WEALTH MARKETS AND COMMERCE

Finance - Economics

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Capital operations of heroic proportions on account of the war are impending. There must presently be an internal war loan in England. Since the second loan at 4½ per cent, the British Chancellor of the Exchequer has been meeting the war budget by means of temporary short term securities, called a "floating debt," the aggregate of which now is nearly $5,500,000,000. That is more than the proceeds of the two regular war loans combined. More than half the cost of the war in England to date is represented by such floating debt. It is argued, on one hand, that the British preference for this method of financing and the extent to which it has been carried indicate official optimism as to the end of the war. It is said, on the other hand, that the government defers bringing out a third war loan because of its undertaking toward the holders of all previous issues to raise the rate of interest in the event of successive loans bearing more than 4½ per cent. Thus, if the government had to make the interest rate 5 or 5½ per cent on a third loan it would be obliged at the same time to pay the higher rate on the old loans.

Opinion among British economists is much divided. Francis W. Hirst, formerly editor of "The London Economist," represents the pessimistic school of thought. "In my view," he said recently, "the financial fabric of Western Europe is in imminent peril, and in a few more months it will be no longer possible to disguise the bankrupt condition of several great nations." On July 25, in a message to The New York Tribune, he said: "Perhaps the most extraordinary phenomenon of Parliament is the absence of competent financial criticism, although there are a dozen highly capable business members." At the other extreme is Sir George Paish, editor of "The Statist," temperamentally an optimist, who writes in his paper, July 22:

> The investors of foreign countries as well as of our own country are well aware that the credit of the British government is of the very highest, in spite of the debt that is now being created. They know that the peace income of Great Britain is some £2,400,000,000, and that the interest on the existing debt, including the war debt, is a bagatelle in comparison with the income and wealth of this country. Consequently, all that needs to be done to obtain a large amount of foreign investment money is to offer a loan with a fairly long currency and giving a yield that compares favorably with the yields afforded by other high class securities.

There is now arising in England a popular demand that the government shall repudiate its obligation to scale up the rate of interest on all its existing fixed debt in the event of having to pay a higher rate on new loans, or, as a compromise, that a limit of 5 per cent be placed on the rate of interest the government will pay for loans. If people will not lend money to their government at 5 or 5½ per cent, then let capital submit to "conscription." Thus, it may be that the rate of interest on the third war loan, when it is reached, will not be a fair indication of the price of capital in the world. It may be an arbitrary rate. But the rate of interest on another American loan, secured or unsecured, would be significant. This transaction will be deferred, no doubt, so long as "dollar securities" can be sold here in sufficient quantities to keep exchange in balance. When that is no longer possible it might be feasible either to negotiate a loan secured by collateral, like the French loan, or make a wholesale transfer of "dollar securities" to a Wall Street syndicate. To press "dollar securities" for sale on the open market would tend to depreciate the value of the medium in which England now is paying us, namely, our own stocks and bonds.

To-day the Department of Agriculture will issue its monthly report on the condition of cereal crops, as of the end of July. It will show a considerable deterioration in the condition of spring wheat, without, perhaps, telling the whole story, for the damage by rust has spread since the first of the month. It is probable, however, that the worst is already known. Opinion is reconciled to the loss of from one-half to two-fifths of the spring wheat crop. The same weather that kills wheat is good weather for corn.

How difficult it is to reconcile the interests of producer and consumer! It is greatly to the interest of a manufacturing nation that somewhere in the world the raw material to which it applies skilled labor should be cheaply and regularly produced by other people, whereas it may be very much to the interest of those other people to think first of themselves. We have forgotten that less than 150 years ago Europe regarded this country primarily as a source of raw materials and actually penalized, so far as it could or dared, the first painful efforts that we made to become a manufacturing people. In this neighborhood it was once a misdemeanor or worse to be found making wool into cloth, because Europe wanted the raw wool herself and a market here for cloth.

