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 finished 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 nomber 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

	NEW E	NGLAND	MIDDLE ATLANTIC			EAST NORTH CENTRAL			WEST NORTH CENTRAL				SO. ATLANTIC	EAST SO. CENT.	WEST SO. CENT.		MOUNTAIN	PACIFIC	
INDUSTRIAL QUESTIONS	Mass.	Maine New Hamp. Vermont Rhode. Ial. Conn.	New York	New Jersey	Penn.	Illinois	Ohio	Indiana Michigan Wisconsin	North Dakota, South Dakota Nebraska, Kansas			Del. Maryland Dist. of Columbia Virginia, West Va. Ga. N. Carolina, S. Carolina, Fla.	Kentucky, Tenn. Alabama Missimippi	Arkanses, Louisiana Oklahoma Texas		Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington Oregon California		
s there a marked resumption of in- dustrial activity?	No		No	No	No	No	No	No	-		No	-			No	N	lo		No
s buying by the public still restricted?	Yes																		Yes
Do industrial concerns report continued cancellation of orders?	No																		No
fave retailers stocked up in expecta-								5955									No		
lave retail prices been reduced in the	1,000																No		
las the cost of living diminished appre-					155	Storill													
are industrial concerns crarying large							Yes	693									- Yes		
			Yes	Yes	Yes	Yes	Yes	Yes	Yes				Yes					Yes	
on manness prosperity.	Railroads	Railroads	Taxation— Tariff	Taxation— Railroads	Taxation— Railroads	Railroads	Taxation— Railroads	Taxation— Railroads	Taxation—Railroad Situation				Taxation—Peace Question	Taxation—Peace Question			Taxation Tariff	Taxation Railroads	
good?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes		Yes	Yes		
lave any failures of importance oc-	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes		Yes	Yes		
curred since last September?	No Yes	No No	No	No No	No No	No.	No	No.	No No				No No	No No	No No		No No	No No	
		Yes-Textiles and Products Lum Yes-Textiles			Yes-Metals Ves-Lumber												Yes-Metals		
					Machinery- Foundry Pro-	No	Foundry Pro- ducts-Building Trades-Lum- ber-House	House Furni ture Building Trades Auto- mobiles and	Yes—Building Trades—Lumber—House Furnitu —Packing and Food Products.			Furniture	Yes—Building Trades—Lumber. House Furniture	Yes—Building Trades—Textiles and Products	Yes—Building Trades—Lumber House Purniture		Yes—Mining Building Trades	Machinery Foundry Product Building Trades	
increased or decreased since Sent	Ingrensed	Ingressed		Taurand								d	Insurand			d	T4		
re building operations increasing or		Decreasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing	Increasing			Increasing	Increasing.	Inc. eased			Increased		
there need of building construction and in what class?	Ves - Low Priced Dwell ings Ware houses-Fac-	Ves-Low Priced Dwell- ings-Ware- houses and	Yes-Low Priced Dweil- ings High Grade Dwell-	Yes-Low Priced Dwell- ings-High Grade Dwell-	Yes-Low Priced Dwell- ings-High Grade Dwell-	Yes-Low Priced Dwell- ings-High Grade Dwell- ings and	Yes-Low Priced Dwell- ings High Grade Dwell- ings and	Yes-Low Priced Dwell Ings-High Grade Dwell ings and	Yes—Low Priced Dwellings—High Grade Dwelling			Yes-Low Priced Dwellings High Grade Dwellings and	Yes-Low Priced	Yes-Low Priced		Yes-Low Priced	Yes-Low Priced Dwellings-Office		
sentiment favorable to building				44.0					and Apartments								Buildings and Store		
Special at present cost	NEW ENGLAND								WEST		ENTRAL						MOUNTAIN	PACIFIC	
FINANCIAL QUESTIONS	Maine New Hamp. Vermont Rhode. Isl. Conn.		New York	New Jersey	Penn.	Illinois		Indiana Michigan Wisconsin	1	Minnesota, Iowa, Missouri North Dakota, South Dakota				Virginia, West Va. Ga. N. Carolina.		Arkansas, Louisiana Oklahoma Texas		Montana, Idaho Wyoming, Colorado New Mexico Arizona, Utah Newada	Calif. Wash. Oregon
lend and at what interest rates?	Yes 6-8%	Yes 6-7%	Yes 6-8%	Yes Yes Yes Yes Yes 6% 6-8% 7% 6-7% 7%			Yes 7—8%					No	Yes 6—8%	Yes 8—10%		No	Yes Yes 7-8% 8%		
	Decreased	Decreased	Increased	Stationary	Increased	Decreased	Decreased	Decreased		Decreased			Decreased	Decreased	Decreased		Decreased	Increased Decreas	
	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased	Decreased					Decreased	Decreased	Decreased		Decreased	Decreased Decreas
