FINANCIERS SOUND WARNING AGAINST VICIOUS CIRCLE Industrial America Shrieks as

Shall We Take Heed From Great Britain's Experience?—Gossip of the Street

TN THE opinion of many financiers in this city who give more than a passing thought to the economic conditions through which the country has recently passed, is now contending with and which it must face in the future, the nation is approaching a condition similar to that which obtains in Great Britain, and which is contained in the summary of a report made to the House of Commons after a long investigation by its committee on national expenditures.

The report says: "High wages mean high prices: Fresh cycles of wage advances succeed one another. Each one results in further increases in prices or in preventing a reduction in prices. The producers are raising prices against themselves as consumers. We are deeply impressed with the seriousness of the situation and are convinced that if the process continues the result can hardly fail to be disastrous to all classes of the nation. The whole thing is a victous circle of rising wages followed by rising prices."

As an antidote the report recemmends, among other things, that; The Government should endsayor to avoid the creation of new credits in financing the war;

The actual increase in the cost of living to the working classes should be ascertained;

Profits should be limited:

An advance of wages should be limited on any other ground than the increased cost of living;

A single policy under the direction of one authority should be adopted in all industry in the determination of the wage question.

The all-around increase in wages of 10 per cent, says the report, and similar increases in the cost of commodities purchased at home has already involved an increase in national expenditure of \$130,000,000 tabout \$630,000,000) yearly.
One of the most important causes of the increase of expenditure, says

the committee, has been the expansion of credits. If it had been possible to finance the war, it says, from day to day by means entirely of taxation and loans from the savings of the people, the general increase in prices would have been considerably less than it is.

There is a very valuable lesson for the people of the United States contained in this report, and not the least important is the last part referring to the savings of the people, which, if used toward defraying the expenses of the war and if contributed in the largest measure possible toward that end, will have the effect not only of keeping down prices, but will serve in the highest degree toward mitigating the burden

The war-savings stamps, which can now be had by any person without leaving the block in which he lives, is a plan which bankers and other financiers believe should be pushed to the limit in this connection. Some are of the opinion that even yet, if some such plan as the English club plan for small savings could be introduced in connection with the war stamps, especially in the rural communities, where the community interest is more pronounced and where a healthy rivalry could be engendered among these savings clubs, it would have a wonderful effect.

Investment Bankers of New Financing

Following the recommendations of the committee of bankers headed by Thomas W. Lamont, of J. P. Morgan & Co., which recently held a conference to discuss the proper action to be taken in the matter of new financing, comes the report of a special committee, headed by Allen B. Perbes, which was appointed at the last annual convention of the American Investment Bankers' Association in Baltimore, This report recommends the appointment of a board to pass on all issues of securities, "in order that nonessential financing may be curtailed and essential financing accomplished, so that industry and finance may be maintained on as well organized and normal basis as is practicable under the changing general conditions."

The committee stated that in a general survey of the situation it appears that in regard to corporate financing much has been and will continue to be neglected through the regulatory and restrictive power of the securities market, and that in respect to State and municipal financing much can be accomplished through official proclamation. The committee also recommends that no offerings of any class of securities will be made at a time to interfere with the Government's Liberty Loan cam-

On the whole, the report of the committee corresponds with the plans drawn up recently by the Federal Reserve Board at Washington to effect the regulation of new financing by voluntary action, coupled with moral suasion, rather than any legislative action. For so far this sentiment has been equally powerful to any legislation and there is no reason, judging by the prevailing sentiment among bankers, for think-

ing that it is weakening, Who Is the Goat—Garfield or I. C. C.?

There is always more or less discussion going on as to where the blame should be laid for the drastic Garfield fuel order.

Many contend that the fault is with the Interstate Commerce Comm sion, and this is followed up by the usual invective on the heads of that rightly or wrongly much abused body. "The railroads were throttled and had no chance to get money to make the needed extensions and improvements which they wanted, and now look at the consequences" is the usual form of denunciation. But it is common knowledge that the management of many roads gave the general public enough cause to believe that all the fault did not rest with the Interstate Commerce Commission. Indeed, there were revelations of gross mismanagement, both financial and otherwise, which were brought to light in the several railroad investigations which have taken place in the last ten years, that went far to show that such a controlling body as the Interstate Commerce Commission was an absolute necessity. And it is still an open question whether or not under normal conditions the operation of the commission would not have worked out all right.

To come right down to facts, the railroads were in a wonderfully prosperous condition for some time before they were placed under Government control. They were doing business on a scale which before the war would have been considered impossible. For the seven months ended October 31, last, the number of revenue-earning tons of freight per mile increased 27,000,000,000 or 12.6 per cent compared with a similar period for the previous year.