For years past the weakness of a one-crop country has been preached intelligently in the South until at last there is evidence of understanding and progress is making toward the diversification of agriculture. But this creates a problem for the Old World consumers of raw cotton. Professor J. A. Todd, writing in "The London Times" on the future of England's cotton supply, says: "Looking further ahead we have to consider the very difficult question of what price it will take to bring the American cotton grower back to his old alliegance to cotton, and nothing but cotton; for it is necessary that he should do so if we are to have the steady and continuous increase in the world's supply which we were getting from America before the war. It is very doubtful, indeed, whether anything like the present price will suffice, and, if not, we may look forward to a very unpleasant time indeed for the cotton trade in the next few years." He estimates that what the world needs is a progressive increase of a million bales per annum. Where is it to come from? He despairs of America. There are only three countries in the world outside of America and Egypt where any large quantity of cotton is or can be grown. They are Russia, China and India. India, he thinks, could double her production in five years, and he urges the government to take steps to induce her to do so.

The Steel Founders' Society held a gloomy meeting last week at Atlantic City. The dragon in the ointment was labor. H. K. Pollard spoke as follows:

> The bottom literally has fallen out of the labor market. Thousands of men are being paid wages which are ridiculous and which cannot continue when a normal condition is restored. Under the present chaotic state of affairs manufacturers have no alternative than to pay what the men demand if they want to hold them. Competition among manufacturers themselves in the steel and other trades for the services of skilled workers has been one of the contributing causes of the system now prevailing in many mills.

To this ominous view he added the statement that it was generally believed that the zenith in steel prices had been touched. That is anonymous prophecy. The rest is a widespread tale. The indocility of labor is a common dilemma. Labor is limiting prosperity. It consumes more and produces less, increasingly. But, as Mr. Pollard says, the manufacturers are themselves largely to blame for the state of wages, having raised them on demand, not for altruistic reasons, but because they wished to avail themselves of the opportunity to harvest great profits. And now one is constrained to wonder whether they are really so greatly concerned about the after-state of labor, which, when the readjustments are in order, as about the present unwillingness of labor to assist to the end of the harvest. One aspect of the labor problem which deserves more thought is the effect upon agriculture of the extraordinary inducements now offered to industrial laborers. From the "Bulletin of Available Opportunities," published by the Immigration Bureau of the United States Department of Labor, one may take at random such opportunities as:

> Illinois, Cook County.—Two single men for general farm work. Any nationality. Twenty cows. $30 per month, board, lodging and washing.

Or—

> Kentucky, Todd County.—One single or married man for general farm work. Irish. Some experience. Transportation advanced and deducted. $20 per month.

There are many of them—ten tight typewritten pages in the last bulletin—but they are more likely for the present to multiply than vanish. The same men can make $4 and $5 a day and be nearer the lights of a city. Agriculture obviously is at a great disadvantage in this competition.

The editor of "The Bankers' Magazine" tries to wrinkle his nose and open his eyes at the same time. There is too much vision and too much money and too much wild confidence about. Prices rise, trade expands, loans distend themselves, and enthusiasm is uncontrollable. There is, for instance, the enthusiasm of the Controller of the Currency for the Secretary of the Treasury, which the editor quotes from an address entitled, "The Billion Arrives." It is something the Controller thought about the Secretary:

> A new world of trade and finance is opening to us. The Secretary of the Treasury, William Gibbs McAdoo, born in Georgia, educated in Tennessee, and who spent the early years of his professional life in the city of Chattanooga, with the aptitude and promptness of a statesman of the largest mould, has been leading and coöperating personally with the citizens whose vision leaps far beyond the limits to which we have been accustomed, and seeks for our country in the South and Central Americas prospects of wealth exceeding in reality the most glittering fables the earliest European adventurers sent from Peru to Spain to dazzle men's thought.

The editor adds his own thoughts:

> That it is hard for those holding on to the ropes to keep their feet on earth while the gasbag is swelling is painfully evident. Men's minds are becoming inflamed by these dazzling prospects so alluringly pictured by Controller Williams. It is with no disposition to throw a monkey wrench into this swiftly whirling joy-riding machinery that we affirm that this magazine feels compelled to utter a warning that the pace is just a little too fast for safety. We are not unmindful that a new banking law is now in operation which, its friends claim, "will make panics impossible in the future." But is it not possible that this much-vaunted measure may be engendering the very conditions that superinduce speculation and lead to panic?

