Other Expedients Should be Tried First

NECESSITY IS URGED

England's Prestige as a World Financial Centre.

(New York "Financial Chronicle.")

Even in well-informed business circles, many of should have been declared in London, and whether crs."
it was really necessary—on all these questions, finMr. Withers makes the highly inferesting commen plexities as to policies stands the question as to the rency instantaneously.

happened, English banking must and would, on any day when it is open for business, hand out legal-tender currency to any one who had a claim on it, was a thing worth cherishing, a flag that it was the control of the international situation, the control of the

be met if called.

point of the Bank, by the Government's own guaranty of the Bank of England "from any loss it may incur in discounting bills of exchange, either home or foreign, bank or trade, accepted prior to Aug. 4."

The Bank is further protected first by the right of the Bank is further protected first by the right of the Bank is further protected first by the right of the Bank is further protected first by the great to be be said that the United States will show particular interest in this gathering but that the financial and business or-

a feeling that if the gold once passed into the posanty expedient has thus far worked well—though it must be observed that our own country's situation regarding gold supplies in 1914, and the Bank of England, we would have difficulty in getting any of it back, no matter how strongly the foreign exchanges might turn in our favor—a feeling which subsequent events have certainly not shown to have been ill-founded.

It was almost immediately cler so shrewd and creased liabilities such as might not under ordinary circumstances have been possible. Even with these fortunate circumstances, the Bank's ratio of reserve to liabilities has declined during the present month to 184 per cent, which, except for last August, when to liabilities has declined during the present month to 18% per cent, which, except for last August, when it went to 14% per cent, is the lowest since 1866, and which it hardly need be said, is far below the trawhich, it hardly need be said, is far below the traditional 40 per cent. "minimum of safety." But the
point will necessarily be raised, whether the situabase moved in the paet eight months.

This is a striking instance of the principal financial and commercial centres of the principal financial and commercial centres of the United States, and there is some possibility of their tion could not have been dealt with through thir Bank financing so as wholly to have avoided a mora-torium. As we have seen, Mr. Withers guardedly admits the necessity which existed last August for shares at 132, off 2.

instantaneous action, and on this ground excuses many questionable expedients. Yet it is equally true that the moratorium at London was a heavy blow at England's prestige as a world financial centre. It wil probably feel the effects of it long after the war is

The issue of a special emergency currency under Government auspices raises other questions. Mr. Withers evidently leans in favor rather of the sus-Bri ish Financial Expert Says That pension of the Bank Act, which in fact was authorized by Parliament during August, but refused by the Bank. Through that expedient additional currency might have been provided in the form of Bank of England note issues without gold cover. We are ourselves inclined to think that the Bank was right in refusing that expedient. The result of the suspension of the Bank Act in the Napoleonic wars was But Moratorium at London Was a Heavy Blow at depreciation in the Bank of England note, a premium on gold, and very adverse rates on foreign exchange -in other words, exactly the position in which Germany is to-day involved through adopting precisely similar expedients. Yet the alternative was pleasant.

What actualy hapened, every one knows. The the quite unprecedented financial expedients with special emergency currency was at first not covered which the British Exchequer and the London bank- at all by gold reserves, and was in form and language which the British Exchequer and the London bank- at all by gold reserves, and was in form and language or lattonship between the United States and the Latin Commission. Mr. Flavelle was formerly a promin- American republics have been brought about by the Everyone understands why the Stock Exchange shut down; at London the action was primarily described by the control of the cont signed to prevent unloading, in overwhelming quan-demand into gold, as this currency is? But he quick tity and at a disastrous decline of prices, of securily recognizes the danger of such a principle. Govties held in the markets of the enemy. But the
ernment notes, he is careful to point out, carry spe-British Government's issue of a special emergency of a special emergency. I have come across proposals that the Government should make use of it for lending inconvertible paing eventually £38,000,000; the enormous guaran- per money to local bodies, without interest, to be ties by the Bank of England of uncollectible debts used in works devised to meet unemployment owing international bankers; and, more par to the war. Our old friend the assignat is still the ticularly, the question why a general moratorium ideal form of currency in the eyes of many reform-

