

Banks, Bankers and Banking

Europe, as Bankers see it

The outstanding need of Europe today is the establishment of international balance sheets and a more definite economic status through the determination of the German indemnity. This briefly summarizes the views of E. W. Stetson and Harold Stanley, Vice-Presidents and members of the Managing Committee of the Guaranty Trust Company, who returned recently after a two months' business survey of the situation in Western and Central Europe.

Commenting upon the situation in Western Europe, Mr. Stanley said: "One finds much of a reassuring nature in the developments of the past year among the Allied countries. England's courageous and farseeing policy, in spite of serious political problems throughout the British Empire, is bearing obvious results in the restoration of credit and business activity generally. Her firm tax programme, her foreign policy and her dogged determination to maintain her position of financial supremacy, are all combining to speed the restoration of normal conditions in England. Of course, labor troubles, decreased production, and political difficulties in her dominions are giving England great concern, but the British trait of sticking to the job promises to triumph over these difficulties and substantial progress over a year ago is evident. English traditions are powerful influences and are largely effective in the work of reconstruction. There is considerable agitation in England, as there is in this country, against the heavy taxation that prevails; and there, as here, the question is raised as to whether such burdensome taxation can be continued without impairing the social and industrial interests of the nation.

"France is rapidly getting back on her feet. The French peasant is producing splendid crops, and France expects to raise enough wheat to supply her needs this year. The French industrial worker, in spite of sporadic strikes, is producing effectively, and the whole labor situation in fact, seems to be much improved in the last few months. The French people generally are ready and eager to work. France still needs fuel and raw materials, and has great financial problems to solve, but definite plans can be made to meet these problems as soon as the German indemnity is fixed, and there

seems no doubt that France will work out its future successfully.

"Belgium has already moved back well toward the normal. Conditions there have been fully described, and it seems pretty generally understood that Belgium perhaps least of all of the nations of Europe presents a problem."

Supplementing his visit to the offices of the company in the three countries mentioned, Mr. Stetson travelled through Germany, Austria, and Czecho-Slovakia studying conditions in Middle Europe. As a result of his investigations there he states: "An atmosphere of uncertainty and hesitation prevails throughout Germany and Middle Europe, and it is very difficult to forecast even the immediate future for these nations, old or new. Germany has at last come to realize that she lost the war and is making desperate efforts to overcome the handicap that it has put upon her. I did not meet any optimists in Germany, but I am confident that a good deal of the sombreness in the dark picture which Germans paint can be attributed to their effort to temper the Allied terms of settlement.

"Underneath this dark surface there were many indications that the Germans are confident of their ability to 'come back' and do not realize themselves what a long journey that must be. Her greatest economic difficulties are currency inflation and lack of raw materials. How these problems are to be met it is difficult to see clearly. There are these reassuring sides to the picture, however: Germany's agricultural output is being stimulated in every possible way, and large crops are assured. Her industries were not destroyed by the war and are productive and efficient, needing only raw materials to supply them. Her people are industrious and thrifty and glad for the opportunity to work. Undoubtedly there will be numerous changes before any definite political status is fixed, but through it all German thrift and commercial instinct will endure and accomplish important results. I learned that radical steps toward decreasing their present inflation and meeting their fiscal problem are contemplated and that will go far toward the work of restoration."

Kentville, N.S.—The strawberry crop in the Annapolis Valley this season is a very fine one, and shipping has been extensive. This firm of Cyrus and Manning Eells, Port Williams, received one order for 50,000 boxes for Quebec city. This firm sold more than 1,100,000 strawberry plants this year.

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