COTTON GOODS DEMAND GROWS

New England Mills' Prices Show an Upward Tendency.

Fall River, Mass., Aug. 6.—There was an increased volume of business in the cotton goods markets of New England last week, and the sales are the largest in several weeks. Prices have advanced to some extent, and the general condition of the cloth markets is very firm and strong. The general tendency of the market is upward, and, save on those styles which have very small and infrequent call, the feeling is prevalent that prices will still go higher.

The demand last week was almost entirely for the wider styles. Good orders were received for 36-inch sheetings, and those mills making this construction did a very good business. Reports from New York and other large cloth distributing centres are to the effect that the call for finished goods is active and that prices continue to advance.

One of the contributing features to the stiff cloth market is the advance in raw cotton, and the evidence now at hand indicates that cotton prices will still go up and that the crop will not be as large as some of the cotton merchants expected. The character of the material is not fully known.

The narrow end of the market showed some life last week, but there are comparatively few mills that make strictly narrow goods, and on this account the amount of business accomplished in this division does not serve to give an adequate idea of the volume of business that is being done in the general cloth markets. The situation among fine goods mills remains unchanged, but these concerns have orders on their books which will keep their machinery employed for some time to come.

The demand for yarns is very active, and those mills making yarns suitable for the manufacture of automobile tires are doing a very good business. Combed yarns of high counts are used in tire manufacture, and these yarns cost much money.

The sales for the week in the cloth markets are estimated at 250,000 pieces. The quotations: 28-inch, 64x64, 4¼ nom.; 28-inch, 64x60, 4⅛ nom.; 27-inch, 64x60, 4; 27-inch, 56x56, 3⅝; 25-inch, 56x52, 3¼; 38½-inch, 64x64, 6¾; 39-inch, 56x44, 4⅝.

TO FIGHT FREIGHT TARIFFS

Complaints Will Be Heard by Inter-State Board Soon.

The Interstate Commerce Commission will hold a hearing in Washington on August 14 on complaints against higher transcontinental railroad freight rates that are to go into effect September 1.

The new tariffs are in response to the ruling of the commission forbidding the transcontinental lines to cut rates to the Pacific Coast in meeting competition resulting from the opening of the Panama Canal. The Merchants' Association will be represented at the hearing through its traffic bureau.

West of East

How Minneapolis, a Mill Town, Became the Northwest Metropolis.

By GARET GARRETT.

Minneapolis, Aug. 3.

It may be true, as Kansas City thinks, that cities are built, and do not just grow; but there are many illusions in the after view. It cannot be so inceptively. Building is by pattern; you cut the pattern first. Growth makes its pattern up. Beginnings seem always casual. Many are accidental.

Why should the centre of the corn cob pipe industry be in Missouri and not in Iowa? For no reason save that somebody began to make corn cob pipes in Missouri, and made them well enough, and was imitated rapidly by others, until there was no good reason why they should be made anywhere else. It is an industry worth several millions a year, and has evolved a special kind of corn.

Why should there be a great shoe manufacturing industry in St. Louis? The only answer is that somebody began to make shoes in St. Louis, with the idea that he could compete with the New England product; he made it pay, and was imitated. It might as well have been fine cutlery or automobiles. Why is Detroit the automobile town? Partly, perhaps largely, because Henry Ford happened to be born near there and never had time to move away.

WHAT A MILL TOWN CAN DO.