ancial and economic judgment is still to a certain that the gravest evil in the situation of last August extent suspended. Back of those particular per- was the Government's inability to provide such curextraordinary alteration of a rise in our rate of ex- and 10-shilling notes ought, he thinks, to have been change on London, during August, to heights whol- already in existence, and he states that he personally unprecedented in financial history, and the sub- has "good authority for stating that bankers had Closely Allied Is Improvement in General Condisequent fall in the same exchange rate, during the long ago represented to the powers that be that a to a lower level than any reached since store of emergency currency would be needed if sterling in 1874 began to be quoted in its present England were involved in a great war.' This is not the less interesting from the fact that our own posi-These questions have been frankly and clearly tion at the outbreak of he war, as a ressult of the Financial Conference which has been called by the dealt with, from the London point of view, by Mr. Aldrich-Vreeland Act of 1908, was precisely what Secretary of the Treasury, William G. McAdoo, to Hartley Withers, lately financial editor of the Lon- Mr. Withers wishes the situation in London might don Times and the London Morning Post, then con- have been. As the matter now stands, however, with the London house of Seligman, and financial London has met the situation created very recently appointed the British Exchequer's through its emergency note issue by establishing a adviser on money market conditions. to special reserve against outstanding currency notes important international conference which has met in Minister to the United States. special adviser on money market conditions. The special adviser on money market conditions to the private in gold drawn from the Bank of England's own the United States since the first great International In his lately published book, "War and reserves. This special reserve, which now amounts Conference of American Republics which was held in Lombard Street," Mr. Withers does not by any to phwards of £27,000,000, wholly accounts for the decrease of £13,800,000 gold in the Bank's own adopted by the British Government. As regards the moratorium—which is likely hereafter to be a crux of controversy in economic discussion—he cau-

was a thing worth cherishing, a flag that it was worth while to keep flying till the ast possible moment. An extended Bank Holiday pending the provision of new currency, accompanied by the appeals violent movement of the foreign exchanges.

The wrote, indeed, just before the dramatic turn in the situation came, at the opening of this present year—heralded by the sudden and violent movement of the foreign exchanges.

The wrote, indeed, just before the dramatic turn in the situation came, at the opening of this present year—heralded by the sudden and the near future. Mexico can not be expected to be ment. An extended Bank Holiday pending the provision of new currency, accompanied by the appeals violent movement of the foreign exchanges. The the near tuture. Mexico can not be expressed under present conditions, although it has that were made to the public by prominent men of the foreign exchanges at New York and at all other the near tuture. Mexico can not be expressed under present conditions, although it has been suggested that some prominent Mexican finance of the foreign exchanges. The proposed and the public by prominent men of the foreign exchanges. The proposed and the public by prominent men of the foreign exchanges at New York and at all other the near tuture. Mexico can not be expressed under present conditions, although it has been suggested that some prominent Mexican finance of the public by prominent men of the foreign exchanges. both parties, and by the newspapers, might have kept if flying throughout the war."

Sterling exchange, at New York and at all other foreign markets, he readily explains on the ground that Lombard Street, confronted with the August

Mr. Withers admits, as every one must do, the that Lombard Street, confronted with the August

The official call for the Conference is based upon a Mr. Withers admits, as every one must do. the surface the call in its outlying capital from the provision contained in the Diplomatic and Consular provision contained in the Diplomatic and Consular banking houses whose maturing London liabilities outside world. It had the credits, readily available. were enormous in amount but were covered only by funds owed to them by Continental bankers, remit. All but New York had recourse to a moratorium of their own, and Mr. Withers guardedly intimates that There was also to be considered the critical position at New York what was virtuilly a moratorium went into force for the time, by general consensus of were enormous in amount but were covered only by but the outside world was unable to make payment. of the bill brokers, or middlemen, who were carrying into force, for the time, by general consensus of bills of exchange placed in the same position; not to the financial district, a conclusion, however, which mention Stock Exchange brokers, whose loans on cannot be accepted, even in a qualified form, considmention Stock Exchange brokers, whose loans on collateral at the London joint-stock banks could not collateral at the London joint-stock b Canada for British account at a time when Europe was withholding enormous sums of money from us tory financial relations between their countries and

ruptices on a very large scale must certainly have ensued. This would not only have started the war extravagantly high figures. The gradual return of with London's home and international prestige greatby impaired, but the English market's economic consecutive being see, was due in no small measure to the fact that the purpose of meeting such actual and necessary exfedence and power would have been so greatly British Exchequer and the Bank of England had, penses as may be incidental to the meeting of said weakened as to create the most serious difficulty through their internal expedients, safeguarded the infinancing the war expenses. Mr. Withers observes: London credit situation so, that the wholesale and the sum of \$50,000 is hereby appropriated, out of any in financing the war expenses. Mr. Withers observes:

