the persistence of the income from policy premiums. The average policy is for only \$3,000, and in consequence millions of small premium payments flow into the company treasuries from cities, villages and farms all over the land. They come in a steady stream regardless of prosperity or depression and in their total volume furnish a vast income of great stability. Similarly, the companies' loan investments, widely diversified and bearing moderate interest with ample security, have stood up satisfactorily despite the Depression.

During the past two years life insurance has been assailed by almost every possible peril, yet during 1931 the combined incomes of the American companies exceeded their disbursements by more than \$1,396,000,000 and new business was written of over \$14,000,000,000. The total assets of all the companies are in excess of twenty billion dollars. No human institution is infallible, but the position of the leading life companies is so impregnable that nothing would seem able to threaten them save only a universal catastrophe that would endanger the very government itself.

The safety of a life annuity is thus nearly absolute. It offers the easiest way to obtain old age security. It lasts until death without diminution. It protects the rich from the perils of their own recklessness and the poor from the perils of their poverty. Thousands are in want today who once had plenty. Other thousands are in want who never had property. All of this would find old age fuller and happier if they had purchased annuities, according to their means, in the days when earnings were best and want had not yet begun to threaten them.

# Sun Life Assurance Company of Canada

THE SUN LIFE ASSURANCE COMPANY OF CANADA HAS BEEN WRITING ANNUITIES FOR MORE THAN FIFTY YEARS. IT IS GENERALLY REGARDED AS THE WORLD'S LEADING ANNUITY COMPANY. IN 1931, EXCLUDING EXCESS INTEREST PAYMENTS AND CONSIDERATIONS FOR SURRENDERED CONTRACTS, THE SUN LIFE MAILED TO THEIR ANNUITANTS CHEQUES TOTALLING \$7,717,500.

## Annuities and the Depression

The severe business depression of the past three years has affected people in every walk of life. Among the countless people whose estates and incomes have been lost or suffered great diminution, none present a more pathetic spectacle than those whose advanced years deny them the chance of rebuilding their lost fortunes.

Every worthy citizen tries to build up a sufficient estate in his working years to outlast his life. Thousands who, as they believed, had reached this happy position three or four years ago, find themselves at least partially dependent today, the sorry remnants of their fortunes left as a reminder of an ambition consistently pursued, actually realized, and then destroyed.

Practically all forms of property have revealed themselves as vulnerable under pressure. Bonds have depreciated in value; many have defaulted. Real estate values have fallen; revenue from rents has seriously declined. Mortgages find no ready market; there have been heavy defaults in interest payments. Stocks and shares have suffered drastic declines in sales values and, on the average, a heavy reduction in yield. It is of securities of these classes that the average estate is composed. A corporation investor can wait for recovery; an individual investor can not. Depleted revenue from investments, when revenue from investments is the only source of income, presently compels a call upon capital; and when capital has to be realized in an acutely depressed market, the end is in sight.

Many people who had sufficient capital three years ago to secure their comfort for life, are penniless now. They did not know, or were not attracted by, the means by which they could secure an income which, so long as they lived, would not diminish. An annuity contract would have removed them from the reach of the trade depression which has destroyed their source of income. *Annuity-tants who took out contracts years ago are still receiving their cheque monthly, or quarterly, or half-yearly, or annually; the only way the depression has affected them is to give their cheques greater purchasing power.*

(Private and Confidential)

Sun Life Assurance Company of Canada  
Manila

I would like further information in connection with life annuities.

Name..... Date of Birth.....

Address.....

Plan of Annuity desired:.....

# How Heavy Is Our Cross of Gold?

*You can not make more money,  
When legislatures try it  
They find that what they really make  
Is just a grist of fat.*

Congress struggles this winter not only with means to get rid of the Philippines, but with that old contention between cheap-money and dear-money advocates: whom may the gods confuse, for to our dull mind all their talk is riddles. However, when men of scientific bent discuss money, we begin believing we might understand a little about it if preached to long enough. Here is something from *Collier's*, by John T. Flynn, discussing Irving Fisher's (Yale, economist) plan to stabilize the dollar.—Ed.

## PLENTY OF GOLD

"Down in Washington we hear that the country ought to go off the gold standard because there is not enough gold in the country for our purposes. For the benefit of those who think this may be so, here are the facts: "We were prosperous from 1927 to 1929. Yet we have more gold now than we had then. We had more gold in our reserves in August, 1921, than we have ever had in our history—almost five billion dollars' worth. We have lost more than we have plenty left.

"But, of course, we do not use gold as money. It is kept, save for some gold coin, locked in the vaults of our Assay Office and in the Federal Reserve banks. For currency we use paper money—gold certificates, Federal Reserve notes, National Bank notes, silver certificates, silver dollars and our own favorite small change. But we have more of all this now than we had at the height of our boom. Our circulating money reached its highest point in 1920-1921. That was in our last major depression. It has never been so high since, until now.

"Perhaps it's difficult for the average man to believe this. If you are the average man your share of our currency—if it were all divided up—would be \$45. If it had been divided up back in 1929 your share would have been only \$38.60. Even after you make a good allowance for hoarding, there are still enough funds in actual use to assure you as much as back in 1929.

"That doesn't seem like very much money for each of us. And since there is only that much, it is evident that we must do our business with something else. We must be using something else for money besides currency. And that is precisely the point. We do use something else. We use bank deposits—bank credit. Back in 1929, for every dollar of currency there was \$11.60 in bank deposits. In New York City last year the average value of checks passing through the banks in a day was a little less than a billion dollars. But at the end of each day, when all the checks found their way to the clearing house, so that the balances of the banks could be struck, the average amount of cash required to settle those balances was about \$125,000,000. In other words, about 87½ per cent of the business was done with bank money and about 12½ per cent with currency. All these figures are subject to some modifications. But they give roughly a picture of the manner in which we do business—not with metallic and paper money but with bank money.

## WE NEED BANK MONEY

"And it is precisely at this point that the trouble is to be found. We are short of money, but the money we are short of is the very money which we use so much—bank money and not currency or gold. What we must find some way of doing is to expand our bank money, our bank credit. The facts here are quite clear. At the height of our ill-fated boom in 1929 we had fifty-five billion dollars of deposits in our banks. Since that time we have lost twelve billion dollars of deposits. In other words, twelve billion dollars of bank money has simply vanished. This is an appalling sum.

## PHILIPPINE CIRCULATION

*On December 3 money circulating in the Philippines totalled \$716,408,-144. On December 10, a week later, it totalled \$715,835,507: coins \$17,935,-751; treasury certificates \$61,418,608; banknotes \$76,483,148. (In the treasury, available for circulation, there was \$28,301,657 on December 3 and \$27,-815,596 on December 10.)*

*The figures are from the weekly financial review of Insular Auditor Creed C. Hammond.*

It is nearly three times as much as all the currency we used in 1929. What has become of it? Why did it vanish? And where has it gone? And how can we get it back?

"First of all, what became of our bank money—our bank deposits? Suppose you put \$5,000 in your bank and leave it there. The bank is now in a position to make a loan with part of that money. Along comes Mr. X and borrows \$3,000 from your bank. He borrows \$3,000 out of the fund you deposited. But he does not take it out of the bank. It is credited to his account. He now has \$3,000 deposited to his account. There is now \$8,000 in deposits—your \$5,000 and his \$3,000—all based on your \$5,000 deposit of cash. By making the loan the bank actually created \$3,000 of additional deposits—additional bank credit or bank money. Now by calling the loan the bank can wipe out that \$3,000 of deposits. That is plain. And that is what has been happening. Banks have been calling loans by the thousands every month for these several years. By doing that they have been wiping out deposits. As a result of that our bank deposits are down twelve billion dollars. Our currency, our gold, is not reduced. We have ample gold and currency for all our needs. What we have not got is enough bank money. What we need to do, therefore, is not to inflate the currency, but to inflate or, better, to expand our bank credits, our bank money.

Now how can we do that? It is perfectly clear that the only way is to induce men with good credit to borrow money, and to induce banks to lend it to them. But how can we do that?

"In a way the issue has gotten mixed up with another money proposal which has the approval of many of our leading economists throughout the world. It is the proposal for stabilizing money. The pioneer in this movement is Professor Irving Fisher of Yale University. Fisher, one of the leading economists of the world and certainly one of the most eminent authorities on money, has for years been on an agitation against what he calls our "money illusion," the instability of the dollar. We are destined to hear a good deal about this, and readers may just as well know what it is about.

"Fisher has converted such men as Owen D. Young, Pierre S. Du Pont, Otto H. Kahn, Silas Bstraw, Alfred P. Sloan, Jr., Nicholas Murray Butler, Elihu Root, Frank O. Lowden, Bernard Baruch, Paul Warburg, Frederic

Delano, Charles G. Dawes and John W. Davis. His theory is endorsed by such eminent economists, who are also authorities on money, as Professor Edwin W. Kemmerer, Sir Josiah Stamp, Professor John Maynard Keynes of England and Gustav Cassel of Sweden.

"Fisher's plan is to stabilize the dollar. The inflationists adopt this and add to it the proposal to stabilize the dollars at the higher prices of 1926, 1927 or 1929.

"Here is Fisher's theory: You get \$60 at the end of the week as your salary. You get paper money for convenience, but this really represents gold dollars. You don't care about sixty gold dollars. You do care about how much they will buy. What you have really worked for is sixty dollars' worth of meat and potatoes and coffee and sugar and movie tickets and housing and coats and pants and so on. You earn so many units of these things and if you spend your salary immediately, before prices change, you will get that many units for your money.

"However, there are several things that will affect you. First of all, you don't spend your whole salary. You put some away in the savings bank, you pay for insurance. Moreover, you frequently have occasion to borrow money. You buy an automobile and promise to pay for it in twelve months. Now if prices go down before you pay for your car, it means the dollar goes up in value. It means that when you pay for your car you will pay in dollars more valuable than those you borrowed. If prices go up, it means the dollar goes down; it will buy less. As a result, the money you put away in the savings bank will not be as valuable when you draw it out as when you put it in.