A man in Minneapolis has a patent bed spring. He gives it a name. Then he begins to manufacture it in Minneapolis, not because that it is the best or the most logical place in which to produce his goods, but because he happens to be there. He imports his material from a state where steel wire is produced and exports his bed springs over all the country, hoping ultimately to sell them to all the world. Minneapolis proudly adds bed springs to the list of the commodities produced in her environs, and increases the sum which represents the annual value of her industries, as if it were the most natural thing imaginable for bed springs to have their origin in a flour milling town. It was altogether accidental. If you were going to manufacture cotton underwear you would not think of going to Minneapolis to do it, but if you were there when the idea seized you, as a certain man was, and if you made good underwear, you might give Minneapolis another distinguished trade mark. Stranger things happen. Minnesota exports iron ore to Pittsburgh where it is made into iron or steel, then brings it back, together with coke, makes it into shells and sends the shells to Europe.

MINING A COUNTRY.

Instances might be multiplied almost without end. The lesson is that transportation in this country has been and is so cheap that everybody can afford to waste it. The wasting of it is a thoughtless passion. The last thing a man needs to think of generally is the cost of bringing his raw materials from far off places and of sending his finished products out.

But everywhere is waste. One sees so much of it on every hand that it is taken for granted. An effort of imagination is required to see it at all, it is so commonplace. When one begins to look for it one soon is at the point of asking whether this country has yet begun to be developed, or whether so far it has not been rudely mined. One rubs one's eyes at seeing in Minneapolis or Duluth 30, 34 and 36 page daily papers. The obvious explanation is that they have to be big to contain the advertising; the real explanation is that white paper and printing have been so cheap that everybody has been wasting newspaper space.

WASTING A BIRTHRIGHT.

Minnesota is wasting a royal birthright. She has the richest and most available iron ore deposit in the world. She is mining it for immediate returns. It is raw wealth dug up out of the ground and sold away by the millions of tons. It goes by rail to Duluth, thence by lake carriage and rail again to Illinois and Pennsylvania, where the heat and labor are applied. If Minnesota herself applied the heat and labor not only would a lot of transportation be saved, but she would become industrially the richest state in the world.

The answer is that she has not the fuel. But nature is not always as awkward as we think she is. Often she has put things in the right places, only man does not know how to co-ordinate them. There are unlimited deposits of peat and lignite in Minnesota; there is the potentiality, besides, of almost unlimited electric power. The thermo-electric production of iron and steel is yet an imperfect process for large commercial purposes, and no way is known of economically converting peat and lignite into the heat units that require to be applied to raw iron; but that is to say only that the successful formulas have not been discovered. The point is that very little effort is operating toward their discovery. The iron ore now exported from Minnesota brings in a lot of money rapidly, and everybody is satisfied. The mining and shipping of it, however, are activities that engage the lowest grade of labor, whereas if Minnesota conserved her raw material and applied skilled labor to it, she would be able to export manufactured products, and her wealth would be incredible. The problem is merely one of taking thought. By spending ten, twenty or fifty million dollars a year on industrial research work, Minnesota could find the formulas by which to co-ordinate her resources; then she could offer the formulas free to manufacturers and achieve a control over her own industrial destinies such as no state has ever had. That would be building. That would be to grow by a pattern cut beforehand. But it is easier just to grow. Possibly the formulas will discover themselves before the ore is exhausted in the Mesaba range. If not, then something else will happen.

EVERYTHING HAPPENS.

Everything seems to happen, notwithstanding the illusion of Kansas City that cities are really built. How otherwise shall one account for the fact that Minneapolis and St. Paul, the Twin Cities, only ten miles apart, are as unlike as stepchildren? They are very envious of each other. Each has its own values, but would like to have all of the other's, too.

St. Paul is the end of the East. Minneapolis is the beginning of the West. In St. Paul the preponderating racial elements are Irish and German, the streets are narrow and people stay home at night. It is notoriously a poor theatre town. In Minneapolis the preponderating racial elements are New England Yankee and Scandinavian, the streets are big and wide, and there is gayety after each day's work. St. Paul is older. It stands at the head of river navigation, and was for many years the Mother City of the great Northwest. Then some people went over to the St. Anthony Falls, ten miles away, to start flour mills, and that was the beginning of Minneapolis. It is fifty years old now, much bigger than St. Paul, ambitious, enterprising and sure of itself. It has stopped offering inducements of money or land for new industries, on the theory that its natural advantages are a sufficient incentive and that a manufacturer who wants more is not the kind to be encouraged.