"It was not a pleasant situation, but did it need a instantaneous recall of its capital from abroad no money in the Treasury not otherwise appropriated, to banking moratorium to mend it? . I only longer seemed necessary. The subsequent circumquestion whether a banking moratorium was necessary in order to suggest that, if suce a state of den revival of our export trade in cotton and the

banking moratorium to mend it? . I only longer seemed necessary. The subsequent circumstances—our unprecedented grain exports, the sudden revival of our export trade in cotton and the

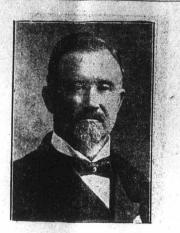
By the wording of this provision it will be noted den revival of our export trade in cotton and the sary in order to suggest that, if suce a state of den revival of our export trade in cotton and the things should occur again, those who have to meet duite unexpectedly heavy orders for war material—are familiar to every one; they explain the downward are familiar to every one; they explain the downward are familiar to every one; they explain the downward though several of the countries will probably send though several of the countries will be considered to the co As regards the enormous guaranty of bankers movement of the foreign exchanges at New York.

Of the foreign exchanges at New York.

Of the foreign exchanges at New York.

The Bank is further protected first by the right of discrimination as to the bills which it will accept; States must be considered to have used its gold. As to this, it is to be said that the United gathering but that the financial and business organizations and men of the country will manifest a second, by the great strength of the banks and accepting houses on whom most of the bills, were five months from Aug. 1, 1914 to Dec. 31, 1914, we of these Latin American men of distinction which drawn; and, third, by the rate of re-discount on such bills, which was placed 2 per cent, over the banking exported \$102,337,026 gold (gross) and \$93,908,671 will react favorably upon the Latin American governments and peoples. Concerning the Government's guaranty of the Bank's enormous loans in the same connection, Mr. Withers months of 1914. For the full calendar year 1914 guests of the United States Government from the time admits that this was a heavy liability for the State (or size countries agreement and the Conference countries countries agreement ag Concerning the Government's guaranty of the Bank's shipments of the metal to Europe in the first seven admits that this was a heavy hability for the State to assume. But he adsd that "there is little reason foreign countries aggregated no less than \$222,616," or the programme connected with it is concluded. The to assume. But he adsd that "there is little reason to fear that the taxpayer will be called upon to any 156 gross and \$165,228,415 net. One wonders what sessions will be fittingly held in the hall of the Amto fear that the taxpsyer will be called upon to any extent that he will feel appreciably, in consequence of this guaranty," his chief reason for that opinion land except for this "use" of our gold. Whatever reluctance existed in parting with more of the metal than was absolutely necessary was based entirely on the rediscounted.

156 gross and \$165,228,416 net. One wonders what would have been the position of the Bank of Englished the position of the Pan-American Union, the official international organization of the American republics devoted to development of commerce, friendship and thus re-discounted. It will, in fact, be admitted that this unusual guar- a feeling that if the gold once passed into the pos-



still seem to be largely surrounded with mystery. Mr. Withers says guardedly that "in principle there ent miller, and at one time was president of the Can-

RELATIONS WITH

United States Would find Ways and Means of Steadily Improving These

ALL COUNTRIES BENEFIT

tions and Facilities of Commerce, Trade and Transportation.

Washington, D.C., April 20.-The Pan American meet in Washington, May 24, bids fair to be the most representative gathering of American financiers which has ever assembled on the western hemisuhere. In some respects it has possibilities of being the most mer Minister to the United States; Enrique Jiminez

crux of controversy in economic discusion—he cautiously admits that "if there was an error, it was in the right direction; it was better to make too sure than not to make sure enough."

But, he adds this covered at all in specie, and whose issue up to \$750,
But, he adds this covered at all in specie, and whose issue up to \$750,
COMMON has been explored.

Appropriation Bill passed at the last Congress, as

ance and leading bankers, not exceeding three in Secretary of the Treasury in the city of Washington mediate demand from their London creditors, bankruptcles on a very large scale must certainly have

This was why sterling in August reached

This was why sterling in August reached such by given to the Secretary of the Treasury to invite, in

loans by the Eank of England, Mr. Withers believes Of all this Mr. Withers could take no note; its sudfore, that fully sixty delegates will attend the Confer loans by the Bank of England, Mr. Withers believes this to have been wholly warranted, from the standrount of the Bank, by the Government's own guaranIndeed, his remark on New York's international interest on the part of the

The delegates from the southern countries will be

being taken in a special train to California to see the BETHLEHEM STEEL OFF.

