

POST-WAR CONDITIONS ADD TO PROBLEMS OF SOUTH AMERICAN EXPORTERS

AGENTS NEEDED BY EXPORTERS IN U. S.

Chauncey C. Snow Tells Manufacturers About Southern Continental Markets.

CHANGES DUE TO WAR

German Business Aided Less by Government Than Is Generally Believed.

One of the most important features of the development of trade with South America is the obtaining of proper agents to represent American firms there...

In fact, one of the British official liquidators at Hongkong, who made a deliberate attempt to ferret out evidence of government participation in German success abroad was due to direct Government help.

It has been estimated that 62 per cent of the agencies of American goods in the city of Buenos Ayres alone were in the hands of other than United States or Argentine citizens before the war...

Chauncey C. Snow, assistant chief of the Bureau of Foreign and Domestic Commerce of the Department of Commerce at Washington, has made a careful study of the situation with reference to how far Americans are to blame in their export trade...

Government Aid to Trade.

"We are prone in this country to look our own Government as rendering assistance to trade that the Government of foreign countries," said Mr. Snow in a recent speech...

COLOMBIAN BANKS OPEN LARGE FIELD

Phanor J. Eder Tells of New Trade Connections Made Possible.

FAST RESOURCES OPEN

Virgin Country of Immense Wealth Awaits Development of Fair Basis.

Because of new facilities obtained by the establishment of a chain of American banks at all strategic points in Colombia it is now in line for the American mercantile community to do its share in the expansion of American foreign trade.

There has been developing in the last few years," said Mr. Eder, "a spirit of brotherly cooperation between the two Americas that makes us in this country our neighbors above all others the help of our finance and experience. We are anxious to show our Latin American friends our gratitude for their action during the war...

"It will be a bad thing for the American manufacturer to fool himself into the belief that the Government support in getting and holding his business within the Bureau of Foreign and Domestic Commerce can render assistance. I think that in the field covered by the work of the Bureau our Government has done as much and as effectively work as any foreign Government."

"Our Government can help a manufacturer in a variety of ways. I have recently pointed out the ways in which the American manufacturer in the look run, just like the manufacturer in any other country, must organize better, produce better and sell better than his competitors."

Banks Already Established.

"It is a source of gratification to me to be able to announce that there is at least a chain of American banks at all strategic points in Colombian commerce, ready to render a comprehensive banking service to American banks, exporters, importers and manufacturers; ready to aid in the development of trade between the two Americas and ready at the same time to render complete local banking facilities to Colombian planters and merchants."

BRAZIL'S OVERSEA BUSINESS SLUMPS

Exports Decreased in Tonnage and Value During First Half of 1918.

IMPORTS ALSO AFFECTED

They Declined in Quantity but Advanced in Price—Comparisons Given.

Brazil, like the United States, is going through the industrial throes of readjustment from business conditions during the war stimulation to the normal peace conditions, and the decline of any decline in tonnage and value, while her imports decreased in volume, but due to the rise of prices everywhere increased in value.

"The following table gives a comparison of the volume of trade leading to the decline in tonnage and value during the first six months of two war years:

Table with 2 columns: Commodity, 1917 (Metric tons), 1918 (Metric tons). Rows include Wheat, Flour, Cotton, etc.

CANCELLATION RIFE IN SOUTH AMERICA

Revoking of Orders Shows a Large Growth Since Signing of Armistice.

Cancellations of contracts placed by Latin American and other firms with American manufacturers and exporters have increased since the armistice was signed. Some of the interested firms here have wondered at the cause without being able to suggest an explanation.

Allen Walker, manager of the foreign trade bureau of the Guaranty Trust Company, sees, however, in this new development an indication that world trade is being reestablished on its normal basis, and that hereafter our exporters will have to meet the competition of British, Japanese and other merchants in a real struggle for world markets.

"Just how widespread this cancellation is," said Mr. Walker yesterday, "we shall probably never know. But there are indications that particularly in those lines which were formerly controlled by England our exports have been using our goods are beginning to take advantage of the favorable situation in which the reopening of trade has placed them."

"I have heard it said that some American firms are considering the possibility of legal redress for the cancellation of orders placed with them. This is always an expensive proceeding and frequently an impossible one. Legal processes tend to bring about strained relations and financial questions to be built up, particularly in South America, on a basis of friendship."

"Obtained New, Large Business." "Indeed if we were to go deeply into a discussion of the ethics involved in the present situation we would probably find that our own firms have been entirely free from the taint of selfishness. We have obtained in the Latin American markets a large business which normal conditions had never given us. The usual selling countries were tremendously handicapped."