"It is more serious for the merchant. He orders goods—sugar, let us say, when it is selling for six cents a pound. Three weeks later when it is delivered and he tries to sell it, sugar has gone to four cents a pound. He has to sell it at the new price and he loses his profit. Sometimes he profits by a rise in price after he buys it, but in that case someone else loses. The whole thing makes for instability in business.

"Why should not the unit of value be fixed, like the unit of measure, of weight and of volume? The yard, the pound, the gallon are always the same. The dollar is supposed to be a unit of value, but it is fixed only as to its weight—25.8 grains of gold. The value of the gold in the dollar—that is, its purchasing power—is constantly changing. This change in the value of gold cannot express itself in the price of gold, because that is fixed by law. So it expresses itself in the prices of all other things. And, therefore, as the value of gold goes up and down, the prices of all other things go down and up.

"Fisher insists that one commodity is too unstable in value to form a basis of value. We make the mistake of measuring the value of all our commodities in terms of the value of one. If gold goes up, all commodities come down in price. If gold comes down, all commodities go up.

## STABILIZING THE PRICE OF GOLD

"Fisher declares that the best dollar would be one the value of which was measured by the value of a large number of commodities. For

instance, the Department of Labor has a list of over 700 commodities. It obtains the price at wholesale of these various commodities every week and strikes an average of them. It adopted the price of these commodities in 1926 as its base and called it 100. As the average price of all these commodities goes up or down the rise or fall is expressed in terms of that base figure of 100. Thus, if the prices go up 1 per cent, the price is called 101; if they go down 2 per cent, the price is called 98. Professor Fisher declares that this commodity index number, or one like it, should be used as the standard of value for our dollar. Then when you are paid your \$60 you know that \$60 will purchase so many units of those commodities, whether you spend them the day you earn them or five years later.

"Fisher does not propose to abandon the gold standard. Gold would be kept in bullion form in the Treasury and the government would redeem the dollar certificates in gold, but only in so much gold as the dollar might be worth at the time of redemption.

This is Fisher's famous "commodity dollar". And this theory has been mixed up in the plans of the inflationists. However, it is one thing to believe in a stable dollar which will always have the same purchasing power and it is another thing to believe in boosting the prices of everything by inflating the currency.

#### DEBTOR OR CREDITOR?

"There are a lot of things which are selling too low now. But there are a lot of things that are not. There are lots of manufacturers who could make immense profits at present prices if they could sell more. The inflationists, in order to boost the price of those things which need boosting, are willing to boost the price of everything. They want the price of wheat and corn and cotton to go up. But how do they know that the prices of other things will not go up higher than the prices of wheat and corn and cotton?

"We can certainly put prices up by inflating the currency. If there is any doubt about that

we have only to look at Germany and France during and after the war. They put prices up. They got them up so high that a loaf of bread cost \$2,000. That is one of the troubles with inflation. You can never check it. The Germans didn't want to push bread up to \$2,000 a loaf. They merely wanted to get it up a few pennings. But when you set a thing like this in motion it is almost impossible to stop it. You may stop it at some point, and then you have deflation. If you don't stop it deliberately, it will come to a stop itself in a collapse.

"Much is heard about the immense burden on the debtor class. The farmer thinks of himself as the debtor because he owes the mortgage on his farm. But he seems to forget that while he is trying to keep down the value of the dollars in the mortgage he owes and does not pay, he is also keeping down the value of the dollars he earns and actually spends.

"You get \$3,000 a year. But how much do you owe? You probably owe little or nothing outside of your current bills. You may owe a mortgage on your home, but you do not intend to pay that off at once. You probably renew it and pay the interest annually. On a \$3,000 mortgage the interest is \$180 a year at the most. Now if prices are forced up the dollar is forced down and you will get a little relief on the payment of that \$180 interest charge every year. But every one of those three thousand dollars in your salary has been reduced in purchasing power.

"The employed classes, we must not forget, are a greater creditor class. They have about \$11,500,000,000 in savings banks. Put up prices and lower the dollar and you cut just that much off these billions. They have 109 billions in life insurance. It makes a good deal of difference to them whether that insurance will be paid off in dollars with a high value or dollars with a low value.

"We have some very serious ills to be cured. But inflating the currency will not cure them. It will aggravate them. And when it does, the same forces which compelled inflation in the

first place will demand some more. It is a serious and dangerous experiment that is proposed."

### "CANADIAN PACIFIC" HOPEFUL

President E. W. Beatty of the Canadian Pacific Railway Company faces 1933 with this sentiment, circulated to the company's personnel throughout the world:

"The improvement in Canadian conditions anticipated at the end of 1931 has not taken place, though on more than one occasion during the present year the hopes of Canadians were raised by favourable indications that turned out to be only temporary in character. We have therefore been forced to additional curtailments in our operations and to add personal sacrifices. While not minimizing the seriousness of the general situation we may still retain our courage and our confidence in ourselves and in Canada.

"Problems which are particularly our own, because they relate to Canadian conditions, are receiving serious attention by our public men and leaders in finance, industry and agriculture and the world's best minds are grappling with the complicated economic and international problems which presently exist. The result of these efforts must even if slowly indicate itself during the coming months. I am satisfied that our Officers and Employees will not only meet these unusual conditions with their accustomed courage and ability but will make their own not inconsiderable contribution to the solution of our problems.

"We have the certain assurance that even moderate improvement in the general situation will reflect itself immediately throughout the Company's varied activities. I wish you all the best of health with which to meet the personal and official problems of 1933."

## The National City Bank of New York

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## Full Official Text of Compromise Independence Bill

**A BILL (S. 3377)** To enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, to provide for the independence of the same, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

### CONVENTION TO FRAME CONSTITUTION FOR PHILIPPINE ISLANDS

**SECTION 1.** The Philippine Legislature is hereby authorized to provide for the election of delegates to a constitutional convention, which shall meet in the hall of the house of representatives in the capital of the Philippine Islands, at such time as the Philippine Legislature may fix, within one year after the enactment of this act, to formulate and draft a consti-

tution for the government of the Commonwealth of the Philippine Islands, subject to the conditions and qualifications prescribed in this act, which shall exercise jurisdiction over all the territory ceded to the United States by the treaty of peace concluded between the United States and Spain on the 10th day of December, 1898, the boundaries of which are set forth in Article III of said treaty, together with those islands embraced in the treaty between Spain and the United States concluded at Washington on the 7th day of November, 1900. The Philippine Legislature shall provide for the necessary expense of such convention.

### CHARACTER OF CONSTITUTION—MANDATORY PROVISIONS

**SEC. 2.** The constitution formulated and drafted shall be republican in form, shall contain a bill of rights, either as a part thereof or in an ordinance appended thereto, contain provisions to the effect, that, pending the final and complete withdrawal of the sovereignty of the United States over the Philippine Islands—

(a) All citizens of the Philippine Islands shall owe allegiance to the United States.

(b) Every officer of the government of the Commonwealth of the Philippine Islands shall, before entering upon the discharge of his duties, take and subscribe an oath of office, declaring, among other things, that he recognizes and accepts the supreme authority of and will maintain true faith and allegiance to the United States.

(c) Absolute toleration of religious sentiment shall be secured and no inhuman or religious organization shall be molested in person or property on account of religious belief or mode of worship.

(d) Property owned by the United States, cemeteries, churches, and parsonages or convents appurtenant thereto, and all lands, buildings, and improvements used exclusively for religious, charitable, or educational purposes shall be exempt from taxation.

(e) Trade relations between the Philippine Islands and the United States shall be upon the basis prescribed in section 6.

(f) The public debt of the Philippine Islands and its subordinate branches shall not exceed limits now or hereafter fixed by the Congress of the United States; and no loans shall be contracted in foreign countries without the approval of the President of the United States.

(g) The debts, liabilities, and obligations of the present Philippine government, its Provinces, municipalities, and instrumentalities, valid and subsisting at the time of the adoption of the constitution, shall be assumed and paid by the new government.

(h) Provision shall be made for the establishment and maintenance of an adequate system of public schools, primarily conducted in the English language.

(i) Acts affecting currency, coinage, imports, exports, and immigration shall not become law until approved by the President of the United States.

(j) Foreign affairs shall be under the direct supervision and control of the United States.

(k) All acts passed by the legislature of the Commonwealth of the Philippine Islands shall be reported to the Congress of the United States.

(l) The Philippine Islands recognizes the right of the United States to expropriate property for public uses, to maintain military and other reservations and armed forces in the Philippines, and, upon order of the President, to call into the service of such armed forces all military forces organized by the Philippine government.

(m) The decisions of the courts of the Commonwealth of the Philippine Islands shall be subject to review by the Supreme Court of the United States as provided in paragraph (6) of section 7.

(n) The United States may by presidential proclamation exercise the right to intervene

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YOU MUST TAKE  
IRON!



—from Judge

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

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

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for the preservation of the government of the Commonwealth of the Philippine Islands and for the maintenance of the government as provided in the constitution thereof, and for the protection of life, property, and individual liberty and for the discharge of government obligations under and in accordance with the provisions of the constitution.

(o) The authority of the United States high commissioner to the government of the Commonwealth of the Philippine Islands, as provided in this act, shall be recognized.

(p) Citizens and corporations of the United States shall enjoy in the Commonwealth of the Philippine Islands all the civil rights of the citizens and corporations, respectively, thereof.

**SUBMISSION OF CONSTITUTION TO THE PRESIDENT OF THE UNITED STATES**

SEC. 3. Upon the drafting and approval of the constitution by the constitutional convention in the Philippine Islands, the constitution shall be submitted, within two years after the enactment of this act, to the President of the United States, who shall determine whether or not it conforms with the provisions of this act. If the President finds that the proposed constitution conforms substantially with the provisions of this act he shall so certify to the Governor General of the Philippine Islands, who shall so advise the constitutional convention. If the President finds that the constitution does not conform with the provisions of this act he shall so advise the Governor General of the Philippine Islands, stating wherein in his judgment the constitution does not so conform and submitting provisions which will in his judgment make the constitution so conform. The Governor General shall in turn submit such message to the constitutional convention for further action by them pursuant to the same procedure herebefore defined, until the President and the constitutional convention are in agreement.

