



THE LUFKIN DAILY NEWS

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PART E

Hustling C-C is Sparkplug of Houston Progress

Texas Ports Lead World in Volume Of Tonnage Handled

Shipping Points in Lone Star State Gain First Rank In U. S. After Huge Sums Spent to Develop Navigation Facilities

Jean Lafitte once made Galveston island his stronghold from which he might make sores upon the ships sailing in from the four corners of the earth. Certainly, he had an impregnable fortress on Galveston island. Now, just as it was then, Galveston harbor is the meeting place for ships that sail the seas of all the world.

Nature was more than generous in endowing the Lone Star state with waterways. The Neches and Sabine rivers have always been navigable to a certain degree, but by doing some dredging they have been made into waterways that will accommodate any ocean going vessel.

Ports along the Gulf had long done a perfunctory business in shipping, importing and exporting, but it was not until a few years ago when the government spent approximately \$75,000,000 in developing Texas ports that shipping in the state really took its place on the commercial map, not only of the state, but of the entire nation. Texas has now eight principal ports serving the entire southwest. They are: Corpus Christi, Freeport, Houston, Texas City, Galveston, Beaumont, Port Arthur and Orange.

It is the ports concerned more with exporting than importing. This is due, of course, to the variety of crop production in the state. The bulk of the shipping traffic is in freight. The state of Texas is capable of raising more than one-third of the cotton production of America, which alone would keep shipping on a paying basis. There is also oil and its by-products. Besides being able to produce these two major commodities, Texas produces many lesser ones and serves through its ports the great production territory lying between the Mississippi river and the base of the Rocky mountains, extending as far north as Nebraska.

Texas Leads Union

In connection with the important part played by the state and the ports which line its coasts, it can be pointed out that Texas ports handle a larger volume of export tonnage than does any other state in the union. In a comparative statement of cargo tonnage handled at United States ports by calendar years, compiled from U. S. engineers' reports by the port commission of Houston, Houston is shown as ranking third in national importance as a port, based on tonnage. This rank is for 1939, the last report available from government engineers, and there were 26,737,394 tons of cargo shipped out of the port of Houston.

Texas ports handle an average of 18 per cent of the cargo tons handled through all American ports. This percentage refers to export tonnage only.

In value, the exports through Texas Gulf and Mexican border ports for 1934 amounted to \$384,528,954 or 18 per cent of the total exports from the United States, aggregating \$2,133,366,385. Cotton alone accounted for \$22,793,000 during that year and petroleum products refined in the large Texas as coast refiners amounted to \$75,424,892 more, but there is still a balance of \$86,311,062 representing the value of the miscellaneous merchandise of all types exported through the state's Gulf and Mexican border ports. Though the total value of miscellaneous merchandise exported from Texas ports declined during the depression, quantities and variety of miscellaneous export items did materially increase during this period.