It is said the showing would have been much better but for the multitude of priority orders, which issued by all manner of officials, instead of being under one directing head, only served to confuse traffic movements and to a great extent caused the present wasteful congestion.

All Signs Fail on Stocks

The saying that "all signs fail in dry weather" is applicable in a way at present to the stock market, as all previous bases on which to found prognostications have failed. This is especially the case since the fuel director's edict went into effect. From the viewpoint of prospective earnings, according to all precedents, prices should sell off, as it could not be expected that lost days' earnings could be made up in the case of many industrial corporations. But strange to say, such stocks have not gone down to any extent. In looking around for the reasons for such a condition, it is found that opinions are about equally divided, some attributing it to a short interest which they believe is the power which is stabilizing quotations, while just as many assert that the "big Interests" in New York are responsible.

Bradstreet's Says:

Under the circumstances it is obvious that the week has been marked by considerable unsettlement, but after the first shock it is quite generally recognized that the fuel administrator's order, while drastic, was imperatively necessary, and the general tendency is one of patriotic obedience to the mandates of the order. In fact, local administrators at many of the larger industrial centers, knowing full well that numerous plants had been compelled to close down for want of fuel, had already adopted expedients to conserve supplies, the iron and steel industry having been

particularly beset. The Writing on the Wall

Whether the Kaiser and his military supporters are capable of seeing "the handwriting on the wall" or not, or, if seeing, whether they interpret aright or not, it is very evident that many heads and the officials of banks and other financial or semi-financial institutions in the United States with German names in their titles are seeing it and are preparing

Applications received during the last week by the Comptroller of the Currency for permission to change titles numbered nine, five of which

are on account of the war. They are:

German National Bank of Newport, Ky., to American National Bank of Newport; German National Bank of Little Rock, Ark., to American National Bank of Little Rock; German-American National Bank of St. Joseph, Mo., to American National Bank of St. Joseph; German National Bank of Vincennes, Ind., to American National Bank of Vincennes; German National Bank of Covington, Ky., to Liberty National Bank of Covington, Walter M. Sternberger obtained the Court's permission to change his name to Walter M. Walters. He was formerly a member of lie firm of Sternberger, Sinn & Co. He is now in the United States army.

TARGETS OF PROTES

Mills Are Closed to Cure Coal Crisis

HAS PRESIDENT ERRED

Much Depends on Whether Move Breaks Freight Gorge That Shutis Scaboard

By J. HAMPTON MOORE

WASHINGTON, Jan. 31. The American industrial lies has roured at Firel Commissioner Cartield for three days, but has laken his mediclue just the name. The President, who backed up his fact minimistrator, has also consults for critiches, but that he not cameged the situation. The order closing down the nolls and industrial establishments wears could as first attle stands if Even the outbursts in th House and Senate have had no material

effect. Arbitrary and unualled for a many contend the order was, it remain substantially as written, though the in convenience, mancial loss and lumbers caused by it have been great.

Since issuance of that order Senators and Representatives have been freer to she representative have seen recer to peak of the Fresident and his war pol-ey than they were at any time since the sectaration of war. To a large eton they have found support in the news-representance, of their hitherto support. is the lead of the President without con

It has been interesting to watch this temperary turn of the tide. What does it pertend? Members of Congress, at first bluch, have the notion that the President made a fatal mistake so for as his political future is concerned. Hombarded with telegrams from home. from large operators who have hitherto from large operators who have hitherto insisted upon "standing by the Presi-dent," they have full as if the President, had weakened the Democratic party and had made certain election of a Republi-

HOUSE MOVES CAUTIOUSLY The Senate possibly went further than the blouse in undertaking to reverse the he existing order. Resolutions were intro-duced, debated and voted upon. The House was more cantious, in view of the doubt as to whether Congress itself

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The laber of the gree at Nagara in winter would be likely to eventuate under abnormal transportation conditions. If all ports along the cost were favored ports of long the cost were favored by the past mistakes and act down to long the superior in some respect to those of New York or the less faculties superior in some respect to those of New York or the less faculties wherein in some respect to those of New York or the less faculties wherein in some respect to those of New York or the less faculties wherein is some respect to those of New York or the less faculties wherein in some respect to those of New York or the less faculties wherein in some respect to those of New York or the less faculties wherein in some respect to those of New York or the less faculties wherein in some respect to those of New York or the less faculties wherein in some respect to those of New York or the less faculties wherein in some respect to the third in the part of Philadelphia, Craimbor, Nordio, Charleston, Charleston the observer that something in the nature of the gorge at Niagara in winter would be likely to eventuate under abnormal transportation conditions. If all ports along the coast were favored equally with New York, the port of Philadelphia, for instance, with its facilities superior in some respect to those of New York or the less favored ports of Beston, Baltimore, Norfolk, Charleston, Savannah and Jacksonville, the situation

Services at Mome of Former Downtown Political Leader

This seems to be the theory upon which
the Administration is working, notwithstanding the many carges of carstate of rectorage
purposes, that have come up from all
actions of the country.