**SUBMISSION OF CONSTITUTION TO FILIPINO PEOPLE**

SEC. 4. After the President of the United States has certified that the constitution conforms with the provisions of this act, it shall be submitted to the people of the Philippine Islands for their ratification or rejection at an election to be held within four months after the date of such certification, on a date to be fixed by the Philippine Legislature, at which election the qualified voters of the Philippine Islands shall have an opportunity to vote directly for or against the proposed constitution and ordinances

appended thereto. Such election shall be held in such manner as may be prescribed by the Philippine Legislature, to which the return of the election shall be made. The Philippine Legislature shall by law provide for the canvassing of the return and shall certify the result to the Governor General of the Philippine Islands, together with a statement of the votes cast, and a copy of said constitution and ordinances. If a majority of the votes cast shall be for the constitution, such vote shall be deemed an expression of the will of the people of the Philippine Islands in favor of Philippine independence, and the Governor General shall, within thirty days after receipt of the certification from the Philippine Legislature, issue a proclamation for the election of officers of the government of the Commonwealth of the Philippine Islands provided for in the constitution. The election shall take place not earlier than three months nor later than six months after the proclamation by the Governor General ordering such election. When the election of the officers provided for under the constitution has been held and the results determined, the Governor General of the Philippine Islands shall certify the results of the election to the President of the United States, who shall thereupon issue a proclamation announcing the results of the election, and upon the issuance of such proclamation by the President the existing Philippine government shall terminate and the new government shall enter upon its rights, privileges, powers, and duties, as provided under the constitution. The present government of the Philippine Islands shall provide for the orderly transfer of the function of government.

If a majority of the votes cast are against the constitution, the existing government of the Philippine Islands shall continue without regard to the provisions of this act.

**TRANSFER OF PROPERTY AND RIGHTS TO PHILIPPINE COMMONWEALTH**

SEC. 5. All the property and rights which may have been acquired in the Philippine Islands by the United States under the treaties mentioned in the first section of this act, except such land or other property as has heretofore been designated by the President of the United States for military and other reservations of the Government of the United States, and except such land or other property or rights or interests therein as may have been sold or otherwise disposed of in accordance with law, are hereby granted to the government of the Commonwealth of the Philippine Islands when constituted.

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RELATIONS WITH THE UNITED STATES  
PENDING COMPLETE INDEPENDENCE

Sec. 6. After the date of the inauguration of the government of the Commonwealth of the Philippine Islands trade relations between the United States and the Philippine Islands shall be as now provided by law, subject to the following exceptions:

(a) There shall be levied, collected, and paid on all refined sugars in excess of 50,000 long tons, and on unrefined sugars in excess of 800,000 long tons, coming into the United States from the Philippine Islands in any calendar year, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries.

(b) There shall be levied, collected, and paid on all coconut oil coming into the United States from the Philippine Islands in any calendar year in excess of 200,000 long tons, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries.

(c) There shall be levied, collected, and paid on all yarn, twine, cord, cordage, rope, and cable, tarred or untarred, wholly or in chief value of Manila (abaca) or other hard fibers, coming into the United States from the Philippine Islands in any calendar year in excess of a collective total of 3,000,000 pounds of all such articles hereinbefore enumerated, the same rates of duty which are required by the laws of the United States to be levied, collected, and paid upon like articles imported from foreign countries.

(d) In the event that in any year the limit in the case of any article which may be exported to the United States free of duty shall be reached by the Philippine Islands, the amount or quantity of such articles produced or manufactured in the Philippine Islands thereafter that may be so exported to the United States free of duty shall be allocated, under export permits issued by the government of the Commonwealth of the

Philippine Islands, to the producers or manufacturers of such articles proportionately on the basis of their exportation to the United States in the preceding year; except that in the case of unrefined sugar the amount thereof to be exported annually to the United States free of duty shall be allocated to the sugar-producing mills of the Islands proportionately on the basis of their average annual production for the calendar years 1931, 1932, and 1933, and the amount of sugar from each mill which may be so exported shall be allocated in each year between the mill and the planters on the basis of the proportion of sugar to which the mill and the planters are respectively entitled. The government of the Philippine Islands is authorized to adopt the necessary laws and regulations for putting into effect the allocation hereinbefore provided.

(e) The government of the Commonwealth of the Philippine Islands shall impose and collect an export tax on all articles that may be exported to the United States from the Philippine Islands free of duty under the provisions of existing law as modified by the foregoing provisions of this section, including the articles enumerated in subdivision (a), (b), and (c), within the limitations therein specified, as follows:

(1) During the sixth year after the inauguration of the new government the export tax shall be 5 per centum of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries;

(2) During the seventh year after the inauguration of the new government the export tax shall be 10 per centum of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries;

(3) During the eighth year after the inauguration of the new government the export tax shall be 15 per centum of the rates of duty which are required by the laws of the United States

to be levied, collected, and paid on like articles imported from foreign countries;

(4) During the ninth year after the inauguration of the new government the export tax shall be 20 per centum of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries;

(5) After the expiration of the ninth year after the inauguration of the new government the export tax shall be 25 per centum of the rates of duty which are required by the laws of the United States to be levied, collected, and paid on like articles imported from foreign countries.

The government of the Commonwealth of the Philippine Islands shall place all funds received from such export taxes in a sinking fund, and such fund shall, in addition to other moneys available for that purpose, be applied solely to the payment of the principal and interest on the bonded indebtedness of the Philippine Islands, its Provinces, municipalities, and instrumentalities, until such indebtedness has been fully discharged.

When used in this section in a geographical sense, the term "United States" includes all Territories and possessions of the United States, except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam.

Sec. 7. Until the final and complete withdrawal of American sovereignty over the Philippine Islands—

(1) Every duly adopted amendment to the constitution of the government of the Commonwealth of the Philippine Islands shall be submitted to the President of the United States for approval. If the President approves the amendment or if the President fails to disapprove such amendment within six months from the time of its submission, the amendment shall take effect as a part of such constitution.

(2) The President of the United States shall have authority to suspend the taking effect of or the operation of any law, contract, or executive order of the government of the Com-

## Four Merchants' Opinions

One merchant says: "... It is difficult to tell what we have learned from our experiences except that, speaking for our organization, we have all learned to be very humble." Another merchant, as well known, says: "Success is going to be measured by our consistent everyday business, with balanced stocks in wanted staples and styles that are in demand; in the continued promotion of those goods."

A third says: "... the promotion of timely, wanted merchandise is essential to our continued profit making; in fact, to our very existence."

A fourth says: "... and I cannot too strongly repeat that we in our store are firmly of the opinion that not one peso should be spent on the advertising of goods not in demand—and that *not one peso less* than what is required to do a thorough job should be spent on the advertising of goods in demand."

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you are making a direct appeal to the buying power of Manila

nonwealth of the Philippine Islands, which in his judgment will result in a failure of the government of the Commonwealth of the Philippine Islands to fulfill its contracts, or to meet its bonded indebtedness and interest thereon or to provide for its sinking funds, or which seems likely to impair the reserves for the protection of the currency of the Philippine Islands, or which in his judgment will violate international obligations of the United States.

(3) The Chief Executive of the Commonwealth of the Philippine Islands shall make an annual report to the President and Congress of the United States of the proceedings and operations of the government of the Commonwealth of the Philippine Islands and shall make such other reports as the President or Congress may request.

(4) The President shall appoint, by and with the advice and consent of the Senate, a United

States High Commissioner to the government of the Commonwealth of the Philippine Islands who shall hold office at the pleasure of the President and until his successor is appointed and qualified. He shall be known as the United States High Commissioner to the Philippine Islands. He shall be the representative of the President of the United States in the Philippine Islands and shall be recognized as such by the government of the Commonwealth of the Philippine Islands, by the commanding officers of the military forces of the United States, and by all civil officials of the United States in the Philippine Islands. He shall have access to all records of the government or any subdivision thereof, and shall be furnished by the Chief Executive of the Commonwealth of the Philippine Islands with such information as he shall request.

If the government of the Commonwealth of the Philippine Islands fails to pay any of its bonded or other indebtedness or the interest thereon when due or to fulfill any of its contracts, the United States High Commissioner shall immediately report the facts to the President, who may thereupon direct the High Commissioner to take over the customs officers and administration of the same, administer the same, and apply such part of the revenue received therefrom as may be necessary for the payment of such overdue indebtedness or for the fulfillment of such contracts. The United States High Commissioner shall annually, and at such other times as the President may require, render an official report to the President and Congress of the United States. He shall perform such additional duties and functions as may be lawfully delegated to him from time to time by the President under the provisions of this act.

The United States High Commissioner shall receive the same compensation as is now received by the Governor General of the Philippine Islands, and shall have such staff and assistants as the President may deem advisable and as may be appropriated for by Congress, including a financial expert who shall receive for submission to the High Commissioner a duplicate copy of the reports of the Insular Auditor. Appeals from decisions of the Insular Auditor may be taken to the President of the United States. The salaries and expenses of the High Commissioner and his staff and assistants shall be paid by the United States.

The first United States High Commissioner appointed under this Act shall take office upon the inauguration of the new government of the Commonwealth of the Philippine Islands.

(5) The government of the Commonwealth of the Philippine Islands shall provide for the selection of a Resident Commissioner to the United States, and shall fix his term of office. He shall be the representative of the government of the Commonwealth of the Philippine Islands and shall be entitled to official recognition as such by all departments upon presentation to the President of credentials signed by the Chief Executive of said government. He shall have a seat in the House of Representatives of the United States, with the right of debate, but without the right of voting. His salary and expenses shall be fixed and paid by the government of the Philippine Islands. Until a Resident Commissioner is selected and qualified under this section, existing law governing the appointment of Resident Commissioners from the Philippine Islands shall continue in effect.