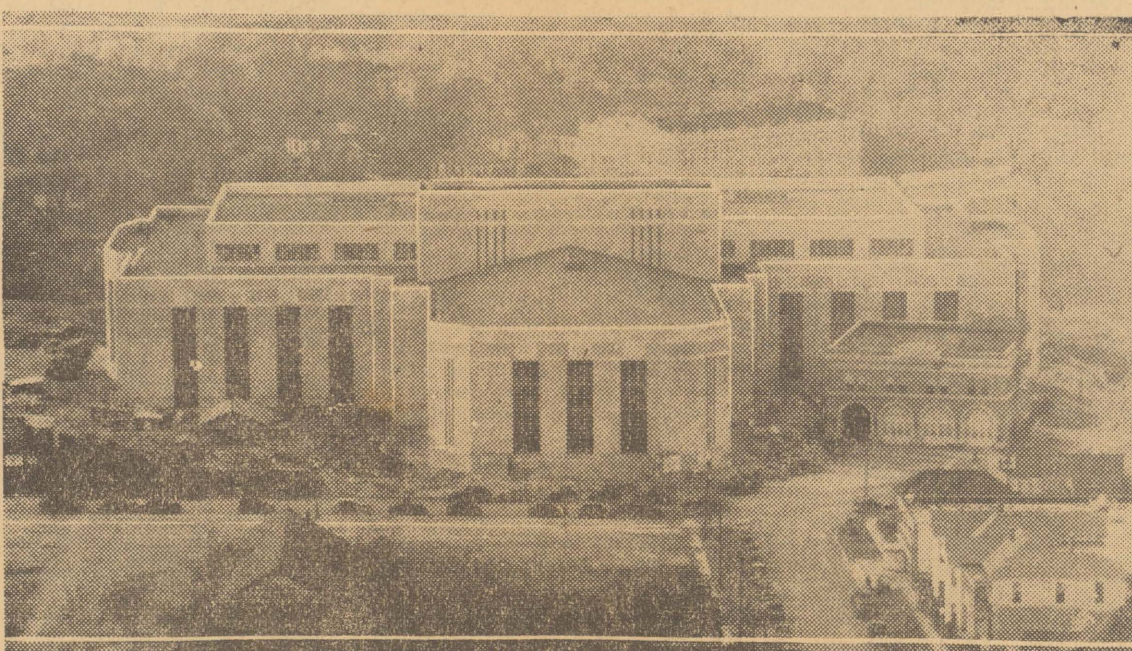
How Tonnage Went Up

Surveying briefly the intervening years between 1934 and 1938, the time of the last governmental engineers' reports, these figures present themselves: For 1935, exports moving out of the Houston shipping channel amounted to 3,342,194.2 tons with a value of \$153,987,992. Imports for that year amounted to only \$18,927,986. For 1936, exports amounted to 3,551,422 tons, valued at \$135,549,932. For 1937, export tonnage amounted to 4,658,740.9 with a value of \$138,517,305; and for 1938 export tonnage was 6,174,647.2 with a value of \$148,676,063. Comparatively, the percentage is as follows: The calendar year of 1938 shows an increase in tonnage of 36.6 per cent compared with the same period of 1935; 1938 shows an increase in tonnage of 17.7 per cent compared with the same period of 1936; and 1938 shows an increase of five per cent compared with the same period of 1937. It is safe to assume that 1939 will show a gain of at least five per cent over 1938, but it will probably be much more.

Since cotton is not only an important crop but a much discussed and argued one, the exports are interesting to consider. Cotton shipments via export through the port of Houston show that these amounts were shipped from 1935 through 1938. By years the number of bales were: 1935, 1,657,688 square bales; 1936, 1,422,294 square bales; 1937, 1,021,037 square bales, and for 1938, 1,035,982 square bales.

All of Texas' ports are equipped

Big's the Word for Houston Coliseum



One of the most remarkable floors in the United States is that of the \$2,000,000 Sam Houston Coliseum at Houston, Texas.

The coliseum is spacious enough to adequately house a big-time circus, rodeo, large national conventions, sizeable expositions and other events staged on a tremendous scale; likewise could thousands dance in the main auditorium.

One might thoughtfully ask how a rodeo could be staged in a structure wherein thousands of persons could trip the light fantastic. The answer is that the coliseum is flexible, in that its floor might be removed.

Converting this building from, let us say, a huge ballroom into an arena in which scores of cowboys might pit their skill against the cunning of wild broncos or ferocious brahman steers is a task for many men—also, considerable machinery. Because—

That floor contains 528 sections each five by 10 feet and constructed of heavy two by four and two by six joists, and becomes firmly

embedded into underlying earth after it has been in place a few months. It is a double floor 114 feet wide and 224 feet long. It is framing lumber, says Alfred C. Finn, the architect who designed the building, and is treated with Woolman Salts.

Composed of two distinct auditoriums, largest of which is 370 feet long and 251 feet wide, the building is among the most spacious of its kind in the Southwest. Clear exposition space in the main auditorium is 9,000 feet larger than a square city block—approximately more than 4,000 square feet. Used for seating, this has a capacity of 12,000 persons.

Encircling the main auditorium is a balcony with a seating capacity of 5,500 persons.

Separated from the main auditorium by a huge stage is the Music Hall, a theater acoustically perfect and modern in every detail. This has a seating capacity of 2,200 persons.

The huge structure has a total seating capacity of approximately 20,000 persons.

There are two major entrances leading into the Coliseum, one having a lobby 63 feet wide and 31 feet in depth, the other possessing a lobby of 72 feet in width and 45 feet deep. Exits for quick egress have been provided in all directions. The unobstructed ceiling height is 50 feet.

In addition to the two spacious auditoriums, there are numerous conference and committee rooms. The stage is among the largest in the Southwest and possesses a proscenium opening 50 feet by 28 feet. Clear space on it is 92 feet by 44 feet.

Because it did not have such a building, Houston has lost many national conventions. Now, however, it has facilities for the largest of them.

Immediately adjoining the coliseum is an annex built at a cost of \$130,000 which materially aids to the exposition floor space. The roof of this structure is so arranged that it can be utilized for the parking of automobiles.

The coliseum is located three blocks from the heart of Houston's downtown area.

Houstonians to Travel South on Good Will Trek

An international good-will flight to the major cities of Latin-American countries will be made early in February by a party of Houstonians and Texans in a bid for increased Mexican and South and Central American trade, J. M. Lykes, shipping magnate and chairman of the chamber of commerce foreign trade committee, announced in Houston.

Cognizant of the opportunity afforded since some South American countries have been cut off by the war from their overseas sources of supplies, the Houston Foreign Trade association and the Houston port bureau are beating the drums to arouse business men.

The good-will flight is their first concerted effort.

Mr. Lykes described the flight as an all-state good-will tour but said invitations would not be limited to Texans.

"We are anxious to include all business men who are active in the further development of foreign trade, regardless of where they reside," he said.

The party will leave Houston Sunday, Feb. 4, by train for Brownsville. The following morning they will fly to Mexico City aboard a Pan-American liner. Two days will be spent in the historic Mexican capital.

A similar stay will be made in Guatemala, after which the group will fly to Cristobal, Canal Zone. Following a three-day stay there, the next stop will be at Quito, Ecuador, where a four-day layover is calendared.