The administration has sirred upon a
The administration ha

NEGLECT OF PHILADELPHIA'S PORT CAUSES NEEDLESS DELAY AND COST

Investigation of conditions in the port of Philadelphia has shown that the United States Government authorities responsible for munitions and war supplies to Europe have not used the facilities of this port to capacity.

Authorities on conditions in eastern sepports of the United States have agreed that the eastern freight tangle could have been largely avoided or relieved by the use of the port of Philadelphia.

Mayor Smith has ordered Director Webster, of the Department of

Wharves, Docks and Ferries, to take action to have the port of Philadelphia used for the relief of the freight conditions and to get supplies

to the United States troops in France.

It has been shown that by shipping through Philadelphia, with its facilities for quick handling, the progressive demurrage charges which go into effect today could be avoided.

The following is a composite comparison of the ports of New York and Philadelphia as assembled from interviews given by leading authorities on the question:

NEW YORK PHILADELPHIA

Can handle all the ships now plying between the United States and Europe.

Can handle all the ships now plying between the United States and Europe.

Requires lighterage for virtually all freight handled because of location of railroad termini.

Requires no lighterage, because of railroad belt line in Delaware avenue, connecting all piers with the three trunk lines entering the

Lighterage charges add from Railroad facilities to the piers do thirty cents to \$1 a ton to freight away with lighterage charges.

Delay caused by lighterage.

Is ninety miles further from the western supply centers.

From five days to two weeks' de-Five days to two weeks' delay eliminated by elimination of the lay caused by rail congestion in the extra ninety-mile haul.

Piers piled high with freight that cannot be moved.

Use of Port Vital Turk Cruiser Sunk to End Freight Jam by British Fleet

No delay for lighterage.

western supply centers.

Continued from Page One

mynt stories of the war.

Is ninety miles nearer to the

Plenty of room for more freight

by which the two Turkish cruisers are

still most widely known-were last re-

on the present piers and facilities being added.

Continued from Page One not taking the step, for the reason that

they have not answered us. We have M.28, can Congress It has been interesting received no reason from them for not to watch it all and to attempt an analysis of the situation.

The congress is the second from them for not making use for ports outside of New York.

NO REASON FOR CONCESTION There is no doubt that ablus shout be diverted to this port from New York This is the self-evident manner in which concerted conditions can be cleaned up. There is no reason in the world why freight should be delayed five days or more is submaring to the control of the contro had not conferred ample powers upon the fuel administrator through the President to do exactly what he did do. The road was made easy for Republi-cans in the House who offered a reso-lution for postponement or modification of the order, by Jernocratic objection

themselves, are hoping for the success of this unusual undertaking. We are informed that the main reason for the order was the clogging of the railroad tracks in the vicinity of New York, where ships have been waiting for their bunker coal.

A glance at the map of the United States, with its forty-eight States driving their feedstuffs and their industrial products into the neck of the transportation bottle at New York, will convince the observer that something in the na-

1000 WORKERS' HOMES

Government Will Lend \$2,-400,000 and Residents Will Furnish \$600,000

ount of the anguest demand for houses drawns nd the necessary for specting up shipathing and other industries here in day

All Business Halts

The Gorben and Breslau—the names by which the two Turkish cruisers are still most widely known—were last reported lying near Constantingle more as less disabled offer the labels among the last of the exemption last in the committen last in the adomnistrator.

to take whatever action against violator, to deem advested and just. Under the Lever act. Tailure to deem advested and just. Under the Lever act. Tailure to deem advested and just. Under the Lever act. The first words I was accounted to the Lever act. The first words I was accounted to the Lever act. The first words I was accounted at the case of the five-any interfering with the case of the five-any enter, and the expected in the expected to the five-any enter to the first words. All energies and he expected to the five-any enter to committee animometed possible of the five-any enter to committee animometed to their runs and not to wait for orders to committee animometed to five in any interference of the five-any enter to committee animometed to five in a second to read so order. The second to read the first of ten freshes Mondays. It all the grant to the present transcent first of ten freshes Mondays in all traces of matners between those clearly station crisis which MAAdos State in the first of ten freshes Mondays in the least of the first of ten freshes Mondays in all traces of matners in the second to read the first of ten freshes Mondays in all traces of matners in the second to read the first of ten freshes Mondays in all traces of matners were contained an interest to their runs and not to wait for orders to their runs and not to wait for orders to their runs and not to wait for orders to their runs and not to wait for orders to their runs and not to wait for orders to their runs and not to wait for orders to their runs and not to wait for orders to their runs and not to wait for orders to their runs and not to wait to their first of ten freshes Mondays in all traces of matners to the ten freshes and head to the form the captain to refer the present transcent to the first of ten freshes Monday in the first of ten freshes and the present transcent transcen ported lying near Constantinople more or less disabled after their highly eventfu career in the present war. Their appearance at the mouth of the Dardanelles is in the nature of a sensation, and probably means that they attempted a raid on the Allied naval forces blockeding the straits. The brief dispatch above may be only the first word in one of the most startling