(6) Review by the Supreme Court of the United States of cases from the Philippine Islands shall be as now provided by law; and such review shall also extend to all cases involving the constitution of the Commonwealth of the Philippine Islands.

Sec. 8. (a) Effective upon the acceptance of this Act by concurrent resolution of the Philippine Legislature or by a convention called for that purpose, as provided in section 17—

(1) For the purposes of the Immigration Act of 1917, the Immigration Act of 1924 (except section 13 [c]), this section, and all other laws

(Please turn to page 24, col. 3)

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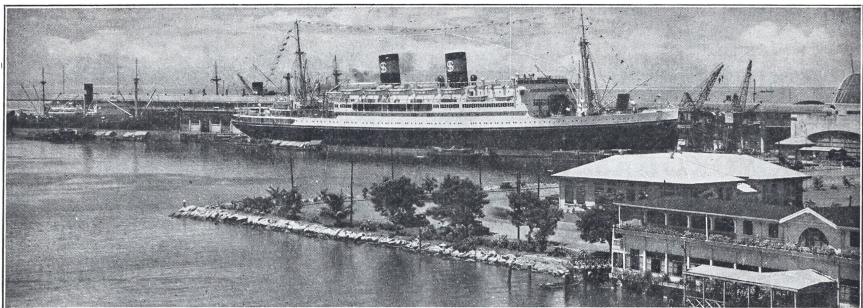
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### SHIPPING REVIEW

By H. M. CAVENDER

General Agent, The Robert Dollar Co.



Shipments from the Philippines for the month of November exceeded shipments for the previous month by about 20,000 tons. This is due to the fact that the seasonal movement of sugar is now well under way, 62,000 tons having been shipped to the Atlantic Coast last month. There was again a good movement of coconut oil, over

12,000 tons having been shipped, also fair shipments of hemp, amounting to nearly 15,000 bales. Cigars and tobacco continue in fair volume, while desiccated coconut shipments again dropped off.

To the Pacific Coast, there was a considerable drop in shipments of copra and hemp, other commodities remaining at about the same level, with the exception of refined sugar which has

again started to move at about normal volume. To China and Japan, practically all items show a drop, principally lumber and logs which dropped from five million to slightly over two million feet.

From statistics compiled by the Associated Steamship Lines, during the month of November 1932, there were exported from the Philippine

	Tons	Misc. Sailings	Tons	Sailing
China and Japan	9,215	with 42 of which	551	carried in American bottoms with 9
Pacific Coast Local Delivery	10,765	with 15 of which	8,155	carried in American bottoms with 8
Pacific Coast Overland Delivery	328	with 8 of which	170	carried in American bottoms with 5
Pacific Coast Interoceanic Steamer	321	with 7 of which	239	carried in American bottoms with 4
Atlantic Coast	87,408	with 25 of which	27,191	carried in American bottoms with 9
European Ports	19,309	with 19 of which	211	carried in American bottoms with 3
Australian Ports	638	with 2 of which		carried in American bottoms with 16
Grand Total	127,984	with 76 of which	36,477	carried in American bottoms with 16

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### AMERICAN MAIL LINE

"The Short Route to America"  
To SEATTLE via CHINA, JAPAN and VICTORIA

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Pres. Jefferson- Feb. 15
Pres. Madison - - Mar. 1
Pres. Cleveland- Mar. 15
Pres. Taft - - - - Mar. 29
Pres. Jefferson- Apr. 12

### DOLLAR STEAMSHIP LINES

*EAST OR WEST TO NEW YORK*

Via China-Japan, Honolulu San Francisco Panama Canal	Via Suez Canal and Europe
Pres. Hoover - - Jan. 28	Pres. Polk - - - - Feb. 6
Pres. Jackson - - Feb. 11	Pres. Adams - - - Feb. 20
Pres. McKinley - Feb. 25	Pres. Harrison - Mar. 6
Pres. Grant - - Mar. 11	Pres. Hayes - - - Mar. 20
Pres. Lincoln - Mar. 25	Pres. Pierce - - - Apr. 3
Pres. Coolidge - Apr. 8	Pres. Monroe - - Apr. 17

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**SUPERIOR INTER-ISLAND SERVICE**  
S. S. "MAYON"  
Sails Wednesdays from MANILA

TO ILOILO ZAMBOANGA CEBU	TO CEBU ZAMBOANGA ILOILO
Jan. 26	Jan. 19
Feb. 9	Feb. 2
Feb. 23	Feb. 16
Mar. 8	Mar. 1
Mar. 22	Mar. 15
Apr. 5	Apr. 29

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## THE ROBERT DOLLAR COMPANY

General Agents

ROBERT DOLLAR BLDG., PORT AREA

MANILA

87 ESCOLTA

TELEPHONE 2-24-41

The general trend of passenger carryings for the month of November showed a slight decrease with no signs of recovery until seasonal spring movement. First class figures show a decrease of about 10 per cent from the previous month, intermediate 20 per cent, and third class 10 per cent.

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

	First	Inter- mediate	Steer- age
China and Japan.....	84	107	246
Honolulu.....	5	2	45
Pacific Coast.....	12	12	15
Europe via America.....	21	3	xx
Straits Settlements.....	7	1	1
Europe and Mediterranean beyond Colombo.....	14	4	6
America via Suez.....	6	xx	xx
Dutch East Indies.....	10	xx	xx
Australia.....	17	1	xx
	174	130	313

Mr. W. F. Cawley returned on the *President Grant* December 1st from a five months vacation in the United States and has resumed his position as Assistant Passenger Agent of the Dollar Steamship Line, Manila Office.

Mr. J. R. Atkins, Manager of the Shipping Department Warner Barnes Company, sailed on the *Empress of Canada* November 14th for a vacation.

Mr. A. MacNeur of the Passenger Department of the Dollar Steamship Line left on the *President Grant* December 3rd to relieve the Agent of the Dollar Steamship Line at Tokyo.

## TOBACCO REVIEW

By P. A. MEYER

Alhambra Cigar and Cigarette Mfg. Co.



**RAWLEAF:** Further large shipments to the Spanish Regie and a purchase by the Japanese monopoly Bureau have brought the December tobacco export to an exceptionally high figure, but prices obtained, principally on sales to Japan, were low. Shipments to the United States kept within the average figure of the last few months. Classified according to destinations, export of Leaf Tobacco during December 1932 was as follows:

	Rawleaf, Strip- ped Tobacco and Scraps
	Kilos
Australia.....	384
China.....	6,204
Hongkong.....	786
India.....	213
Japan.....	940,620
North Africa.....	156,804
North Atlantic (Europe).....	30,542
Spain.....	1,215,300
Straits Settlements.....	2,487
Tonkin.....	74
United States.....	93,107
	2,446,521

Total of 1932.....	18,981,821
Total of 1931.....	20,526,266
Total of 1930.....	20,116,000
Total of 1929.....	24,287,000
Total of 1928.....	18,811,000

**CIGARS:** Exports to the United States have suffered a further reduction and the outlook for the next few months is not very encouraging. Competition among American manufacturers in the "2 for 5 cents" class is very keen. Comparative figures for the last five years speak for themselves:

Year	Cigars
1932.....	176,294,144
1931.....	165,193,165
1930.....	153,572,844
1929.....	156,600,495
1928.....	187,360,260
Average 5 years.....	167,804,181

December export to the United States amounted to..... 12,498,070 cigars.

## LUMBER REVIEW

By ARTHUR F. FISCHER

Director of Forestry



The timber and lumber exports for the month of October, 1932, was 5,567,968 board feet with a customs-declared value of \$166,989 as against 7,652,776 board feet with a customs-declared value of \$434,882 for the same month in 1931. There is thus a decrease of about 27% in volume and 62% in value. Compared with the previous month of

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The cost per animal is negligible.

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## A lapsed insurance—

—does nobody any good. In fact, no businessman will let his policy lapse for even one day. The risk is too great!

And yet,

many is the businessman who neglects—actually abandons—buildings to the ravages of exposure, little realizing that unprotected surfaces are as great a risk as a conflagration to the safety of the building.

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our  
CONTRACT  
PAINT DEPT.  
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are  
FREE  
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**PROTECTIVE PAINTS**

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MANILA

# Bank Taxes Cause High Loan Interest Rates Here

*A banker's view of taxation as it affects accommodations to business and accumulation of capital*

By ALLEN L. DWYRE

Assistant Treasurer, Peoples Bank & Trust Co.



ALLEN L. DWYRE

We have all heard the story of the banker with the kindly light in his glass eye. As with most stories of that nature, there is a reason why the banker had that type of a light in his eye. A banker first and always must remember that he is dealing with other people's money. A merchant with a stock of goods, if not owned outright by himself, at most will not be indebted to more than a couple of dozen concerns in more or less small amounts. But a bank is the conservator of the savings of thousands of individuals whose deposits represent the results of sacrifice and denial over long periods of time, and the guardian of the surplus funds and profits accumulated in industry and agriculture.

"The poor banker! He borrows money from his depositors at two to four per cent interest and loans it to others at nine per cent and then claims he cannot make any profit!" How many times the bankers have heard the above words or words to the same effect, and in nine cases out of ten, I suppose that the casual listener has agreed with the speaker. I wonder how many realize just why the banker claims that all is not as it appears. NO BANK IS A SAFE BANK UNLESS OVER A PERIOD OF TIME IT IS ABLE TO MAKE A PROFIT. Every depositor

should realize that if his bank is not making money and continues in such a condition, his deposits, sooner or later, will be jeopardized.

In many banks in the United States, where the bankers have found that by law they are prohibited from charging interest rates above a certain percentage, they have found it necessary to require borrowers to keep on non-interest-bearing demand deposits with them certain portions of the funds loaned to them by the bank. This directly increases the cost of borrowed funds. As yet, the banks in the Philippine Islands have not found it necessary to resort to any such practices.

However, we find out here that interest rates are comparatively much higher than it would seem necessary. Why is it that the banks in the Philippines find it necessary to charge such comparatively high rates of interest in order to make a profit for their efforts? In the opinion of the writer, we do not have to look far for the cause.