On Sunday, Feb. 18, the party will alight at Guayaquil, Ecuador. The next afternoon they are scheduled for Lima, Peru, where they will remain for three days. An overnight stop is scheduled for Feb. 22 at Arica, Chile, after which the voyagers will fly to Santiago, Chile, remaining four and one-half days.

The next stop will be made at Buenos Aires, Argentina, where a half day will be spent. On March 4 the party will land at Rio de Janeiro, Brazil, for a similar stay. Next on the long itinerary will be Recife, Brazil, from which point the goodwillers will go to Belom, Brazil.

On March 11 an overnight stop will be made at Santos, Brazil. Trinidad, Next to be visited will be La Guaira, Venezuela, whence the party will go by car to Caracas.

Other cities on the schedule include Barranquilla, Colombia; Bogota, Colombia; Medellin, Colombia; Cristobal, Canal Zone, and Guatemala. From here the group will take off for Brownsville, arriving there Monday, March 18. Return to Houston is scheduled for the following day.

off a Mexican force and precipitated the actual revolution.

Southwest of Houston is Goliad, where Fanning's army was massacred. Seventy-five miles north in Huntsville, is where General Sam Houston lived in retirement and where his home is now a state shrine.

Many old towns founded before the revolution, are in this area and in some of them are the ruins of some of the first buildings in Texas.

In Houston itself are several historic spots which have been marked by the San Jacinto Centennial Association.

The Houston police station is on the site of General Sam Houston's home in 1837-55. The Old City Cemetery, where many San Jacinto veterans and pioneers of Texas are buried, is on West Dallas Avenue. The cemetery was restored and renamed Founders Memorial Park.

President Mirabeau B. Lamar's home is in the Hyde Park circle crissing Waugh Drive. Also of great interest in Houston is the

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Gateway City's Staff of Workers Shows Enterprise And Vision to Get Results

A properly functioning chamber of commerce merges into the life of its community, assuming a multiplicity of duties, becomes an integral part of all activities, and is the channel through which stimulus to progress frequently comes. Without exaggeration of simile one might term the chamber of commerce a civic watchdog, protecting the economical life of its community and promoting all practical and worthwhile means of furthering its growth.

Ordinarily the people the chamber of commerce serves do not realize the many details, the countless tasks and hard work performed by that untiring body. They know in a general way that the chamber of commerce has something to do with good roads, parks, aviation, agriculture and commerce, but just how it's done is something accepted and not questioned.

Through the 99th annual report of the executive department of the Houston chamber of commerce a comprehensive idea of its work may be gleaned. The multiplicity of community affairs occasioned by the rapid growth of the city made greater than ordinary demands upon the organization during 1939. The complexion of the community has changed within a decade from that of a bustling new port whose chief claim to fame was the handling of large volumes of cotton to one recognized throughout the nation as the hub of the greatest industrial development since the centralization of the automobile industry.

Paralleling and supplementing the activities of the various departments and committees of the Houston chamber of commerce are a number of projects of city-wide interest, which, because of their broad effect, are regarded as of sufficient importance to require the special attention and supervision of the board of directors and of the executive department.

Constantly Expanding

Situated at the gateway to the rich and primary market of the southwest, within easy commercial distances of an abundance of raw materials, Houston enjoys the consideration of every expanding commercial activity. On the threshold of greater promise are the logical point of dispatch for the war stimulated Latin-American trade, a wide variety of enterprises seeking a share of the city's widely publicized prosperity require the careful consideration of the chamber of commerce.

While enjoying profitable proximity to the greatly accelerated business and industrial activities at Houston, the towns and cities lying in its immediate trade territory are also subject to contemporary growing pains, and have many municipal and community problems requiring solution.

Cooperation is extended to these neighboring cities in working out their various problems by the executive department of the Houston chamber of commerce. More than 50 towns of the area called upon the Houston organization during the year for direct assistance in one or more undertakings. Several of the projects in which the Houston chamber of commerce extended cooperation were of such nature that personal representation was required at Washington, Austin or other centers of authority.

In each such case a representative of the chamber traveled to the necessary point where all contacts essential to the project were made.

Washington Representation

The status of current and proposed public works construction at Houston, in which federal funds are involved, required other representation at Washington by the chamber. The projects in which various details were handled with Washington officials include: San Jacinto Memorial Center, a planing which a supplemental grant was worked out with Jesse H. Jones, and the customs appraisers' warehouse project in which the chamber filed the original brief more than four years ago, regarding which the chamber representative secured approval of the final details by officials of the treasury department, with the result that a contract for construction was let, work to get under way immediately.

The chamber of commerce must always be diplomatic and alert. A situation of some delicacy was handled successfully by the executive department of the chamber with the cooperation of the city administration in preventing the Federal Reserve bank from moving to another city. A special committee headed by Beverly D. Harris took immediate steps to a meet the deficiencies complained of by the bank, with the result that further consideration of the bank's removal was forestalled.