	Increased	Increased	Increased	Increased	Increased	Increased	Increased	Decreased						Decreased	Decreased	Decreased		Decreased	Increased Decreas
or lessened government tax revenue	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened	Lessened					Lessened	Lessened	Lessened		Lessened	Lessened Lessen
a higher tariff desired?	Yes	Yes	TO SOUTH THE PARTY COME TO SOUTH THE PARTY COME			Yes Yes Ye		Yes	Yes				No	No	No		No	Yes Yes	
	Massachusetts Maine, New Hamp, Vermont, Rhode Island, Connecticut		MIDDLE ATLANTIC New York New Jersey Pennsylvania		EAST	ORTH CE	RTH CENTRAL		WEST NORTH CENTRAL					EAST SO. CENT.	WEST S	O. CENT.	MOUNTAIN	PACIFIC	
AGRICULTURAL QUESTIONS					Illinois	Ohio, Indiana Michigan Wisconsin		Iowa	Kansas	Missouri	Nebr.	Minn. N.Dak. S. Dak.	Dist. of Columbia	Alabama	Texas	Arkansas Louisiana Oklahoma	Wyoming, Colorado New Mexico Arizona, Utah Nevada	Washington California Oregon	
season's crops?	No		No		No	No		No	No	No	No	No	No	No	No	No	No	No	
/hat is the crop outlook for this season?	Fair		Fair		Good	Good		Good	Good	Good	Good	Good	Fair	Fair	Good	Good	Good	Good	
	Yes-L	ow Prices	Yes-Low Prices-Shortage of Labor			Yes-Low Prices Shortage of Labor						Prices Shortage of			Shortest of	Prices-	Yes-Shortage of		
re farmers withholding payment of		No		No		Yes, Lack of Funds			Yes, Lack	Yes, Lack	Yes, Lack Yes, Lack Yes, Lack		Yes-Lack of	Yes—Lack of Funds	Yes, Lack	Yes Lack	Yes-Leck of Funds	Yes-Lack of Funds	
		No	No		Yes	N	lo	No	Yes	Yes	Yes	No	Yes	No	No	No	No	Yes	
the condition of the sheep and cattle- men good, fair or poor?		air		Fair		Fair		air	Fair	Poor	Fair	Poor	Fair	Pair	Fair	Pair	Fair	Poor	Fair
there noticeable movement of men	1	No	No		No No		lo	No No		No	No	No	No	No	No	No	No	No	
		NEW ENGLAND		MIDDLE ATLANTIC		EAST NORTH CEN		NTRAL		WEST NORTH CENTRAL								MOUNTAIN	PACIFIC
GENERAL QUESTIONS	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 Mezico Arizona, Utah Nevada	Washington California Oregon	
c er last September?	No		No			Yes			Yes					No	No Yes		Yes	Yes	
ished?		Yes	Yes			Yes			Yes					Yes	Yes	Yes		Yes	Yes
Tax would be favored?	Sale			Sales Tax			Sales Tax					Sales Tax	Sales Tax	Sales Tax		Sales Tax	Sales Tax		
your community?	Labor Readjustment		ustment Taxation Unemployment			age Taxation—Farm Relief			Taxation—Housing Shortage Crops and Prices—Labor					ing Shortage —Price of FarmProducts —Labor	Products and Cotton Crop	Prices-Good Roads		Texation - Pinancing - Farmers and Cattlemen	Tenstion Shorter of Houses Irrigati Good Roads
What is the big national question?	Taxation and Tariff rd er Favorable		Tor	Taxation and Peace Favorable			Taxation Favorable			Taxation and Tariff Favorable				Peace and Taxation		Taxation Favorable		Taxation	Texation
	s there a marked resumption of industrial activity? s buying by the public still restricted? Do industrial concerns report continued cancellation of orders? Iave retailers stocked up in expectation of a good Spring business? Iave retail prices been reduced in the same proportion as wholesale prices? Ias the tost of living diminished appreciably since last September? If we industrial concerns everying large amounts of customers' paper? What problem has the greatest bearing on business prosperity? If a general transportation conditions good? If a raw materials plentiful? Iave any failures of importance occurred since last September? If there any strikes? If a there need of building construction and in what class? If a there need of building construction and in what class? If a there are of building construction and in what class? If a there are of building construction and in what class? If a there are of building construction and in what class? 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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 r esent tax system is widely condemned as

hampering industry and progress. (2) 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.

Fidelity and Deposit Company

Fidelity and Surety Bonds and Burglary Insurance

Herman Hoopes, Inc. General Agent, 505 Real Estate Trust Building

Connolly, Schwefler & Bryan Philadelphia Branch Managers 1038 Widener Building

Platt, Yungmann & Co. 400 Walnut Street Philadelphia

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