great exposition. Already several cities and their
New York, April 20.—Bethlehem Steel opened 200 banking and commercial organizations have expressed a strong desire to entertain the delegates, and there

are indications that the competition to show then courtesies will be greater than the itinerary will per

Following the general plan of organization of suc conferences, it is possible that there will be official delegates appointed by the United States Governmen and that their number will be supplemented by representative bankers, financiers and commercial lead-ers whose co-operation and participation will be help-ful in making the conference a practical success. What will actually be done in this respect will, of course, be determined by the Secretary of the Treasury

The principal purpose of the conference, as already announced by Secretary McAdoo, is not only to dis cuss and consider carefully the financial relations of the United States with the Latin American republics but to devise practical ways and means of permanently improving these relations along these lines which will be for the good of all the countries concerned. Closely allied to this purpose will be that of reaching conclusions as to the improvement also of general conditions and facilities of commerce, trade and transportation. As it is, however, a fact recognized by all the American governments that entirely new conditions of financial and commercial rewar, it is highly important that there shall be a new ships were transferred, three for \$59,000 and one for adjustment upon lines which will safeguard all the \$60,000; on Friday it was reported that a bid of \$70. countries concerned against the embarrassments and 000 had been made without finding a member depression which they have necessarily suffered from the upset of the commercial machinery caused by the

Below is given a list of the delegates which have been appointed by the various governments at this In addition to these, the Secretary of the Treasury has invited as ex-officio delegates to the nference the Latin American Ambassadors and Ministers in Washington, Secretary of State Bryan nd Director-General Barrett, of the Pan-American

National Bank of Argentina: Richard C. Aldao, former Minister of Finance for the Province of Buenos Aires; V. Villamil and John Zimmerman, of the Buenos

Bolivia: Ignacio Calderon, Minister to the United States; Adolfo Ballivian, Consul-General in New York.

Chile: Luis Izquierdo, former Minister of Foreign Affairs; Augusto Villanueva, Director-General of the Bank of Chile, and Luis Aldunate.

ombian Legation: Santiago Perez Triana, prominen'

Dominican Republic: Francisco J. Peynado, for-

Nicaragua: Frederick Albert Straus, banker

Peru: Isaac Alzamora, former Vice-President;

Eduardo Higgins, Consul-General in New York. Salvador: Alfonso Quinones, Vice-President; Jos Suay, Sub-Secretary of Finance; Roberto Aguilar. Pedro Cosio, Minister of Finance; Dr

Argentina: Samuel Hale Pearson, Director of the

Aires Chamber of Commerce,

Colombia: Roberto Ancizar, Secretary of the Col-

Costa Rica: Mariano Guardia, Minister of Finance: John M. Beith, banker.

Panama: Aristides Arhona, Minister of Finance Ramon Acevedo, Manager National Bank of Panama At this writing (April 15), seventeen of the twenty Ramon Arias, Jr., Vice-President of Bank of Canal

Union Bank-Regular quarterly dividend of 2 per cent., payable June 1 to shareholders of record May

RAPID RISE IN

At One Time, With 2,000,000 Shares, Strain Became so Great On Clerks That Governors Had to Declare Special Holiday.

\$40,000, and Wall Street was cheered occause that represented a substantial advance over the price \$34,000 quoted when the Exchange was closed la to part with his seat.

bership values are being determined, is well measured in the following table, which presents the number of days in each year, since 1898, when Stock Ex

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recorded above when sales ran beyond 2,000, shares. In both 1906 and 1904 there were for when sales ran beyond the two-million ma there were thirteen such days, in two of which me than three million shares were sold. At that elerks of brokerage houses were eating and sleepi that it was necessary for the Stock Excha clare a special holiday. Nevertheless, Stock Excla then were quoted so much below the preseats price, \$50,000 being the best record of 1901.

Comparison of the prices of New York Stock Ex change memberships during the past few years is as follows:

	Hig	h. Low.		1	ligh.	Low.
1915	 \$60,000	\$38,000	1911		\$73,000	\$65.00
1914	 55,000	34,000	1910		73,000	65,00
1913	 55,000	37,000	1909		96,000	72.50
1912	 73,000	58,000	1908		72,000	50.00

New York, April 20.— Dupont Co. has new plants at a cost of \$5,000,000 each. At least vix bi oncerns in different parts of the United States are enjoying increased business in cartridges. These Winchester Arms Co., Union Metallic Cortridge C United States Cartridge Co., Lowell, Mars Cartridge Co., Cincinnati; Robin Hood Cartridge Co.