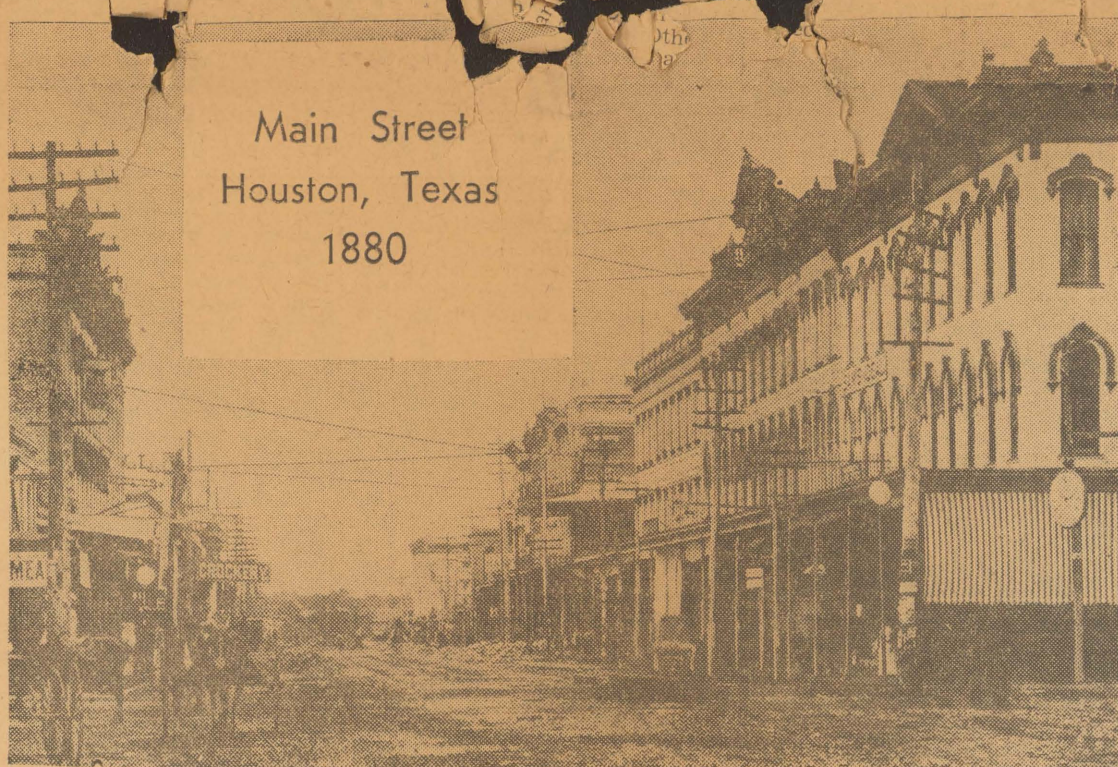
The chamber's board of directors assisted the San Jacinto Museum of History Association in the organization and promotion of work in connection with the three-day program attendanted to the official opening and dedication of the Museum of Texas History, located in the base of the San Jacinto Memorial. All details of the arrangements, including financing, were worked out by members of a special committee under the chairmanship of Colonel R. C. Kuldell.

Organize Census Project

Culminating two years of preliminary work on the part of the census subcommittee of the research department, the board of directors late in 1939 undertook the organization of a city-wide census cooperation project designed to stimulate interest and develop understanding in connection with the sixteenth decennial

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History Left Sigh's Galore for Houston Visitors



Main Street
Houston, Texas
1880

Historic spots marking the struggle for freedom waged by Texans 103 years ago spread fanwise from Houston and in the city itself are many places of historic interest, a recent survey of the research committee of the chamber of commerce indicated.

Twenty miles east of Houston is the battleground where General Sam Houston and his patriots defeated General Santa Anna and a numerically greater Mexican army. It was in Houston on Jan. 25,

1839, that the Lone Star flag was adopted for Texas, and it was here, on the present site of the Rice Hotel, where the second capital of Texas was established. Harrisburg, now a part of Houston, was a thriving town when it was burned during Santa Anna's advance toward San Jacinto.

Less than 100 miles northwest of Houston is Old-Washington-on-the-Brazos, where the Texas Declaration of Independence was signed March 2, 1836. Old Washington

is in an area settled by Stephen F. Austin's colonists in 1821.

North of Houston, within two hours' drive, is Columbia where the first Texas congress met Oct. 3, 1836.

Anahuac, 37 miles east of Houston, was the scene of skirmish over collection of taxes, which led to the Battle of Velasco, about 60 miles south of Houston. Gonzales, west of Houston, is the "Lexington of Texas," where the Texans drove

John Bonner--Grand Old Man of Texas Lumber World

Raconteur, oil man, lumberman, most loved personality in the saw mill country, the late John S. Bonner is among that company of men who become immortal through the memories they leave behind them. Born in Angeline county in April, 1873, Mr. Bonner was reared in the piney woods of East Texas when the region was covered with virgin forest. He developed a love of the woods country which never left him and which was manifested in all he did afterwards. Although he went into oil, he remained closely identified with the lumber business. Many of his customers were the saw mills in East and Southwest Texas. Even among the lumbermen few looked upon John Bonner as an oil man. He attended all the lumber conventions held in Texas and Louisiana and took part in every move for the betterment of the lumber industry. One might say with all truth that the men in the saw mill industry in the timber regions were John Bonner's personal friends.