"The South American needed goods were needed. All we had to do was to take the orders. Under the circumstances there is small blame to us. If indeed about by shipping companies, we were delayed and general uncertainty at home, we made any while the sun was shining. I do not believe it is true that the majority of American exporters to South America have, as has been asserted, charged all the traffic would bear."

PERU OFFERS GREAT TRADE OPPORTUNITY

Country of the Andes Needs Railways and Agricultural Development.

One of the richest fields of opportunity for the business men and bankers of the United States, according to those interested in trade with South America, lies in Peru, which has progressed enormously as a result of the European war but which needs improved transportation facilities and further agricultural development to a greater extent than any other country south of the United States.

"The petroleum deposits, which are still in a stage of partial development, are a great asset which so far has been only partly developed. One great English company is prospecting oil upon a large scale, but speaking generally the petroleum deposits of Peru have been developed only to a very moderate extent. The area of the republic in which petroleum is known to exist is enormous. Taking the province of Tumbes on the coast of the Pacific as a center, the petroleum fields, some of which are now being worked, extend some 250 miles north and south and very nearly 450 miles east toward the Andes."

"It is a remarkable fact that these petroleum deposits are no modern discovery in Peru; they were known by the ancient Incas long before the present day. They were located in the center of the oil fields are now worked. The southern fields are very little known and so far have not been worked to any extent. The Incas were content with working the northern fields and only to a limited extent. They did not sink wells to an great depth as we do, but merely dug them and the oil was discharged into trenches, many of which still exist to this day."

"Neglected by Spaniards." "It is believed, although this is not certain, that the ancient people were quite well acquainted with the geological properties of petroleum. It was the case with the Indians in North America, but the principal use which the Incas made of petroleum was as a fuel for the earthenware vessels in which they kept their wine and other nutritious liquors. All through the long Spanish colonial period the petroleum fields were practically neglected."

"Growth of World Debt." "The gross indebtedness of the nations of the world has risen from \$2,000,000,000 in 1914 to more than \$20,000,000,000 according to a statement issued by the International and Mercantile National Bank. The indebtedness of one seven nations alone engaged in the war, Germany, Austria, Hungary, Italy, Belgium, Japan and the United States, amounted to \$17,000,000,000 in 1918, according to the same statement. The report points out that the different nations in the way of improving their credit in the last few years have made great strides. The United States, for example, has obtained the highest credit rating of any nation, which is now a most formidable competitor than ever before."

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MERCANTILE BANK of the AMERICAS

An American Bank for Foreign Trade

Statement of Condition at the Close of Business December 31st, 1918

Table with 2 columns: Description, Amount. Rows include ASSETS (Cash on hand and deposits, United States Bonds and Certificates, etc.) and LIABILITIES (Current Accounts, Acceptances Outstanding, etc.).

DIRECTORS

- JAMES BROWN, THATCHER M. BROWN, FREDERICK STRAUSS, WILLIAM F. PHILLIPS, CHARLES H. SABIN, P. W. SELIGMAN & Co., ALBERT BRITTON, WILLIAM P. CONWAY, JAMES W. WALLACE, WILLIAM A. GASTON, R. S. HECHT, JASIN A. SEIDSON.

The Mercantile Bank of the Americas offers the services of a banking organization with branches and affiliated banks in important trade centers throughout Central and South America, France and Spain.

Paris 11 Blvd Haussmann, NEW YORK 44 Pine Street, Barcelona Canuda, 2

Urgently Needed

A cable from Argentina, just received, advises the following merchandise urgently needed:

- Lumber, Fuel Oil, Lubricating Oil, Edible Oil, Railway Supplies

Before the War, Argentina imported annually—

- Lumber, valued at \$7,000,000, Oils and Greases at 6,000,000, Railway Supplies at 15,000,000

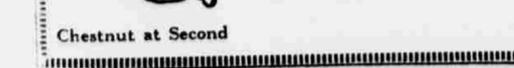
The new Foreign Commercial Service Department of the Corn Exchange can give details regarding probable purchasers of these articles in Argentina, as well as much pertinent information regarding trade opportunities in other World Markets.

This service is not only for the beginners in Foreign Trade, but also for those houses already established in these fields.

It is good business to obtain the maximum returns from a given area, either in the Foreign or Domestic Market.

As each inquiry is handled individually and each requires considerable time, anyone seriously interested may phone for an appointment with our Foreign Trade Commercial specialist, who has had fourteen years' experience in every competitive foreign market.

Corn Exchange National Bank Philadelphia



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