WHEAT AND IRON.

For many years everything in Minneapolis was wheat. People danced on it when it was good and prayed on it when it was poor. Rumors of black rust created widespread dismay, even so far as to alter a woman's intentions in millinery. Nobody asked, "How's business?" but "How's wheat?" Now there's another thing. It is iron. That is of recent time. To-day a Minneapolis banker says to his departing visitor, "Wire us how your wheat looks when you get back. And if you hear of any iron let us know." Iron and wheat. They are the basic things of Minnesota's prosperity, and more and more they tend to manifest their phenomena in Minneapolis.

Ordinarily St. Paul and Minneapolis speak well and respectfully of each other to strangers, as relations are expected to do; but when it came to a contest between them for possession of the one Federal Reserve allotted to the Northwest, it was necessary for Minneapolis to make invidious comparisons. Whether she disliked doing it or was glad of the pretext is not for the outsider to say. Opinions must differ. The opinions of St. Paul would be naturally biassed, because Minneapolis got the bank. Her Civic and Commerce Association produced an enormous scientific statistical book, hiring the best talent there was to do it, and then simply laid it in the hands of the organization committee. It proved that Minneapolis was the financial centre, the grain centre, the flour milling centre, the distributing centre, the manufacturing centre and the freight traffic centre of the Northwest. In the preceding year her bank clearings had been $1,312,000,000, against St. Paul's $530,000,000; her daily shipments of merchandise had been 3,400,940 pounds, against St. Paul's 1,841,390; the capital and surplus of her national banks was $13,710,000, while in St. Paul the figure was $9,600,000. The net banking power of Minneapolis was 70 per cent greater than that of St. Paul, the older city, standing there at the head of water navigation, on the great Mississippi. Minneapolis got the bank.

Is it merely that the St. Anthony Falls happened to be where Minneapolis now is? Or is it that the spirit of those who went out of St. Paul to harness that power to flour mills survives in Minneapolis and determines her impulses?

WHAT EDITORS OF THE TRADE JOURNALS THINK

A Survey of Expert Opinion in Various Fields of Business.

"America, out of its earnings and out of its savings, has actually done in the first six months of this year nearly as much new financing as is represented by all the money it owed to Europe when the great war started. This was an astounding feat, everything considered.

"It is interesting to know to what use this new capitalization is being put. One figure will suffice. The production of bituminous coal in the first six months of this year was 261,000,000 tons. This shows an increase over the corresponding period of last year of 35 per cent. Bituminous coal, in the larger sense, is mostly used for power making. Certainly the big percentage of increases was for power purposes and not merely to warm homes. Therefore the 35 per cent measures the increased amount which went into industry."—The Black Diamond.

"CRYING FOR JEWELRY."

"Members of the jewelry trade who have returned from South America recently have called particular attention to the opportunity which is being missed by the American manufacturer in Latin America at the present time, and this applies as much to the jewelry trade as to almost any other line. French and German products have been absolutely shut off from the South American countries, and, as one member of the gem trade who had been down there remarked, 'The people are crying for goods, and some of the jewelry houses in Rio and Buenos Ayres have not waited for the trade to be solicited by American firms, but are sending their buyers here.' Many of the people who speak of these conditions also speak slightingly of the way a few American houses are bidding for trade by sending down representatives who do not speak the language, know nothing about the class of goods wanted by the people or their methods of doing business."—The Jeweler's Circular.

DISTRIBUTING THE BURDEN.