Mr. Bonner entered the oil business in Houston in 1896, joining the sales force of the Joe W. Davis

Oil Co. which concern bought and sold oil. Later, John Bonner and his brother, Frank, purchased the Davis Oil Co. and changed the name to the Southwestern Oil Co. They specialized in selling the finest of eastern lubricating oils to the saw mills and other industries in this section. At that time saw mills were in their heyday. Some 500 of them were busily sawing away the forests and there was an even larger number operating in Louisiana. John Bonner became a specialist in saw mill lubrication. No man was better known among the mills. In 1903 Mr. Bonner and his brother sold the Southwestern Oil Co. and organized the Bonner Oil Co. This new firm became even more closely identified with the lumber industry than the former company had been.

By this time Mr. Bonner had become not only the most popular, but also the best loved man in the lumber country. At that time the Concatenated Order of Hoo-Hoo was then a large and powerful organization and the playground for the entire lumber

industry. John Bonner joined it early in its organization and became high in its council, so much so that the then powerful Black Cat organization elected him to the office of Snark of the Universe. He held this office a year, from 1907 to 1908. He won great honor for himself and made his stay in office a profitable period for the order. He was traveling much of his time, not only in his business territory in Texas and Louisiana, but to other lumber territories all over the country attending meetings of the Hoo-Hoo and becoming better known and making new friends as he went.

John Bonner could tell a story cleverly, amusingly, and with a smack of realism that never failed to give his stories the needed zest to make them welcome everywhere. His specialty, however, was giving an imitation of a negro preacher delivering a Sunday sermon. This he did with such excellent success that he discovered himself famous for it. He had become an entertainer whose fame had reached far beyond his immediate horizon and he was known in the four corners of the

country. Eventually, this recital of the negro's Sunday sermon became so much in demand that Bonner gave most of his time to it. He added the singing of hymns and lumbermen everywhere learned the words and joined the singing. No lumber men's gathering was ever considered complete if John Bonner's famous sermon had been left out.

Had Sense of Humor

John Bonner was one of those men who grow in character and wisdom, tolerance and vision as he grew older. He had a never failing sense of humor with which he leavened his bread of life and he never knew the meaning of yielding to doubt, discouragement nor fear. He experienced these three emotions, as every man must, but he met them with the same bold front with which he met every situation and he laughed most of his troubles into the atmosphere.

A great fisherman and hunter, he loved his treks which took him into the depths of the woodlands or along the banks of rivers. He was a good citizen, a strong power in the civic good and ever willing to sacrifice his personal

desires for the advancement of any worthwhile project. In Houston he gave years of this devoted service, and even after he had retired at the age of 60, he offered his services to WPA and was placed in charge of the Houston district. He had long since sold his Bonner Oil Company to the Humble Oil Co., with which concern he remained as vice president in charge of sales.

Ill health finally forced him into retirement. Even then he continued his living according to its pattern and when he died, the event found him laughing and happy with his family.

He died at his home in Houston on the morning of May 10, 1939. Although he had been in failing health for some time, his death was yet sudden and unexpected. His wife survives him and one son, Louis Frank Bonner; his brother who was his business partner, B. Frank Bonner, and two sisters, Mrs. W. M. Vinson of Lufkin and Mrs. J. C. Means of Houston.

John Bonner made an excellent job of living. And that in this world is not an easy thing to do.

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ment of a training school for traffic officers, long recommended by the WPA traffic survey, constituted a further important accomplishment in the program, one which should aid immediately in correcting many of the most acute traffic problems.

Watch Water Supply

The matter of providing the city of Houston with an adequate water supply and the rehabilitation and coordination of the several water systems of the city into one fully adequate system has had the attention of various qualified groups for almost 10 years. Throughout this period, the Houston chamber of commerce has maintained active committees whose members have selected for their acquaintance with the subject.

Arrangements have been made by the organization with succeeding city administrations for financial cooperation with the state and federal governments in a continuing study of the ground water resources of the area. This has resulted in the compilation of sufficient material upon which may be based a logical plan for provision of adequate sources and the improvement of the distributing system.

Houston's rapid growth commercially and industrially has been attended by an unusually rapid increase in population, reflected in the numerous new homes and dwelling units constructed during the past five years. The increases have severely overtaxed the already inadequate water distribution facilities, necessitating immediate action on the part of the city.

To devise means of coping with the financial lack which promptly presented itself, the president of the chamber of commerce early in 1933 set up a special committee which developed considerable study to various possible avenues of approach to the problem. The final recommendation of the committee that special legislation be introduced in the state legislature making available surplus water revenues was adopted by the city and presented in the regular session of the 66th legislature. Through its legislative department, the Houston chamber of commerce organized support of the measure by representatives of other communities and the measure was passed, making possible the financing of a fully adequate program and the inclusion of extensions to the sanitary sewage system.