loud volve. And the char chair was morrow if possible—and to the Senate to incombers of the committee with protests. blue as the waters of Indigo. Sciah. indignition over the coal order has the contended by fort-line owners. The Hellevine-Stratford barber shop esoled. Hitter consure of the fuel ad-

Subway Riders Jam Stations as Cars Fail Continued Cross Page One

WILMINGTON TO BUILD Fight Coal and Snow | PRAISE NAVY GUNNERS to Win Coal Battle

Continued from Page time

blevators in office buildings are supposed to run only for these exempted.
But despite the general close down of leadness, the Government is faving a violent fight to keep coal moving. At both nurthern and nuthern ports lead-

or tessels is continuing on a twenty-our hour schedule.
It is now believed certain that unless drawer because are taken to continue co

is being brought to bear on -usral McAdon to declare an washington, Jan. 21, some the state of the last part part of the last part

20,000 four during the next few days guard state; of a twenty-four-hour londing schedule. With my

John E. Fort, of the Federal Trade Com-mission, and Governor Goodrich, of In-

Teuton Peace Plans Accepted by Ukraine

peace negotiations, Russian Foreign Minister Trotsky told German Foreign Secretary von Kuelilmann that be must on consider the negotiations discontinued, according to word received here toda). The Russian leader declared the meetings would be continued within a

FOR SAVING OF SHIP

Men Aboard Armed Liner Take Vessel to Port After Torpedo Attack

ALL STAND BY POSTS

Secretary Daniels Reveals Bravery of Men of the Armenia in War Zone

WASHINGTON, Jan. 21.

by and the government will be not come that the blacked despite the close and taken to port after being attached.

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Every simplementing panel of this only will be blacked despite the close and taken to port after being attached as a manufacture of the post of the real to be a full below to show the real to be the real to be a full below to show the real to be a full below to show the real to be the real to be a full below to show the real to be a full below to show the real to be the real to be a full below to show the real to be the real to be a full below to show the real to be the post of th armed guard were at the gure and sould Serie.
The loss showing this far has been guard when, at night, a wireless measure the southern Atlantic parts, where the content and its ready for loading, with the content and its ready for loading, with respect to the content of the guard instructed the men to increase their vigilance, avoid the use of speaking respect and there were delivered by the cult to the bridge if a cultous and to cult to the bridge if a cultous and the cult The same to me a route. At one port tubes and to call to the bridge if a sub-marker was signed. Shortly afterward the wireless message was canceled.

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All Business Halts
on Heatless Monday

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indignation over the coal order has contended by fort-ine owners couled Briter censure of the fuel administration was defined certain to mark the typert.

Witness to the coal order has a few manifestation was defined certain to mark the typert. Willnesses teday were to be Judge of the Federal Trade Combined Fort, of the Federal Trade Combined and Governor Goodrich, of Instant.

T. F. Barrett, receiver for a short most operating in the Fennsylvania coal fields. was in conference with Chairman E. D. Smith, of the Senate committee, today, but on the fed that exemption of the fed that exemption of upon McAdoo the fact that exemption of

short-line railroads from Govern control would be "grossly unfair."

Dhilroad Engineer Killed
TRENTON, Jan 21.—Unable to hear disting and Polant.

AMSTERIFYAM, Jan 21.

Responsibilities of the Reichemia distinct states that be the Reichemia distinct and the Reichemia distinct an Dailroad Engineer Killed

The nature of the emfectives was not divinged, but Scheldenator was quited College, surprised a large assemblage of as waying that for is too early to give Friends at the First Day School Continuous of resing a peace conference ference Class in the Priends Meeting either to Stackholm, Cogningen or Christiania. terday, by asserting that Pr Wilson's pronounciamento that Prior to leaving Brest-Lineal at last their own form of Government would work's termination of the Russo German bave been considered treasonable in



Tuesday, January 27

GOSSIP OF THE STREET WILSON AND GARFIELD