Banks in the Philippine Islands labor under a tax imposition that in any other up-to-date country would be considered oppressive. A bank operating in the Philippines can actually be losing money (and remember what has been said about a losing bank) and still be required to pay taxes that supposedly should arise out of the profits from its business. For every peso on deposit with a bank in the Philippines, 2/3 of 1% must go to the Government every year. Add to this burden the additional tax of 1% per year levied on the capital employed by the bank in the conduct of its business, capital supplied by the stockholders, and add to the above two classes of taxes the further tax on a bank's income. When these major

the year, of which the export was 3,371,648 board feet with a customs-declared value of ₱82,075, there is noted an increase of 65% in volume and 103% in value. Although the general conditions during the month under review have shown some slight signs of improvement, slack demand for lumber or timber and low prices still prevail actually.

The exports to the different countries is seen in the table below, show that during October, 1932, Japan imported 3,887,656 board feet of timber as against 2,312,920 board feet for the same month last year, or an increase of 70%. Our exports, however, with the other important countries show no improvement. Shipments to China decreased 16%, Great Britain 40%, and the United States 98%. It is also noted that six other countries that imported Philippine lumber during October, 1931—British Africa, Canada, Portuguese Africa, Ireland, Netherlands and Hongkong—did not import at all during October this year. The instability of lumber exports to Great Britain has been accentuated by the weakening in the rate of exchange while the persistent limited business with the United States seems to be due to buyers hesitating to enter into fresh commitments until the market conditions have become normal. While the return to normalcy is not expected to be immediate, there is hope for a bigger demand of lumber from that country next year. As a matter of fact, inquiries are now being received by some lumber firms but the prices offered are too low. However, lumbermen are optimistic that as market conditions in that country continue to improve, lumber business in the islands is bound to have its share.

The actual conditions in the 46 mills show that production was 10,016,334 board feet, deliveries 11,238,103 board feet and inventories

25,442,595 board feet. For the same month last year, the production was 15,433,309 board feet, deliveries 16,013,270 and inventories 28,938,026, or a decrease of 35%, 30% and 12%, respectively. Compared with the previous month, the production increase 11%, deliveries 11%, and inventories 1%. Although the deliveries exceeded the production by 11%, it could be seen from these statistical data that stocks on hand are ample to supply the present limited demand.

The local trade has shown no indications of revival as yet, and conditions last month continued to prevail during the month under review.

The following statements show the lumber and timber exports, by countries, and mill production and lumber inventory for the month of October, 1932, as compared with the corresponding month the previous year.

**Lumber and Timber Exports for October**

Destination	1932	
	Board Feet	Customs-Declared Value
Japan	*3,887,656	₱ 64,228
China	1,231,296	65,834
Great Britain	387,536	32,239
United States	56,815	3,949
Guam	4,964	724
Hawaii		15
British Africa		
Canada		
Portuguese Africa		
Ireland		
Netherlands		
Hongkong		
<b>TOTAL</b>	<b>5,567,968</b>	<b>₱166,989</b>

Destination	1931	
	Board Feet	Customs-Declared Value
Japan	2,312,920	₱ 62,297
China	1,457,288	88,309
Great Britain	650,840	55,346
United States	2,676,712	182,573
Guam		
Hawaii		
British Africa	457,496	36,051
Canada	40,280	4,400
Portuguese Africa	36,040	4,059
Ireland	12,296	1,017
Netherlands	8,480	786
Hongkong	424	44
<b>TOTAL</b>	<b>7,652,776</b>	<b>₱434,882</b>

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

**For 46 mills for the month of October**

Month	Lumber Deliveries from Mills	
	1932	1931
October	11,238,103	16,013,270
	Lumber Inventory	
	1932	1931
October	25,442,595	28,938,026
	Mill Production	
	1932	1931
October	10,016,334	15,433,309

NOTE:—Board feet should be used.

taxes have been paid, a bank is then required to pay real estate taxes and the various types of documentary stamp taxes with which we are all familiar. Except for interest paid to depositors and, in some cases, salaries of employees, the tax charge is larger than any other expense item in a bank's budget.

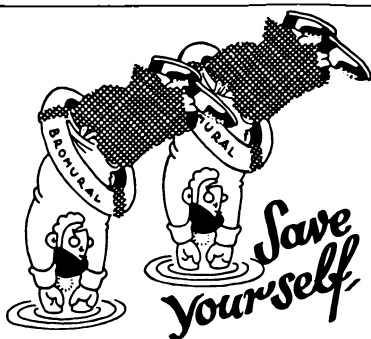
Under the National Banking Law of the United States, national banks may be taxed by the State Governments. However, the State Government must decide which class of tax it desires to impose; it cannot doubly or triply tax a national bank. If a tax on capital is imposed, no income tax nor tax on deposits may be levied. If the State desires to tax the income of the national bank, no deposit or capital tax can be collected. Such is not the case in the Philippine Islands. Banks are taxed not only on their income, but also upon the amount of capital employed in their business and upon the average amount of deposits held by them. A few figures may be enlightening.

The bulk of a bank's deposits on which it depends for loanable funds is represented by savings accounts. Because the overhead for maintaining savings account records is less and because the deposit reserve required by law is less than for demand deposits, the banks pay the savings account depositors a higher rate of interest. The criticism is sometimes heard that this rate is too low. If it is, the cause should not be hard to find. Say that ₱100 is deposited in a savings account. The bank must immediately place ₱5 in its vault not to be touched. That amount is what is known as the legal reserve against deposits and is represented by a bank's cash on hand. In reality, this reserve is always maintained much above that figure as a further safeguard to depositors. We will therefore add to the ₱5 an additional amount of ₱2.50 so that the bank has net loanable funds of ₱92.50. However, it must pay interest on the full ₱100. Here is the way it works:

Deposit	Reserve	Loanable Fund	Interest paid at 4-1/4%	Interest received at 9%
₱100	₱7.50	₱92.50	₱4.25	₱9.22

This leaves ₱3.97, from which must be deducted the 2/3 of 1% deposit tax of ₱0.67, leaving ₱3.30, from which a bank must pay its tax on capital employed, salaries, insurance, rent, repairs, real estate taxes, depreciation, reserve for bad debts and other losses, and if there is anything left, for additions to surplus and dividends. The ₱3.30 is a maximum figure, only obtainable when all loanable funds are earning interest for the bank 365 days a year. This is never the case, as we all know the loan figures of a bank fluctuate constantly as loans are paid or new loans are made.

The total deposits of all banks operating in the Philippines on September 17, 1932, were ₱107,768,076.80. This figure, too, possibly represents a low figure, as at that time the sugar farmers of the country were in the midst of the growing season, at which time funds are being withdrawn from the banks in order to finance the cultivation of the growing crop. Bank deposits tend to increase during the sugar milling season and reach a maximum towards the end of the season when the proceeds from sugar have been obtained. But taking the above figure as an average for the year, we see that the Government collects ₱718,553.00 yearly from banks alone on one type of tax. The capital and surplus of all local banks (ex-



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cluding foreign banks operating here on which figures are not available) amounted to ₱33,351,559.65 on September 21, 1932. This figure yields to the Government another ₱333,545 annually. These two taxes combined total ₱1,052,908 and are paid yearly to the government. This money must come from someone and that someone is obviously the bank's customer. The banker must pass this expense on to its borrowers and depositors and indirectly to everyone with whom he deals. These customers may not realize it but their bank must recover the money in order for it to keep its doors open. This charge is represented in high interest rates to the merchant and the farmer; it is represented by the bank's demand that depositors keep on deposit certain minimum balances on which the bank pays no interest; it is represented by various service charges which banks out here are gradually adopting. Lately, it has been represented by a definite movement of all banks out here towards a lowering of interest rates which the banks are able to pay to their depositors.

Now, we all realize the necessity for taxes and the tremendous demands that are made on our government, but do we realize just what this particular type of tax represents? It represents a penalty on savings and thrift when brought to its final analysis. It is a levy on the accumulated capital of the country. A growing country—any country that is not retreating—has an insatiable demand for capital and more capital. It should be the object of the government in every way to encourage the accumulation of that capital and its concentration in the banks of the country which, in reality, are only the reservoirs from which the stream of the country's life blood flows to all parts of the country, and when released from the temporary demands of industry, again flows back to the central pumping station to be again pumped out to where it is most needed.

Is it necessary to resort to such extreme measures to finance our government?



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## SUGAR REVIEW

By GEO. H. FAIRCCHILD



A RETROSPECT OF 1932. During the year 1932, the sugar industry suffered the worst depression in history. Prices of sugar declined to the lowest level on record on May 31, 1932, when sales were effected on the basis of 0.57 cents c. and f. for Cubas and 2.57 cents c. i. f. for duty-free sugars. The gloomy situation in the sugar industry for the past year

was brought about not only by factors within the industry but by circumstances growing out of the world-wide depression. With the increased unemployment, the depleted incomes and curtailed purchasing power of the masses, consumption of sugar throughout the world, including the United States, decreased. The critical situation in which Java finds itself as a result of its inability to dispose of its surplus production in view of the curtailment of exports of Javan sugar, particularly to India, was an important factor in the unsettlement of the world's sugar market, for it meant increased stocks in the warehouses in Java, which remained a constantly depressing element.

There were, however, important developments in the sugar industry which tended to stabilize the market. Among these was the concerted effort in the early part of the year on the part of Cuba, Java and other sugar-producing countries to agree on restriction under the Chamberlain Plan. Unfortunately this did not meet with the success hoped for, due to the failure of Java to agree to Cuba's proposals, although it succeeded in bringing about an agreement among Cuba and other European countries in March, 1932, fixing the Cuban crop at 2,700,000 tons and reducing the allotments of the other signatory countries, if Java's exports should exceed 1,500,000 tons.