The citizens water advisory board, originally established by the city on the recommendation of the board of directors of the chamber of commerce, is expected to resume its activities shortly.

Each year certain extensions are made to the city's sanitary sewer system, several projects now being constructed with the assistance of federal funds. The extent of these improvements, however, has not been in keeping with the rapid growth of the city. Hampered by the lack of available municipal funds the city is now faced with the necessity for immediate construction of a large sewage disposal plant and several additional miles of sanitary sewers.

Undertake Sanitation Improvement

Fully aware of the fact that an inadequate sewer system carries a constant threat to the health of the community, the chamber's board of directors undertook early in 1930 to devise means whereby improvements might be made without increase of the tax rate or assessed valuations. Several means were given careful consideration, including the possible assessment of a sewer service charge. The board finally approved a proposal to divert a portion of the excess revenues of the water department to the construction of the needed sewer improvements.

This course was considered sound, since it would entail no increase in tax rate or water charges, obviate the necessity for sewer service charge and present ample precedent since the efficient operation of a water department is impossible without the provision of adequate disposal facilities for the handling of waste created through water use.

Special legislation permitting the excess revenues of the water department to be used for purposes other than already specified in certain revenue bond issues, was necessary. The chamber extended its assistance through the organization of support of the measure by other cities of the state, assuring its passage and subsequent approval. Legal details of a financing program are now being worked out by the city legal department and it is anticipated that a bond issue sufficient for the provision of necessary funds will be presented the voters early this year.

Tackle Flood Problem

A continuing project of the chamber since the flood of 1935, the matter of the provision of adequate flood control and protection for the city and the port of Houston, has had the close attention and active support of the organization during 1939.

Definite local progress can be reported as a result of the \$250,000 expenditure by the city of Houston for elimination of the bottleneck at Franklin avenue, now nearing completion. Early in the year the voters of Harris county authorized a \$500,000 bond issue to be supplemented by \$1,500,000 WPA funds and \$2,500,000 city funds to finance preliminary correctional flood control and drainage work. The planning for this section of the program is complete, all funds are authorized and actual construction now awaits coordination with the broad general plan of the United States engineers.

A new proposal by the U. S. engineers embodying a mile wide levee floodway, tapping the watershed west of Houston and

traversing Harris and Brazoria counties to tidewater is now being considered by engineers and interested groups of the two counties.

The chamber gave outstanding service in assisting in the passage and approval of senate bill No. 6 authorizing the remission to Harris county for flood control purposes of one half of the ad valorem taxes for general purposes for a period of 10 years. A brief was prepared and printed for the information of members of the legislature and chambers of commerce and officials of other Texas communities whose approval and support was solicited. The brief set forth, among other facts, actual savings in dollars and cents to each county and representative and senatorial district of the state over a 10-year period, made possible through the construction and maintenance of the port of Houston.

Upon organization of the Harris county navigation and flood control district, the general manager of the Houston chamber of commerce was appointed to membership on the committee authorized by the commissioners court to advise and confer with county and government officials in reconciling the several plans advanced. Upon reorganization of the committee late in 1939, the two-year service of the chamber's representative was acknowledged through re-appointment as a member of the permanent committee.

Assist Trade Area

A consistent effort has been made by the chamber of commerce to establish and retain the good will of the communities of Houston's trade territory by an effort to provide tangible assistance in their problems. Recognizing the fact that the growth and prosperity of Houston is inseparably linked with the growth and prosperity of its trade territory, the chamber of commerce has directed its efforts at the elimination of undue competition on the part of Houston business with that of the smaller communities.

Very proposal made by the chamber for highway improvement or construction, additional rail or water rate advantages, matters of health and sanitation, agricultural activities and livestock improvement, takes into full consideration its effect and benefit to the trade territory as well as to the city itself. This direct competition extended to these communities includes the assistance of the chamber's traffic bureau, special community surveys, help in governmental contacts, highway and agricultural promotion work.

Numerous good will trips are made to the various sections of the trade territory by wholesalers and advisers to confer with and advise retailers in the places visited. Merchandising clinics are held at central points throughout the territory for which the chamber provides qualified merchandisers to discuss or demonstrate successful merchandising methods. Of the services extended, however, none are so extensive as those provided through the chamber's highway and agricultural departments. The staffs of these departments devote their full efforts almost exclusively to improvement and advancement of highways and agriculture in the trade territory.

Having accomplished its ambitious program for the purchase and improvement of the municipal airport, an outstanding major project of 1938, the board of directors of the chamber in 1939 undertook to provide means for the zoning of the area adjacent to the airport to provide protection against undesirable encroachment in the erection of structures hazardous to airplane flight. This project was successfully completed, a passage by the legislature of an act authorizing the city of Houston to regulate the height of structures within a given area around the airport being secured.

After the successful conclusion of its several projects in establishing air transportation services to San Antonio, Corpus Christi and Brownsville, and the construction of a lighted airway between Houston and New Orleans, the board of directors in 1939 gave attention to the provision of a lighted airway between Houston and San Antonio, which has been authorized. They also included in this program the proposed commercial air line between Houston and Memphis via Shreveport, for which application for certificate of public necessity and convenience has been made to the civil aeronautics authority. The matter of granting the certificate is still under advisement by the authority, and a decision is anticipated in the near future.

