

What is the Country's Condition?

From comment by the Honorable David F. Houston:

This Second Survey of National Conditions, made by the Fidelity and Deposit Company, is suggestive, and will be helpful. At all times information of the sort here gathered is valuable. It is particularly so now, when there is still uncertainty in the business world, and leaders are debating the details of their industrial programmes and policies. It indicates that the business world is still feeling its way, but with increasing confidence, and with the conviction that the worst has passed.

The country has successfully borne the strain caused by a most notable drop in prices, particularly of a vast volume of raw materials, and has weathered a trying period of liquidation. The demand for fin-

ished products has not developed to the point where our factories feel justified in taking the requisite quantity of our surplus raw materials to furnish the necessary relief to their producers; but there are some indications of a change in this direction.

Business men realize that forced action, based on artificial optimism, may lead to unwise action, and produce further embarrassment.

The foreign situation has not shown the expected improvement, and continued difficulties are experienced in discovering an effective European market for our commodities.

This Survey does point to certain favorable domestic conditions. The

cost of living has appreciably diminished. Building operations in a number of districts tend to increase. There have recently been no strikes of consequence. Greater productivity of labor per man is reported from all districts. Raw materials are plentiful, and physical transportation conditions are good. There have been no business failures of moment. The crop outlook is satisfactory; and the banking situation has improved. It is believed that confidence in business circles is slowly spreading, and that while there is hesitancy, the business men of the country are feeling their way with sound business caution, and the country is working back toward a more stable condition.

A Nation-Wide Digest of Facts and Opinions, made by the Fidelity and Deposit Company Through its Representatives

INDUSTRIAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.	MOUNTAIN	PACIFIC	
	Mass.	Maine, New Hamp., Vermont, Rhode, Isl. Conn.	New York	New Jersey	Penn.	Illinois	Ohio	Indiana Michigan Wisconsin	Minnesota, Iowa, Missouri North Dakota, South Dakota Nebraska, Kansas	Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi	Arkansas, Louisiana Oklahoma Texas	Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington Oregon California				
1 Is there a marked resumption of industrial activity?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
2 Is buying by the public still restricted?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
3 Do industrial concerns report continued cancellation of orders?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
4 Have retailers stocked up in expectation of a good Spring business?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
5 Have retail prices been reduced in the same proportion as wholesale prices?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
6 Has the cost of living diminished appreciably since last September?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
7 Are industrial concerns crav- ing large amounts of customers' paper?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
8 What problem has the greatest bearing on business prosperity?	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Railroads	Taxation—Peace Question	Taxation—Peace Question	Taxation—Peace Question	Taxation—Peace Question	Taxation—Peace Question	Taxation—Peace Question	Taxation—Peace Question	
9 Are general transportation conditions good?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
10 Are raw materials plentiful?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
11 Have any failures of importance occurred since last September?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
12 Are there any strikes?	Yes	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
13 Have there been appreciable wage reductions, and in what lines?	Yes—Metals Machinery—Foundry Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades	Yes—Textiles and Products—Lumber—House Furniture—Textiles—Machinery—Products—Building Trades
14 Has the productivity of labor per man increased or decreased since Sept.?	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Increased	
15 Are building operations increasing or decreasing?	Decreasing	Decreasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	
16 Is there need of building construction and in what class?	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	Yes—Low Priced Dwellings—High Grade Dwellings and Apartments	
17 Is sentiment favorable to building operations at present cost?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	

FINANCIAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.	MOUNTAIN	PACIFIC
	Mass.	Maine, New Hamp., Vermont, Rhode, Isl. Conn.	New York	New Jersey	Penn.	Illinois	Ohio	Indiana Michigan Wisconsin	Minnesota, Iowa, Missouri North Dakota, South Dakota Nebraska, Kansas	Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi	Arkansas, Louisiana Oklahoma Texas	Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington Oregon California			
18 Are the banks supplied with funds to lend and at what interest rates?	Yes 6-8%	Yes 6-7%	Yes 6-8%	Yes 6%	Yes 6-8%	Yes 7%	Yes 6-7%	Yes 7%	Yes 7-8%	No	Yes 6-8%	Yes 8-10%	No	Yes 7-8%	Yes 8%		
19 Over a six-months' period, have deposits increased or decreased?	Decreased	Decreased	Increased	Stationary	Increased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	
20 Have corporation accounts increased or decreased?	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	
21 Have savings accounts increased or decreased?	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Decreased	Increased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	
22 Do local indications point to increased or lessened government tax revenue this year?	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	
23 Is a higher tariff desired?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes		

AGRICULTURAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.	MOUNTAIN	PACIFIC
	Massachusetts, Maine, New Hamp., Vermont, Rhode Island, Connecticut	New York New Jersey Pennsylvania	Illinois	Ohio, Indiana Michigan Wisconsin	Iowa Kansas Missouri Nebr. Minn. N. Dak. S. Dak.	Minnesota, Iowa, Missouri North Dakota, South Dakota Nebraska, Kansas	Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi	Arkansas, Louisiana Oklahoma Texas	Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington Oregon California						
24 Have farmers disposed of all their last season's crops?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	
25 What is the crop outlook for this season?	Fair	Fair	Good	Good	Good	Good	Good	Good	Good	Fair	Fair	Good	Good	Good	Good	Good	
26 Are farmers reducing their acreage? Why?	Yes—Low Prices	Yes—Low Prices—Shortage of Labor	No	Yes—Low Prices Shortage of Labor	No	No	No	No	No	Yes—Low Prices—Shortage of Labor	Yes—Low Prices—Shortage of Labor	Yes—Low Prices—Shortage of Labor	Yes—Low Prices—Shortage of Labor	Yes—Shortage of Labor—Low Prices	No	No	
27 Are farmers withholding payment of bills? If so, why?	No	No	Yes, Lack of Funds	Yes—Lack of Funds	Yes, Lack of Funds	Yes, Lack of Funds	Yes, Lack of Funds	Yes, Lack of Funds	Yes, Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes, Lack of Funds	Yes, Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	Yes—Lack of Funds	
28 Is there a demand for farms this year by renters?	No	No	Yes	No	No	Yes	Yes	Yes	No	Yes	No	No	No	No	No	Yes	
29 Is the condition of the sheep and cattle-men good, fair or poor?	Fair	Fair	Fair	Fair	Fair	Poor	Fair	Poor	Fair	Fair	Fair	Fair	Fair	Fair	Poor	Fair	
30 Is there noticeable movement of men to the farms from industries?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	

GENERAL QUESTIONS	NEW ENGLAND		MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.	MOUNTAIN	PACIFIC
	Massachusetts, Maine, New Hamp., Vermont, Rhode Island, Connecticut	New York New Jersey Pennsylvania	Illinois, Ohio, Indiana Michigan Wisconsin	Minnesota, Iowa, Missouri North Dakota, South Dakota Nebraska, Kansas	Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Mississippi	Arkansas, Louisiana Oklahoma Texas	Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington Oregon California								
31 Is there a noticeable increase in crime or last September?	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	
32 Should the Excess Profits Tax be abolished?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
33 What substitute for the Excess Profits Tax would be favored?	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Sales Tax	
34 What is the big local question in your community?	Housing Shortage—Travelling Situation—Taxation—Labor Readjustment	Housing Shortage—Labor Readjustment Taxation Unemployment	Unemployment—Housing Shortage Taxation—Farm Relief	Taxation—Housing Shortage Crops and Prices—Labor	Unemployment—Housing Shortage—Price of Farm Products—Labor	Taxation—Farm Products and Cotton Crop	Taxation—Financing the Farmers—Cotton and Oil Prices—Good Roads	Taxation—Financing—Farmers and Cattlemen	Taxation—Shortage of Houses—Irrigation Good Roads								
35 What is the big national question?	Taxation and Tariff	Taxation and Peace	Taxation	Taxation and Tariff	Peace and Taxation	Peace Settlement	Taxation	Taxation	Taxation								
36 What would be the sentiment toward a rebate on Federal income and other taxes as outlined below?	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable	Favorable								

Copyright 1921, Fidelity and Deposit Company, Baltimore. Reproduction privileges will be granted on application.

A PLAN FOR RELIEVING TAXATION DIFFICULTIES
Suggested by Daniel de Wolf Wever of the New York Bar

PREMISES: (1) The Government must continue to receive revenue on the present scale or higher. (2) The present tax system is widely condemned as hampering industry and progress. (3) Sale of a bond issue is probably impracticable.

RELIEF SUGGESTED: Legislation providing for refunding to each tax-payer, in the form of U. S. Twenty-year four per cent. bonds, to be issued for that purpose, one-half the amount paid as income, war and excess profit taxes for the years 1920-1923 inclusive.

RESULTS: (1) The Government would receive in cash the full amount of the tax levied. (2) The tax-payer would in effect have his taxes cut in half, as the bonds received would constitute a liquid asset. (3) The burden of war costs would be spread over a longer period.

Local Representatives will supply on request copies of the Survey Chart, and complete text of the analysis by the Honorable David F. Houston.

THE SECOND SURVEY OF NATIONAL CONDITIONS

The Fidelity and Deposit Company presents this second Survey of National Conditions in response to many requests. It is based on the answers to carefully considered questions, made by one thousand selected Representatives of the Company in all parts of the country. The Survey is a review by business men, prepared with every effort to insure accuracy, for the information of business men; and published as a contribution to the Nation's commercial well-being. The information, based on interviews with bankers, merchants, manufacturers and others in a position to speak authoritatively, was telegraphed to Baltimore and tabulated within the last five days.

The first Survey of National Conditions was published September 21, 1920, and aroused so much interest as to indicate that it was of value to the public at large, as well as to the Directors of the Company for whom the data was primarily intended. It was felt at this time that another review would be welcomed.

Fidelity and Deposit Company

OF MARYLAND

Fidelity and Surety Bonds and Burglary Insurance

Herman Hoopes, Inc.
General Agent,
305 Real Estate Trust Building
Philadelphia

Connolly, Schwefler & Bryan
Philadelphia Branch Managers
1038 Widener Building

Platt, Yungmann & Co.
400 Walnut Street
Philadelphia