In June, 1932, when the bulk of the duty-free sugars from Puerto Rico and the Philippines had been already absorbed by the United States, Cuba, through a presidential decree, segregated 815,000 tons from the balance of this year's export of Cuban sugar to the United States, 115,000 tons of which to be made available for export abroad and 700,000 tons to be held until January 1, 1933, later extended to July 1, 1933, unless in the interim the price of 1.50 cents c. and f. per lb. had been established and maintained in New York for five consecutive days. This had the immediate effect of strengthening the market and checking the downward movement of prices which, as already stated, had reached the lowest level of 0.57 cents Cuban basis, on May 31, 1932. The price for spot sugar began to rise in June and in July, it passed the 1.00 cent-mark for Cubas or 3.00 cents for duty-paid sugars. During the following three months of August, September and October, spot prices fluctuated between 1.00 cent and 1.20 cents on the basis of Cubas. The advance of the market, however, was not maintained during the balance of the year and prices again declined below the 1.00 cent-mark to 0.75 cent for Cubas at the end of De-

ember. The expectation that materially better prices would result from the segregation of the Cuban stock has, therefore, proved a disappointment so far. With the duty-free sugars from the Philippines and Puerto Rico coming in large shipments during the next four months, the realization of the objective of the Cuban segregation is becoming more and more difficult.

The threat of Russian sugar being dumped failed to materialize on account of the partial failure of the beet crop in Russia. In view, however, of the restricted sugar rations which the Soviet Government enforced upon the Russian masses, the increased demand for sugar from that source was insufficient in quantity to benefit the market to any appreciable degree.

The sugar industry enters the new year of 1933 with a gloomy year behind it, and without prospects of any definite improvement in the near future, although the statistical position

tends to become better as the restricted demand for production in 1933 should assist materially in reducing surplus supplies.

December, 1932

**NEW YORK MARKET.** The sugar situation in the American market during December showed no encouraging features. Trading was quiet with only a small volume of business transacted. The rumors at the beginning of the month that hurricane-damaged Cuban sugar had been sold at the very low price of 0.75 cent c. and f. caused nervousness in the market and preceded a decline in prices. On the 2nd, small parcels of Cubas were sold at 0.85 cent c. and f. and a few days later a few lots of Puerto Rico's were negotiated at a price of 2.82 cents c. i. f.

A firm undertone was noted in the market at the beginning of the second week, on the 12th, when small parcels of Cubas, January arrivals, were sold at 0.90 cent c. and f. But this firm-

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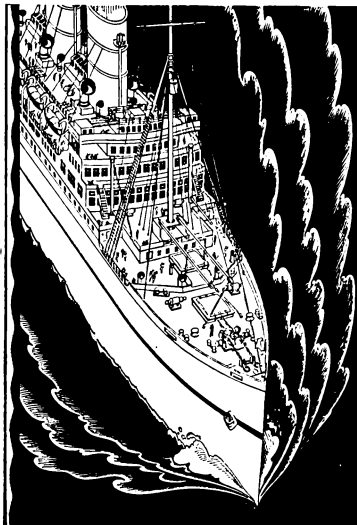
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ness was not maintained and on the 13th prices again declined and there were reported a sale of small quantities of Puerto Ricans at 2.89 cents c. i. f. and two parcels of Coloso for prompt shipment at 0.86 cent and 0.85 cent c. and f., respectively.

The American sugar market continued in a depressed mood during the latter half of the month, one discouraging feature being the offering in the eastern territories of best whites at 3.95 cents which had a detrimental effect upon the refined market. Prices steadily declined in a dull and quiet market due in part to the Christmas holidays. At the end of the month the market was steady but with little business transacted at unchanged prices.

In spite of the depleted stocks the refiners continued to remain on the sidelines. Sooner or later they will have to re-stock to meet their requirements, but with an ample supply of duty-free sugar in sight, they are likely to continue their hand-to-mouth buying policy.

**Future:** Quotations for future deliveries on the Exchange fluctuated as follows:

	High	Low	Latest
January.....	0.76	0.65	0.66
March.....	0.79	0.71	0.71
May.....	0.84	0.75	0.77
July.....	0.90	0.80	0.81
September.....	0.94	0.85	0.86
December.....	1.00	0.90	0.90

**Philippine Sales:** Sales of Philippine sugar amounting to 42,300 long tons were made for near and distant shipments during the month under review at prices ranging from 2.73 cents to 2.90 cents l. t. Resales amounting to 3,000 long tons were made at prices ranging from 2.82 cents to 2.90 cents l. t.

**Stocks:** The latest figures on the world's stocks in the United Kingdom, United States, Cuba, Java, and European statistical countries were 8,550,000 tons as compared with 8,517,000 tons in 1931 and 7,350,000 tons in 1930.

**Local Market:** In the local market for centrifugals, exporters' quotations fluctuated in sympathy with the prices ruling in the American market and ranged from P6.15 to P6.45 per picul. Latest quotations stood at from P6.20 to P6.25 per picul ex-godown Manila or Iloilo.

**Crop Prospects:** At the end of December, approximately one-third of the crop for 1932-1933 has been harvested or about 400,000 tons of

sugar already manufactured. The production of some of the large Centrals up to the end of December is given below:

*Production in long tons of 2,240 lbs. up to Dec. 31, 1932*

Bristol-Murra Milling Co.	17,442
Madagan Estate, Inc.	20,214
Central Azucarera de Cebu	1,925
Central Azucarera del Danno	906
Central Benarín	4,846
Central Palma	4,618
Central San Isidro	5,042
Hawaiian-Philippine Co.	20,275
Isabela Sugar Co., Inc.	11,198
La Carlota Sugar Central	25,643
Lopez Sugar Central Mill Co.	8,508
Masao Sugar Central Co.	21,613
San Carlos Milling Co., Ltd.	21,441
Victoria Milling Co.	23,471
Calamba Sugar Estate	12,338
Central Azucarera de Calatagan	1,200
Central Azucarera de Tarlac	18,538
Central Azucarera Don Pedro	13,372
Central Luzon Milling Co.	9,770
Mount Arayat Sugar Co.	3,813
Pampanga Sugar Development Co.	27,659
Pampanga Sugar Mills	24,220
Central Santos-Lopez	2,974
Central Sara-Ajuy	2,959
Pilar Sugar Central	6,800
Philippine Milling Co.	3,850
Cebu Sugar Co.	1,795
<b>TOTAL</b>	<b>317,870</b>

**Philippine Exports:** Export statistics for the month of December, 1932, as reported to us showed that 122,005 long tons of centrifugals, and 6,956 long tons of refined were exported during the month. Exports of these two grades of sugar from the Philippines for the first two months of the current crop year 1932-1933 are as follows:

	Long Tons
Centrifugals.....	194,525
Refined.....	11,191
<b>TOTAL</b>	<b>205,716</b>

**JAVA MARKET:** According to information received from Java, the 1934 crop of Java is expected to be restricted drastically and indications are that it will probably not reach 500,000 tons. With this production, it is believed that the statistical position of Java will be balanced within a couple of years.

In the November 25th issue of the *Journal des Fabricants de Sucre*, Paris, France, appears the following news item:

"Amsterdam telegraph the rumor that 100,000 tons 1931 Muscovado have been sold at f. 3.50 per 100 kilos, f.o.b. Java. Amsterdam seemed quite pleased. Evidently the price is bad,—that is how the cable runs—but it is a solace to know that Java again got rid of another 100,000 tons."

The Javan Muscovado sugar is equivalent to our centrifugal sugar 96". According to the above item, 100,000 tons of the 1931 Java Muscovado sugar were sold f.o.b. at f. 3.50 per 100 kilos. This is equivalent to P1.77 per P. 1 picul on the basis of exchange at par.

## REAL ESTATE

By P. D. CARMAN  
Addition Hills



As shown below, the total Manila real estate sales during 1932 were but little more than half of the 1931 business but greater than 1921 and not far behind 1923:

1919.....	P21,859,572
1920.....	17,677,811
1921.....	8,827,689
1922.....	10,082,089
1923.....	10,277,448
1924.....	13,038,861
1925.....	15,404,742
1926.....	12,710,666
1927.....	11,995,124
1928.....	16,884,814
1929.....	18,110,918
1930.....	16,922,298
1931.....	18,522,382
1932.....	9,857,037

Sales, City of Manila

Sta.	1932	1931
Sta. Cruz	P 95,826	P347,107
Sampaloc	41,669	95,448
Tondo	84,725	57,322
Binondo	134,612	33,112
San Nicolas	86,071	45,225
Ermita	95,347	9,000
Malate	6,492	8,524
Paco	12,400	17,149
Intramuros		6,000
San Miguel		16,000
Santa Mesa	132,548	92,000
Santa Ana	76,149	20,800
Pandacan	6,700	1,752

P755,339 P749,439

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## Full Official Text of...

(Continued from page 18)

of the United States relating to the immigration, extension, or expulsion of aliens, citizens of the Philippine Islands who are not citizens of the United States shall be considered as if they were aliens. For such purposes the Philippine Islands shall be considered as a separate country and shall have for each fiscal year a quota of fifty. This paragraph shall not apply to a person coming or seeking to come to the Territory of Hawaii who does not apply for and secure an immigration or passport visa but such immigration shall be determined by the Department of the Interior on the basis of the needs of industries in the Territory of Hawaii.

(2) Citizens of the Philippine Islands who are not citizens of the United States shall not be admitted to the continental United States from the Territory of Hawaii (whether entering such Territory before or after the effective date of this section) unless they belong to a class declared to be nonimmigrants by section 3 of the Immigration Act of 1924 or to a class declared to be nonquota immigrants under the provisions of section 1 of such Act other than subdivision (c) thereof, or unless they were admitted to such Territory under an immigration visa. The

Secretary of Labor shall by regulations provide a method for such exclusion and for the admission of such excepted classes.

(3) Any Foreign Service officer may be assigned to duty in the Philippine Islands, under a commission as a consular officer, for such period as may be necessary and under such regulations as the Secretary of State may prescribe, during which assignment such officer shall be considered as stationed in a foreign country; but his powers and duties shall be confined to the performance of such of the official acts and notarial and other services, which such officer might properly perform in respect of the administration of the immigration laws if assigned to a foreign country as by the Secretary of State.