Aid Industrial Development

Houston's industrial development from the time of its manufacturing demands a great deal of work by the chamber of commerce, and a special department devotes its time solely to this phase of the economical need. Accurate records are kept of the new industries which come to Houston; hundreds of conversations are received and considered; much pertinent information is given prospective industrialists in Houston and with a complete and thorough survey of the manufacturing industry is at the chamber's finger tips through its industrial department.

Foreign trade extension is another factor which finds the chamber of commerce actively interested. This is a vital part of Houston's industrial structure and, since the chamber carries on various projects in bettering and encouraging foreign trade relations and expansions. A foreign trade week was sponsored in 1939 to acquaint the public with the importance of foreign trade to Houston. The department manager has secured the routing of certain foreign shipments through the port of Houston which had formerly gone through other ports. Perhaps the greatest service rendered by the foreign trade department has been the securing of a customs building at the Houston water front. Bids are now being received by the government for the

construction of this building, to be started at an early date.

Securing conventions for Houston is something else the chamber of commerce has a very capable hand in doing. During 1939 records show that Houston had a total of 135 conventions with an estimated attendance of 112,422 delegates and visitors. Statistics show the average daily expenditures of delegates at \$15. Based on this average an estimated \$5,059,035 was spent in Houston during the year.

One of its largest departments is the chamber's agricultural committee. No part of farming is overlooked by the committee in its efforts to further the industry and the various experiments, demonstrations and discussions have been held. To assist worthy 4-H club boys and girls in purchasing beef calves, pigs and sheep, the department each year lends several thousand dollars from its revolving fund. This effort has brought about a general interest in feeding projects among the farm boys and has been an incentive to adult farmers in the livestock program. Feed production and conservation, diversification of crops, eradication of fever tick and other parasites, prevention of disease among stock and poultry improvement are included in the department's vast program.

Other departments which serve the chamber and the city of Houston and its trade territory are: manufacturers and wholesalers committee which stimulates good will, sponsors market week, holds an annual salesmen's banquet and guide. The public relations committee is actually several committees, these being a fire prevention body, a civic improvement committee, and an inter-racial committee; radio broadcasts on health and fire prevention are given regularly, and the civic improvement committee works with all local civic organizations in the task of beautifying the city and adopting better health measures; while the inter-racial committee continues its work of establishing amicable relations between white and colored citizens and negro welfare.

Research and statistics rather speak for themselves as do publicity, legislation and taxation. Examples of this body's work already being shown earlier—military affairs which promotes the defense of Houston industry and has secured a marine reserve; the safety association which is constantly working for the elimination of all types of accidents and sponsors safety committees which air transportation committee which has sponsored national air week in Houston, secured a student training division under the civil aeronautics authority program, has secured the placement of a reserve flying corps at Houston and leading active in the developments of the Southern Aircraft Corporation, which promises to develop into a substantial airplane manufacturing industry.

Thus every phase of the city's civic, industrial and social—in the sense of racial, problems, etc.—is covered by the chamber of commerce and each of its efforts is directed toward one aim only: the betterment and expansion of Houston and its trade territory on a sound basis that will endure in spite of financial or world crisis.

PENSIONS ROAD IS ROUGH ONE IN '39

Old age pensions and social security generally had rough going in Texas during 1939.

Rosy hopes of \$30 a month to all over 65—campaign pledge of Governor W. Lee O'Daniel which heralded the dawn of the year—faded gloomily and Christmas found pensioners the victims of a drastic money slash.

The score: December 1938 — Pensioners 144,044, average monthly payment \$13.65.

December 1939 — Pensioners 121,341, average payment \$8.75.

During the twelve months, administration of pensions, direct relief of the destitute through supervising distribution of \$1,500,000 a month in federal surplus commodities, child welfare service and certification, C. C. C. N. Y. A. and W. P. A. enrollees switched from the board of control to a newly-created public welfare board.

Also co-ordinated under the state agency, whose three-man board was named by O'Daniel, were aid to the needy adult blind and to dependent children, phases of the federal social security program which although authorized by constitutional amendment, have not been financed by the legislature.

The state's unemployment fund in the federal treasury gained \$1,000,000 to total nearly \$45,000,000. Some 50,000 individuals a month got an average of \$22 for each two weeks they were out of work.

The legislature provided that in 1941 and thereafter employers would be penalized for creating unemployment and rewarded for stable payrolls. Operation costs were reduced.

2 NAMED TO AID INDUSTRY PROGRAM

Ike Ashburn of Texas A. & M. college and W. A. McGill of the University of Texas have been named coordinators between the schools and office of Gov. W. Lee O'Daniel on the governor's industrialization of Texas program, it was announced in Austin recently.

"In the of the splendid scientific research already being conducted along agricultural and manufacturing lines by the university, college, other institutions and chambers of commerce," said William J. Lawson, O'Daniel's secretary, "the governor has proposed a plan of cooperation with such institutions and coordinating the work of all through the governor's office."