EXCHANGE SEATS

In Past Month Those at New York Have Practically Doubled in Value

MANY MILLION-SHARE DAYS

New York, April 20.—Early in March a New York stock Exchange membership was transferred for

Stock Exchange activity to date, by which mem-

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		High	Low.		1	ligh.	Low.
915		\$60,000	\$38,000	1911		\$73,000	\$65 000
914		55,000	34,000	1910		73,000	65,000
913		55,000	37,000	1909		96,000	72,500
912		73,000	58,000	1908		72,000	52.000
To	et ve	or's price	of \$34.00	0 wo.	. Ober	Lance	

ed since 1900.

NEW POWDER PLANTS.

and the Western Cartridge Co.

BUSY BUSINESS MEN

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MERICAN CAN'S EARNIN

0L. XXIX. No. 289

on I have no hesitation in that the government will the Sherman law against Am ely plausible to me. This a former Administration. m suit. The present atorneycarried it along, retaining s who handled the case unde n. The case has never beer ent and since its defea rial of the United Shoe case t an Can suit has seemed ision for the company. hat the department of justice he last of this suit and that and to compromise it, settling i It is understood that American on hand large enough to pay t ed dividends amounting to at 41,000,000 preferred stock. If by ment suit should be dismis ts of the management would unde ate the rest of these accrued pre merican Can has been having far in 1915. Business is ahead enal earnings for the common ng at the rate of between 8 Any statement of American Can to be accepted with the rese d reports do not disclose the fu In 1914 the company actu for its common, but so m eds and other capital purposes tha nce for the common was

NEW YORK CURB IRREG New York, April 20.-Curb marke Houston Oil 14 to 15; N. Y. Tran Standard Oil, N.Y., 190 to 19 15; Profit Sharing, 31/2 to 3 9-16;

ional Petroleum sold, 83%. Ne etation, 1414, up 14. British Am opened off % at 19%, advancing mew, opened off 3% at 193%, advancing the shares were about steady. An me, 121/2 to 131/2. Inter Petrolet Tailed Cigar Stores, 10% to 10%; Nortation, 1414 to 14½; Alaska June

New York, April 20 .- Curb mark

ational Motors, 14% to 15%; To to 5%; Film, 3% to 4; Houston American Oil, 18 to 181/2.

WHEAT BARELY STEA Chicago, Ills. April 20.-Wheat bar ission house selling winter wheat belt are confined t and Ohio and some need be no apprehension as ye Some export inquiry for imed and there is foreign buying of s barely steady, due to selling by laror houses. Part of the buying was

Oats were easier with were some large farm offerings FORTUNES IN BETHLEHEM New York, April 20.-New York Tribe ntermyer, who for years has soug ities of New York Stock Exchange e made over \$2,000,000 in rise d. His holdings of 15,000 shares a

erage him 25. Jules S. Bache, 1 hithe & Co., is credited with having c in Bethlehem, and James F. Mat & Mathews. \$500,000. BUYS 2,000,000 FEET PIN cago, Ill., April 20.- The Chic allway and Union Stock Yards Co. h with the Edward Hines Lumber Co., let of yellow pine for a new factory i

cturing district. One big railro market for 6,000,000 feet of white oak SUGAR FUTURES QUIET. New York, April 20.- Sugar futures quiet, and barely steady. May, 37 M bld. July, 387 to 393. August, 39

BOSTON OPENED STEAD April 20.-Market can Zinc 37 up 11/8; North Butte,

NAVAL STORES MARI

New York, Aprily 20.—The market for in tone, reflecting Savannah, wh tion is maintaining prices. turpentine is still quoted at 48!

The movement is a lit Tar is quiet and steady at \$5 for kiln ats more for retort. Pitch is maint demand being lighter. non to good rosin is quoted at 3.53

les are rather firmer. lowing were the prices of ro-B, \$3.70 to \$3.80; C, \$3.70 to \$3.85; E, \$3.90 to \$3.95; F, \$3.95 to \$4.00; H, \$4.05 to \$4.20; I, \$4.05 to \$4.30 .75 to \$4.85; N, \$5.60 to \$5.70; W CF 5. W \$6.20 to \$625.

avannah,? Ga., April 20.—Turpentine f Sales 342, receipts 298, shipments 213, Rosin firm; sales 1,544; receipts 1 hts, 1,848; stock, 87,726. Quote: A and D, \$3.35; E, \$3.40; F, \$3.50; G and \$3.55 to \$3.80; M, \$4.15; N, \$5.15; W G,

April 20.—Turpentine spiri