(4) For the purposes of sections 18 and 20 of the Immigration Act of 1917, as amended, the Philippine Islands shall be considered to be a foreign country.

(b) The provisions of this section are in addition to the provisions of the immigration laws now in force, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws, not inapplicable, shall apply to and be enforced in connection with the provisions of this section. An alien, although admissible under the provisions of this section, shall not be admitted to the United States if he is excluded by any provision of the immigration law other than this section, and an alien, although admissible under the provisions of the immigration laws other than this section, shall not be admitted to the United States if he is excluded by any provision of this section.

(c) Terms defined in the Immigration Act of 1924 shall, when used in this section, have the meaning assigned to such terms in that Act.

Sec. 9. There shall be no obligation on the part of the United States to meet the interest or principal of bonds and other obligations of the Government of the Philippine Islands or of the provincial and municipal government thereof, hereafter issued during the continuance of United States sovereignty in the Philippine Islands; *Provided*, That such bonds and obligations hereafter issued shall not be exempt from the taxation in the United States or by authority of the United States.

#### RECOGNITION OF PHILIPPINE INDEPENDENCE AND WITHDRAWAL OF AMERICAN SOVEREIGNTY

Sec. 10. On the fourth day of July, immediately following the expiration of a period of ten years from the date of the inauguration of the government under the constitution provided for in this Act, the President of the United States shall by proclamation withdraw and surrender all right of possession, supervision, jurisdiction, control, or sovereignty then existing and exercised by the United States in and over the territory and people of the Philippine Islands, including all military and other reservations of the Government of the United States in the Philippines (except such land or property reserved under section 5 as may be designated by the President of the United States not later than two years after the date of such proclamation), and, on behalf of the United States, shall recognize the independence of the Philippine Islands as a separate and self-governing nation and acknowledge the authority and control over the same of the government instituted by the people thereof, under the constitution then in force; *Provided*, That the constitution has been previously amended to include the following provisions:

(1) That the property rights of the United States and the Philippine Islands shall be promptly adjusted and settled, and that all existing property rights of citizens or corporations of the United States shall be acknowledged, respected, and safeguarded to the same extent as property rights of citizens of the Philippine Islands.

(2) That the officials elected and serving under the constitution adopted pursuant to the provisions of this Act shall be constitutional officers of the free and independent government of the Philippine Islands and qualified to function in all respects as if elected directly under such government, and shall serve their full terms of office as prescribed in the constitution.

(3) That the debts and liabilities of the Philippine Islands, its Provinces, cities, municipalities, and instrumentalities, which shall be valid and subsisting at the time of the final and complete withdrawal of the sovereignty of the United States, shall be assumed by the free and independent government of the Philippine Islands; and that where bonds have been issued under authority of an Act of Congress of the United States by the Philippine Islands, or any Province, city, or municipality therein, the Philippine government will make adequate provision for the necessary funds for the payment of interest and principal, and such obligations shall be a first lien on the taxes collected in the Philippine Islands.

(4) That the government of the Philippine Islands, on becoming independent of the United States, will assume all continuing obligations assumed by the United States under the treaty of peace with Spain relating said Philippine Islands to the United States.

(5) That by way of further assurance the government of the Philippine Islands will embody the foregoing provisions (except paragraph (2)) in a treaty with the United States.

#### NEUTRALIZATION OF THE PHILIPPINE ISLANDS

Sec. 11. The President is requested, at the

earliest practicable date to enter into negotiations with foreign powers with a view to the conclusion of a treaty for the perpetual neutralization of the Philippine Islands; and when Philippine independence shall have been achieved.

#### NOTIFICATION TO FOREIGN GOVERNMENTS

Sec. 12. Upon the proclamation and recognition of the independence of the Philippine Islands the President shall notify the governments with which the United States is in diplomatic correspondence thereof and invite said governments to recognize the independence of the Philippine Islands.

#### TARIFF DUTIES AFTER INDEPENDENCE

Sec. 13. After the Philippine Islands have become a free and independent nation there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from other foreign countries; *Provided*, That at least one year prior to the date fixed in this Act for the independence of the Philippine Islands there shall be held a conference of representatives of the Government of the United States and the government of the Commonwealth of the Philippine Islands, such representatives to be appointed by the

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President of the United States and the Chief Executive of the Commonwealth of the Philippine Islands, respectively, for the purpose of formulating recommendations as to future trade relations between the Government of the United States and the independent government of the Philippine Islands, the time, place, and manner of holding such conference to be determined by the President of the United States; but nothing in this proviso shall be construed to modify or affect in any way any provision of this Act relating to the procedure leading up to Philippine independence or the date upon which the Philippine Islands shall become independent.

Sec. 14. Upon the final and complete withdrawal of American sovereignty over the Philippine Islands the immigration laws of the United States (including all the provisions thereof relating to persons ineligible to citizenship) shall apply to persons who were born in the Philippine Islands to the same extent as in the case of other foreign countries.

### CERTAIN STATUTES CONTINUED IN FORCE

Sec. 15. Except as in this Act otherwise provided, the laws now or hereafter in force in the Philippine Islands shall continue in force in the Commonwealth of the Philippine Islands until altered, amended, or repealed by the legislature of the Commonwealth of the Philippine Islands or by the Congress of the United States, and all references in such laws to the Philippines or Philippine Islands shall be construed to mean the government of the Commonwealth of the Philippine Islands. The government of the Commonwealth of the Philippine Islands shall be deemed successor to the present government of the Philippine Islands and of all the rights and obligations thereof. Except as otherwise provided in this Act, all laws or parts of laws relating to the present government of the Philippine Islands and its administration are hereby repealed as of the date of the inauguration of the government of the Commonwealth of the Philippine Islands.

Sec. 16. If any provision of this Act is declared unconstitutional or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and the applicability of such provisions to other persons and circumstances shall not be affected thereby.

### EFFECTIVE DATE

Sec. 17. The foregoing provisions of this Act shall not take effect until accepted by concurrent resolution of the Philippine Legislature or by a convention called for the purpose of passing upon that question as may be provided by the Philippine Legislature.

## RAIL COMMODITY MOVEMENTS

By M. D. ROYER

Traffic Manager, Manila Railroad Company



The volume of Commodity received in Manila during the month of December, 1932, via the Manila Railroad are as follows:

Rice, cavans.....	71,283
Sugar, piculs.....	760,664
Copra, piculs.....	158,371
Coconuts.....	295,900
Decimated Coconuts in cases.....	1,625
Tobacco, bales.....	1,328
Lumber and Timber B. F.....	393,671

The freight revenue car loading statistics for four weeks ending December 10, 1932, as compared with the same period for the year 1931 are given below:

### FREIGHT REVENUE CAR LOADINGS

COMMODITIES	NUMBER OF FREIGHT CARS		FREIGHT TONNAGE		INCREASE OR DECREASE	
	1932	1931	1932	1931	Cars	Tonnage
Rice.....	132	354	1,232	3,770	(222)	(2,538)
Palay.....	53	56	458	565	(3)	(107)
Sugar.....	1,065	781	29,551	22,131	304	7,420
Sugar cane.....	7,667	5,556	135,492	94,232	2,111	41,260
Copra.....	863	790	6,410	6,265	73	145
Coconuts.....	64	227	637	2,487	(163)	(1,850)
Molasses.....	105	76	3,043	2,123	29	920
Hemp.....	5	8	52	63	(3)	(11)
Tobacco.....	3	8	15	46	(5)	(31)
Livestock.....	19	42	96	196	(23)	(100)
Mineral Products.....	238	210	3,067	2,391	28	676
Lumber and Timber.....	137	141	3,613	3,225	(4)	388
Other Forest Products.....	2	6	33	43	(4)	(10)
Manufactures.....	63	81	982	916	(18)	66
All others including LCL.....	2,282	2,078	17,621	15,733	204	1,888
<b>TOTAL</b> .....	<b>12,698</b>	<b>10,394</b>	<b>202,302</b>	<b>154,186</b>	<b>2,304</b>	<b>48,116</b>

### SUMMARY

Week ending Nov. 28, 1932.....	4,043	3,312	65,148	49,421	731	15,727
Week ending Dec. 3, 1932.....	4,131	3,421	65,034	51,079	710	13,955
Week ending Dec. 10, 1932.....	4,524	3,661	72,120	53,686	863	18,434
<b>TOTAL</b> .....	<b>12,698</b>	<b>10,394</b>	<b>202,302</b>	<b>154,186</b>	<b>2,304</b>	<b>48,116</b>

NOTE:—Figures in parenthesis indicate decrease.

PRINCIPAL EXPORTS

Commodities	November, 1932			November, 1931			Monthly average for 12 months previous to November, 1932	
	Quantity	Value	%	Quantity	Value	%	Quantity	Value
Sugar	58,981,926	\$6,931,731	55.4	33,522,123	\$4,412,736	39.8	78,226,945	\$9,922,907
Hemp	10,318,349	876,925	7.0	9,331,036	1,096,743	9.6	8,774,514	880,587
Cotton Oil	1,714,216	12.5	0.1	7,532,869	1,159,860	10.4	1,089,284	7
Copra	11,349,104	771,452	6.1	17,174,933	539,132	4.8	12,002,022	921,744
Cigar (Number)	15,925,111	506,490	3.9	16,868,596	561,001	4.8	14,862,000	547,428
Alfalfa	499,191	8	0.0	457,097	2	0.0	503,366	3
Maize	349,949	17,899	0.1	426,554	29,767	0.3	425,663	24,619
Leaf Tobacco	714,426	203,774	1.5	4,863,509	1,303,608	11.7	2,195,039	515,548
Disinsected and Breded Coconuts	13,603,503	307,134	2.3	1,363,437	237,273	2.1	1,029,487	256,510
Hats (Number)	77,108	127,704	0.9	84,639	157,313	1.2	69,924	90,536
Lumber (Cubic Meters)	3,101	10,700	0.0	11,544	382,918	3.3	3,644	119,627
Feather	6,373,000	124,306	1.4	8,835,387	303,353	2.6	6,389,730	184,401
Cordage	226,280	72,455	0.5	281,843	98,547	0.7	305,647	107,471
Knotted Hemp	41,236	45,877	0.2	33,370	35,700	0.1	23,801	35,660
East India Pepper	14,005	18,106	0.1	41,862	62	0.0	72,741	42,156
Canton (low grade cordage fibre)	227,448	11,448	0.0	193,028	14,010	0.1	258,727	18,475
All Other Products	307,511	2,877	0.0	531,906	4,6	0.0	294,978	1
Total Domestic Products				\$12,693,220	99.5		\$11,288,312	99.3
United States Products				51,123	0.4		97,293	0.7
Foreign Countries Products				18,815	0.1		19,479	0.1
Grand Total				\$12,763,167	100.0		\$11,385,074	100.0

Notes:—All quantities are in kilow except where otherwise indicated.

