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## March abroad of American capital

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## The March Abroad of American Capital

THE time-honored American policy of isolation recently has shown signs of giving way to a more active participation on the part of the United States in world affairs. The indications undoubtedly are welcomed by American business men and financiers who, in the last decade, have aspired to play a more prominent part than formerly in international commerce and finance.

The composite foreign interest of the United States manifests itself in several ways. One is the growth in foreign trade. Perhaps the original stimulus therefor may be traced to the urgent necessity existing after the war, of finding outlets for the increased production of war-time facilities, coupled with a demand on the part of the war-stricken countries for American goods. The more gratifying reason probably may be found in the development of an international commercial consciousness through which American producers have come to realize the possibilities of foreign trade, to study the needs of foreign peoples, and to produce commodities in demand abroad. There have been many mishaps in the attempt; some very substantial individual losses, but the evidence of progress is found in the foreign trade statistics.

In 1913 the United States had a total foreign trade of \$4,276,800,000, of which \$1,792,800,000 was imports and \$2,484,000,000 exports. The outbreak of war in 1914 temporarily depressed our foreign trade, but it recovered quickly, and by

1920 had risen to the unprecedented height of \$13,507,200,000, represented by \$5,278,800,000 of imports and \$8,228,400,000 of exports. The figures for 1920 and the years immediately preceding, however, are taken at the greatly inflated prices then prevailing.

The depression of 1921 reduced our foreign trade by almost half, and started it out on a more normal basis, with a satisfactory diminution of the difference between exports and imports. By 1923 our imports had risen to \$3,792,000,000, and our exports to \$4,167,600,000, making a total trade of \$7,959,600,000. Manufactured goods continue to constitute the largest item of our exports. In 1923 manufactured goods ready for consumption were 35.46% of the total, and manufactured goods to be used in further manufacture, 13.53%.

A second evidence of our increased foreign activity is the number of Americans engaged in the rehabilitation and further development of Europe and other foreign continents. Notwithstanding our tendency to think of Europe as an "old country," thoroughly exploited, there are many avenues of development still open. That is true to a much greater extent of other continents.

There are many regions of the globe still dependent on water transportation to market their produce. The harbors and ports of Europe are surprisingly deficient in modern equipment, and require extensive

improvements. Vast areas of virgin coal fields, minerals and other natural resources exist in other parts of the world. Many countries as yet have scarcely touched their enormous water power. Americans recently have begun to take interest in developmental work abroad, and American companies have been active in the construction programs of several countries. The future undoubtedly will see a further enlistment of American capital in this work.

Through force of circumstance New York has assumed a position of financial leadership in the world, a position which bids fair to become permanent. We are now in a better position than ever to be the world's bankers. The available supply of capital in the country is large. Our gold reserves, augmented last year by nearly three hundred millions, are unprecedented.

Can it be possible after the colossal destruction which took place there that vast sums of capital will not be poured into Europe as soon as the necessary safeguards

have been established? Is there any doubt whence the capital will be drawn?

Upon the stabilization of Europe, which seems about to be accomplished through the agency of the Dawes plan, there is every indication that our enormous supplies of capital will be utilized in the development of foreign enterprises. It seems safe even to predict that American capital veritably will march abroad.

Of what interest is this to American accountants? It is naturally of great interest to them, as indicating an increased future demand for their services. In the past many American firms and companies doing business in foreign countries have recognized the advantages of retaining American practitioners, and have availed themselves of existing opportunities. Probably it is not unreasonable to assume that the growing activity of Americans in international commerce and finance will carry with it much greater utilization of the services of American auditors on the part of American enterprises in foreign lands.

### Moving Our London Office

**T**HE firm announces, as of September 1, the removal of our London office to quarters in the new Bush House, Aldwych, W. C. 2. Mr. W. Holding will continue as manager.

The new location brings our office into the heart of London's new business center. The trend of business houses and offices recently has been towards the neighborhood of Kingsway and Aldwych, and many leading manufacturers, traders and distributors now have headquarters or administrative offices in this district. It represents in every way London's most modern commercial activity. It is also the converging point for most of the American interests in London.

Among the more prominent American tenants of Bush House are the Western Union Telegraph Company, the Guaranty Trust Company of New York, the Equitable Trust Company of New York, the United States and the American Com-

mercial attachés, Sears, Roebuck & Company, the Corn Products Company, Ltd., the Mercum Trading Company, the Monroe Calculating Machine Company, Ltd., and the United States Shipping Board. Foreign branches of other well-known American institutions, including the Chamber of Commerce of the United States, are located in the immediate vicinity.

Bush House, conveniently situated between Aldwych and the Strand, is one of London's most attractive office buildings. The design, by Messrs. Helmle & Corbett, A. I. A., of New York, is after the traditional classic forms, with special reference in the Strand façade, to the beautiful church of St. Mary-le-Strand and to Somerset House. The architecture is plain rather than ornate, and has a fine sense of line and proportion. By permission of the London City Council, additional height has been given to the Strand front, where