

guarding, and next he would do well to see that they are efficiently watched. If his own staff of workmen are insufficient, as may well be the case, it is his duty to call attention to the fact, and the help of the police, military, and territorials may well be required. There will be a very large number of persons ready and willing to serve their country at the present time. These might be employed in guarding municipal works, but such service will be useless unless it is first directed by the municipal engineer. There are other dangers incident to a state of war. The bridges and highways may need special protection. Excessive loads may come upon them, and it is the duty of the municipal engineer to see that these are strong enough to sustain the loads, and where necessary to make provision for temporarily strengthening them. We do not wish to adopt any alarmist attitude; happily the risk of actual invasion is extremely remote. There are, nevertheless, other chances of trouble which should not be overlooked, and the proper guarding of municipal works at the present time is a duty which should be brought prominently forward, seeing how vitally the well-being of every citizen is affected.—*The Surveyor*, London, August 7th, 1914.

\* \* \* \*

The entire world must suffer on account of the terrible European situation, if not directly in loss of life and property, at least in temporary financial embarrassment. American financiers, however, and the Government are fully equal to the emergency as it affects this country. The closure of the stock and produce exchanges throughout the country, the preparation to issue emergency currency under the Aldrich-Vreeland act, the placing of clearing houses on a certificate basis and the enforcement in some States of the sixty-day-notice clause for withdrawals of savings deposits will all tend to prevent the panic which, with the absence of these measures, would undoubtedly ensue. A temporary curtailment of **export trade**, with its stimulating effect, must be expected; but even with Great Britain in the conflict naval strategists feel that the ocean lanes will be kept open, enabling us to dispose of our farm products, with which we are now unusually well supplied. There is every reason, therefore, for citizens of the United States to remain calm. No other country is so well prepared to meet the emergency. In a short time, probably, things will assume a settled condition and business will proceed almost as briskly as though there were no unusual disturbance abroad. There is ample cause for gratification, therefore, at the favorable situation of the Union in so terrible a season.—*The Engineering Record*, New York, August 8th, 1914.

\* \* \* \*

The calm and steady way in which London—speaking principally for the City and its financial organizations—has withstood the shock of the crisis is rational ground for assuming that no new alarm is likely further to unsettle it. The people who are laying in supplies of flour, of sugar, of condensed milk and so on, are in a large minority. Prices will rise, have already done so, in fact; but they are not likely to advance exorbitantly. Out of the evil, good will come. Canada and the United States, for example, may find their financial salvation by reason of the present grave condition of affairs. Afterward there will arise such activity in trade, in metals, in stocks and shares as few can remember. These, however, are for the future. The immediate outlook is too serious to be illumined by more than hope, but that hope is fortified and cheered by the steadfast way in which the

financial institutions of the City of London, and the people whom they affect, have met a situation that might have precipitated a panic which nobody could have called surprising.—*The Electrical Review*, London, August 7th, 1914.

\* \* \* \*

One of the most certain results of a great European war will be a world-wide scarcity of investment capital and a consequent rise in the ruling rate of interest. Indeed, such a rise has already taken place, partly as a result of the wars fought during the last dozen years and even more of the preparations for war on an enormous scale which the European nations have made. About the close of the 19th century, prior to the Boer War in South Africa and the Spanish-American war, the market value of investment funds in the highest-class securities was not far from 3 per cent. During the past year or more the average price has been probably 4 to 4½ per cent. Where the price of capital will go to in the event of a general European war, long continued, can only be conjectured. Such a war would destroy to a large extent the great reservoirs of investment capital in the principal European nations, to which all the rest of the world has resorted for the funds with which to carry on economic and industrial development. It may easily be that a year hence 5 per cent. or 6 per cent. or even 7 per cent. may be the ruling price for investment funds of the highest class. The rate on funds invested in ordinary enterprises, involving more or less risk, such as attaches to almost every private enterprise, must, of course, be correspondingly higher.

The far-reaching results of such a change in the value of capital it is impossible to foresee in full detail. It would have, of course, a vast effect upon the prices of commodities of every sort and of real estate. It will greatly limit the carrying out of works of permanent improvement, in which engineers are so largely concerned, since capital will be difficult to obtain and can only be secured at a high price. It will mean the cancellation of a great number of new enterprises because the reservoirs of capital that were to have sustained them will be dried up.

Of especial interest to many engineers is the question, What is to be done concerning the half-dozen great international engineering congresses which were scheduled for next year?

Besides the great international engineering congress to be held in San Francisco, together with numerous other international congresses relating to many branches of science and industry arranged for there, the International Railway Congress was to assemble next year at Berlin, the International Society for Testing Materials at St. Petersburg, the International Navigation Congress at Stockholm, and the Congress of Mining and Metallurgy at London. Doubtless all these congresses will have to be indefinitely postponed. It has been suggested that the American engineers might offer to welcome these various congresses in the United States. But even if it were attempted to hold the meetings here, the attempt could hardly result otherwise than in failure. With the great nations of the world at each other's throats, it is not to be expected that their representatives, many of them government officials, could be brought together in peaceful and friendly conference only a few months hence. Indeed, who is wise enough to foresee the profound changes in nations, in politics, in policies, in races, which may grow out of this terrific conflict? It sounds like a mockery, the circular before us regarding an international exhibition of art and civilization to be held at Dusseldorf next year. But that is only one of