"As the time approaches when contracts are ordinarily made for the succeeding calendar year to supply the paper requirements of the larger periodicals, both the publishers and paper manufacturers are seriously concerned regarding the price at which such sales shall be made. The disposition of the manufacturers is to delay the making of contracts as long as possible, which they are doing upon the ground that agreements made at this time covering the year 1917, if carried out, would in all probability work a great hardship to one or the other of the contracting parties. Fluctuations are violent and extreme and will probably continue to be so. Taking everything into consideration, this would seem to be a time when reputable manufacturers and publishers should deal with each other upon broad lines and repose in one another a business confidence. Another problem which is now attracting the serious attention of the publishers, or at least of many of them, is whether they will be able to pay the current prices for paper not being delivered under old contracts and keep their business going. Some of them have positively declared that they cannot stand the increase in the cost of paper, and assert that it is up to the manufacturer to supply them at a rate which will at least save them from loss in the continuance of their business. This, it strikes us, is rather an unusual attitude for business men to take. In the first place, it assumes either that the paper manufacturer is running his business at the same old cost, and therefore pocketing the difference in the price of paper, or else that if anybody is to suffer a loss and fail in business it should be the manufacturer instead of the publisher."—Paper.

THE PARLOUSNESS OF THE TIMES.

"Many crocodile tears are still shed in banking circles over the alleged extravagance of the farmer. Happily, the grief of the financiers is not so poignant as it was several years ago when farmers began buying automobiles. It was then piteous to behold the woe of the banker when he saw the farmer and his family having a thoroughly good time 'running around the country' in a brand-new automobile.

"It was also outrageous. What business had agricultural folk riding in a seven-passenger motor car, theretofore the exclusive vehicle for bankers?

"And parlousness of the times continues to a considerable degree, as the banker views things. The farmer not only buys and uses automobiles, but he is also getting to be rather keen on the other comforts and luxuries which city people have long considered their inalienable rights. He provides himself with implements with comfortable seats and sunshades on them. He is beginning to own tractors, some of which more nearly resemble Pullmans than ploughing outfits. He is lighting his home with electricity. His wife and his family have conveniences that open the eyes of urban visitors. In short, the farmer is beginning to live."—Implement and Tractor Trade Journal.

THE COUNTRY BANKS' PROFITS.

"In all the talk that has been going on in higher official economic circles, the real position of the country bank seems to have been ignored. Thus one member of the Federal Reserve Board tells the banks of the country that they must forget the collection of profit department, and sage advice has been offered by other members which does not apply at all in the case of the smaller institutions. The difficulty is that the average official thinks in millions and has in mind constantly the bigger end of banking, which is relatively the smaller end when we compute the totals of American bank figures.

"There are 1,200 or 1,500 'little' national banks in the United States—that is, banks with an average capital not much, if any, in excess of the minimum of $25,000, and probably as many with capital ranging around $50,000. To earn a 10 per cent dividend on the smallest national bank requires only $2,500 annual profit, and on a $50,000 bank $5,000 profit, plus, of course, the amount of surplus which the bank is required to set aside until a certain proportion has been accumulated. In other words, $50 a week profit will pay a 10 per cent dividend on a $25,000 bank capital. This may seem, and is, an absurdly small sum regarded in the light of the great institutions of the country, but it is just as important that the stockholder of the small institutions receive his dividend as in the case of the shareholder of the biggest institution in the country, and it is quite as important to the business prosperity of the country that the small banks should yield a profit, and, therefore, a continuance of existence, as it is in the other case cited."—The Financier.

MEAT PRODUCTION LAGS.

While some Congressmen are again exerting every effort to investigate the packers as the prime cause of high meat prices, the Department of Agriculture is advising us through a statement just published that meat production has lagged behind population, and that this fact, combined with greater cost of production and lessened purchasing power of the dollar, accounts for the elevated values of steaks and roasts. From 1907 to 1913 the number of cattle declined materially, but the last two years have witnessed a check to this movement and ground has been regained perceptibly. The number of cattle on farms and ranches at the beginning of this year was estimated at 61,441,000, which is more than 11,000,000 less than nine years ago. Swine show a decrease of about the same number in the last five years, and stand in estimate now at 68,000,000, while sheep have shrunk in numbers over 3,000,000, with a present estimate of 49,200,000. The packers are not paying around 10 cents a pound for cattle on the hoof because they want to do so; it is because they are obliged to do so, in accordance with the ancient law of supply and demand. The department's conclusion is that materially lowered prices for meat-eaters are not to be expected in the near future. And then there is milk. It is easy enough to meet the altitudinous prices of meat and yet live and move in strength, comfort and content. The farmer needs the rise.—The Breeder's Gazette.