PRINCIPAL IMPORTS

Articles	November, 1932		November, 1931		Monthly average for 12 months previous to November, 1932	
	Value	%	Value	%	Value	%
Cotton Cloth	\$1,350,000	12.5	\$1,758,524	11.8	\$1,018,101	6.5
Other Cotton Goods	991,459	0.2	898,550	0.1	977,445	6.3
Iron and Steel, Except	787,435	7.4	1,164,514	7.2	1,237,970	8.7
Rice	94,394	1.1	84,291	0.7	56,288	0.3
Wheat Flour	221,580	2.2	364,058	2.0	432,157	3.0
Machinery and Parts	392,515	3.8	698,138	4.8	694,053	4.2
Dairy Products	330,458	3.2	706,984	4.8	493,087	3.4
Quinine	408,228	3.8	355,788	2.5	527,566	3.6
Bills Goods	408,228	3.8	452,195	3.1	414,894	2.8
Automobiles	117,279	0.6	306,409	2.7	433,648	3.0
Vegetable Fiber Goods	608,684	5.7	153,043	1.0	292,318	1.9
Mineral Products	254,974	2.4	373,900	2.6	300,845	2.1
Illuminating Oil	28,208	0.3	281,724	2.0	167,196	1.1
Fish and Fish Products	120,633	1.1	161,965	1.0	190,622	1.2
Crude Oil	250,744	2.3	505,036	4.1	234,258	1.7
Coal	74,980	0.8	184,820	1.4	145,764	1.0
Chemicals, Dyes, Drugs, Etc.	285,720	2.4	394,497	2.7	344,289	2.5
Fertilizers	165,823	1.5	281,780	1.9	297,909	2.1
Vegetables	279,973	1.6	333,900	2.3	264,450	1.9
Food Goods, Except	192,391	1.9	225,006	1.6	234,123	2.3
Tobacco and Manufactures of	630,830	5.0	309,190	2.7	345,148	2.5
Electrical Machinery	454,605	4.2	818,630	5.6	441,242	3.2
Books and Other Printed	108,677	1.1	192,941	1.4	172,052	1.2
Matters	138,769	1.3	117,019	0.9	88,474	0.6
Cars and Carriages	52,000	0.5	112,000	0.8	100,000	0.7
Woolen Goods	219,814	2.0	205,047	1.5	213,402	1.5
Woolen Goods	44,710	0.6	60,964	0.6	68,823	0.5
Leather Goods	89,209	0.9	101,506	0.8	120,828	0.9
Shoes and Other Footwear	130,316	1.2	123,871	0.9	123,429	0.9
Breadstuffs, Except Wheat	125,363	1.2	105,770	0.8	97,462	0.7
Flour	92,855	0.9	85,181	0.6	88,960	0.6
Starch	123,665	1.2	163,267	1.1	123,518	0.9
Peas, Beans, and Other	84,429	0.9	123,875	0.8	123,826	0.9
Toilet Goods	92,209	0.9	91,681	0.7	126,790	0.9
Leather Goods	19,106	0.3	38,689	0.2	40,533	0.3
Cocoa Manufacturers, Except Candy	81,577	0.9	95,458	0.6	91,568	0.7
Fats, Pigments, Varnishes, Etc.	102,064	1.0	138,387	0.9	108,710	0.8
Alum, Ceramics, and Glass	60,012	0.6	144,266	1.0	116,343	0.8
Eastern Stones and China wares	32,640	0.6	196,418	1.3	67,185	0.6
Automotive Oil	117,038	1.2	124,726	0.8	124,374	0.9
Diamond and Other Precious Stones Unset	538	0.0	28,469	0.2	30,973	0.2
Woolen Goods	85,071	0.9	103,068	0.7	78,814	0.6
India Rubber Goods	55,023	0.7	81,710	0.6	66,312	0.5
Match	15,954	0.3	45,554	0.3	73,509	0.5
Cattle	16,015	0.2	46,712	0.3	64,830	0.4
Swine	12,617	0.2	51,561	0.4	59,431	0.4
Sheep	1,384	0.0	7,960	0.0	3,370	0.0
Sugar and Molasses	13,243	0.2	41,376	0.3	21,945	0.2
Meat and Meat Products	180,880	1.7	165,027	1.2	20,680	0.1
Other imports	1,033,390	9.5	1,260,738	8.4	2,232,081	15.9
Total	\$11,817,804	100.0	\$14,941,357	100.0	\$14,068,050	100.0

CARRYING TRADE

Nationality of Vessels	November, 1932		November, 1931		Monthly average for 12 months previous to November, 1932	
	Value	%	Value	%	Value	%
American	\$3,750,459	34.0	\$5,645,070	37.7	\$5,230,970	36.7
British	4,020,917	35.4	6,100,816	40.9	4,480,933	32.0
Japanese	879,056	8.0	989,800	6.6	792,937	5.7
Dutch	534,198	4.7	542,002	3.7	374,987	2.7
German	647,129	5.7	735,251	4.9	750,775	5.4
Norwegian	1,205,377	10.8	552,166	3.8	1,106,070	7.9
Philippine	26,877	0.1			409	0.0
Spanish	10,310	0.1	20,456	0.1	34,042	0.2
Chinese	108,330	0.9	14,309	0.1	61,923	0.4
Swedish	118,320	1.0	28,945	0.2	200,153	1.4
Belgian	60,072	0.5	25,875	0.2	446,675	3.2
French						
By Freight	99.0		\$14,474,484	98.3	\$13,848,713	98.3
By Mail	137,955	1.0	266,873	1.7	236,337	1.7
Total	\$11,517,064	100.0	\$14,941,357	100.0	\$14,068,050	100.0

EXPORTS

Nationality of Vessels	November, 1932		November, 1931		Monthly average for 12 months previous to November, 1932	
	Value	%	Value	%	Value	%
American	\$3,724,389	30.6	\$3,841,741	34.5	\$3,308,301	24.1
British	3,267,418	26.0	2,379,385	21.2	3,464,656	27.7
Japanese	2,056,182	16.8	2,584,083	23.1	3,749,787	29.1
German	218,855	1.8	393,510	3.6	3,431	0.0
Norwegian	1,807,796	12.4	356,714	3.1	211,583	2.4
Spanish	83,279	0.5	644,148	6.0	189,849	2.2
Dutch					4,502	0.0
Philippine	80	0.0	18,579	0.1	32,491	0.2
Swedish	74,084	0.5	112,964	0.6	84,066	1.4
Danish	464,723	3.7	566,966	4.7	279,847	3.0
Panaman			197,151	1.4	190,814	2.2
By Freight	\$12,565,968	96.8	\$11,068,171	97.5	\$11,633,303	92.7
By Mail	167,201	1.2	299,083	2.5	945,118	7.3
Total	\$12,763,167	100.0	\$11,365,074	100.0	\$15,779,211	100.0

TRADE WITH THE UNITED STATES AND FOREIGN COUNTRIES

Countries	November, 1932		November, 1931		Monthly average for 12 months previous to November, 1932	
	Value	%	Value	%	Value	%
United States	\$11,900,934	65.8	\$17,339,788	68.5	\$21,620,610	72.2
United Kingdom	600,176	2.9	9,078,139	35.5	720,935	2.5
Japan	1,378,991	6.1	2,065,632	7.7	4,233,981	14.1
Belgium	1,004,311	4.2	1,023,325	3.9	900,335	3.1
French East Indies	90,008	0.4	77,375	0.1	71,258	0.3
Germany	661,761	2.8	788,992	2.9	744,079	2.5
Spain	305,538	1.2	1,037,799	3.8	633,001	2.2
Australia	170,422	0.7	414,792	1.5	286,862	1.0
China	483,835	2.0	363,561	1.3	361,947	1.3
Dutch East Indies	161,184	0.7	321,108	1.1	303,940	1.1
France	264,931	1.0	103,144	0.6	346,329	1.2
Netherlands	185,590	0.8	150,469	0.5	174,079	0.6
India	103,125	0.4	390,115	1.3	86,201	0.3
Hongkong	61,091	0.2	55,841	0.2	62,717	0.2
Sweden	133,996	0.5	162,408	0.8	116,879	0.4
Switzerland	153,991	0.5	179,551	0.5	115,218	0.4
Japanese-China	21,400	0.1	71,553	0.1	68,436	0.2
Canada	25,663	0.1	31,494	0.1	30,928	0.1
Sweden	26,520	0.1	50,008	0.1	50,084	0.2
Canada	72,380	0.3	51,764	0.1	73,409	0.3
Norway	25,863	0.1	33,362	0.1	28,081	0.1
Austria	9,423	0.0	2,288	0.0	6,229	0.0
Danish	7,793	0.0	77,012	0.5	18,435	0.1
Other Countries	89,818	0.3	163,173	0.6	2,24,633	1.7
Total	\$18,200,771	100.0	\$26,326,431	100.0	\$29,667,771	100.0

TRADE WITH THE UNITED STATES AND FOREIGN COUNTRIES

Ports	November, 1932		November, 1931		Monthly average for 12 months previous to November, 1932	
	Value	%	Value	%	Value	%
Mainland	\$16,363,007	67.2	\$19,438,251	72.7	\$18,970,904	63.5

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