A NEW SOUTHERN INDUSTRY.

It is interesting to watch the widespread interest that has been developed throughout the South in the packing house proposition. Without the establishment of packing houses it will be practically impossible to adequately develop the livestock interests of this section. The movement by the Armour company to build a packing house in Jacksonville is one of the most interesting signs of the times in this connection, for when a great packing house like that leads the way at one point it is quite probable that that company or others will follow this good work by the establishment of plants in other parts of the South. But if outside companies do not establish such plants, the people of the South will do it themselves, and at many points are already preparing to do it.—Manufacturers' Record.

"There is nothing in sight that suggests that labor is satisfied here or elsewhere. We expect a continuance of prosperity through many future months, for three or four years at least, even in the event of a sudden termination of the war, and we look for further increased wage insistence and shorter working day demands. When the tendency toward wage-cutting, due to lack of business and profits, is general, and when any job is a good one, because jobs are hard to get, there is no organized battle against those who furnish work and wages. With conditions reversed, with labor scarce and profits certain, and assurance to each individual worker that if he loses his present job he can easily find two others, the demands for more money earned in a shorter day never cease. There is no doubt but that, with the continuance for three or four years of present business conditions, the textile manufacturers and all other industries will be pressed for at least eight-hour days and a minimum of ten hours' pay. We have no doubt but that these further demands will come quite soon, although the granting of them may be in the quite distant future. Manufacturers, however, are bound to meet this condition, hence prepare for it."—American Wool and Cotton Reporter.

HORROR OF HORRORS!

At a time when publishers are eagerly scrambling for paper; when, like suppliant beggars, hat in hand, they plead with the lordly manufacturers for to-morrow's supply at a price that will leave them enough to pay the printers, and even then cannot contract except from day to day or week to week; when prices are soaring toward the empyrean blue, and the manufacturer rides in airships while the publishers crawl in the dust or at best jolt in oxcarts; while old garrets and cellars are being scraped for paper in order to increase the supply; when poverty is the chief asset of publishers and wealth the chief liability of manufacturers of paper, here comes the Bureau of Domestic and Foreign Trade in the United States Department of Commerce and announces that it has employed an agent to travel through South America in order to open up new markets for the paper and paper products of this country! The Bureau of Foreign and Domestic Trade has done much good, but if ever a man was inviting the just anger of any set of men, surely the head of this bureau is in that position when he seeks to limit the supply of paper available in this country by creating a market in foreign lands for paper, the supply of which is a vacuum rather than a surplus."—Manufacturers Record.

STATE INSURANCE CO.S INCOMES TAKE A JUMP

1915 Receipts $51,000,000 More than in 1914.

Albany, Aug. 6.—Life insurance companies doing business in New York State had admitted assets of $4,850,696,882 at the close of business year, according to Part 2 of the annual report of the State Insurance Department, made public to-day. Their liabilities, excluding gross surplus and special funds, amounted to $4,586,950,203.

During the year 1915 the total income of the companies was $925,732,364, an increase of $51,000,000 over the preceding year. The amount of premiums was $684,632,053, an increase of approximately $31,000,000 over 1914. During 1915 policyholders were paid $512,390,000, while the cost of management, including dividends, amounted to $201,000,000.

Fall River Cotton Receipts Less.

Fall River, Mass., Aug. 6.—The official statistics showing the number of bales of cotton delivered to the Fall River mills for the cotton year just ended have just been made public. The statement shows that 443,505 bales of cotton were delivered, against 461,953 a year ago.

Lumbermen Ready for Show.

The National Lumber Manufacturers' Association has completed plans for exhibits illustrative of the industry at the Rochester Industrial Exposition in Rochester, September 4 to 9, and the State Fair at Syracuse, September 11 to 16. Wooden kitchen tongs will be given to farmers' wives.