Lawson asserted the industrialization program had struck a "very responsive chord and received a

hearty reception and the work has increased so that assistance is needed in carrying out the program."

He declared Ashburn and McGill had been named by the school presidents at the governor's request to appoint coordinators.

The program, one of the governor's campaign planks, was launched recently during one of O'Daniel's regular Sunday morning talks from the mansion.

He requested formation of committees in cities and towns to organize and stimulate manufacturing and other industries.

MORTGAGE CORP. AIDING BUILDERS

The Mortgage Investment Corporation in Houston has taken a very active part in assisting the Federal Housing Administration program throughout Texas. This has been occasioned by streamlining its methods of operation to conform to the greater number of prospective home owners.

The corporation has liberalized its policies to the extent that it will purchase any loan which the FHA will insure under Title II, Section 203 of the National Housing Act, regardless of size or location of the property. Qualified and experienced agents at key points over the state maintain a constant service for all citizens of virtually all cities, towns and communities. Each case is carefully handled and promptly presented to the FHA for appraisal and commitment, and the usual red tape and delays expected of governmental agencies are held to a minimum by competent handling. These agencies have operated so effectively that the corporation handles more than ten million dollars in applications for insured loans on Texas residences each single year, and is the state's leading mortgagee.

While the Mortgage Investment Corporation is a Texas institution with headquarters in Dallas, its operations extend to Oklahoma and Iowa. Its principal officers are Wm. S. Bradley, president; A. Robinson, Jr., vice-president; R. S. Shelburne, vice-president; E. R. Haley, vice-president and treasurer; and L. K. Wadsworth, secretary. The Houston branch, with agencies at Lufkin, Beaumont, Port Arthur, Cleveland, Galveston, College Station, Wharton and Bay City, is under the direction of Mr. Robinson.

CONSERVATION IN ETEX PROGRESSING

At a meeting of the Mount Pleasant Soil Conservation Association a report was given of accomplishments since the work was started five years ago.

The report made by Homer Hays included 414 agreements, comprising 47,985 acres; 4,368 acres of eroded land retired from cultivation and sodded for permanent pasture; 336 acres retired to meadow for terrace outlet projects; 237 acres retired to woods; 2,100 acres seeded to clover and grasses; 943,600 trees planted on 370 acres for forest and wild life wood and crop lands; 600 acres shrubbed of brush; 100 acres sodded and mowed; 400 acres of terraces constructed, protected by riparian land; 5,268 acres of cultivated land protected by strip crops in 1939 and 3,161 acres planted to erosion-resisting crop, and 120 early giant southern bur clover seed plots established for seed to plant additional acreage for green manure crops next year.

The average now planted is 343. In 1939 co-operation with the SCS sold 7,580 pounds of clover seed harvested on their farms for \$678.00.

Objectives for 1940 are secure a soil conservation district, each farmer to explain the program on his farm to his neighbors; each co-operator early giant bur clover to have seed and plant cover crops; co-operators in a body to visit the State Sweet Potato Experiment Station, Gilmer, and the State and Federal Experiment Stations, Tyler, and the State Experiment Station at Hope, Ark., to study pasture developments.

EXPLANATION MADE OF TURKEY'S NAME

There are several different explanations of how the turkey came by his name. Some have suggested that the first turkey seen on the European market were confused with guinea fowl, and were erroneously credited with being a Turkish variety of that bird, thus becoming known as turkey fowl, or turkeys, the late Dr. George Bird Grinnell, a noted naturalist, sponsored another explanation, that at the time of the introduction into Spain from America there was a Jewish monopoly of the poultry markets, and he believed that the Jewish name tukke, meaning peacock, was applied to them.

SEEK TRACT FOR GAME PRESERVE

A 15,000 to 20,000-acre tract of land in East Texas is being sought by the Texas game, fish and oyster commission to be used in an effort to preserve the pure strain of eastern wild turkey, of which there are not more than 150 birds remaining in the Lone Star state and probably not more than a few additional from Texas to the Atlantic seaboard. The game refuge, if obtained, will also be used for projects tending to restore deer, turkey, quail, doves and fur-bearing animals. The game management project is one of those being considered for one of the federal funds made available under the Pittman-Robertson Act.

Many of the wild turkey in Texas, as well as in other states, have become mixed with the domestic turkey, but game department biologists have found approximately 150 eastern wild turkey of a pure strain in southwest Texas. The unmixed wild turkey is a richer dark brown than the birds which are inbred with domestic turkeys. The bars on the

tail are very faint.

Landowners asking too high prices for their land either on sale or lease basis has kept the department from going ahead with its plans for saving the eastern wild turkey, a truly game bird, which it is believed, could be brought back in large numbers in eastern Texas.

HERD OF ANTELOPE CHASES 2 COYOTES

The woods and plains of Texas abound with unusual stories, but the most unique occurrence observed recently was in Hudspeth county, where a herd of 25 antelope was seen chasing two coyotes for several miles.

A state game warden was riding with Bob Ingram of El Paso along a draw on the old Mitchell ranch when suddenly a coyote came up and leaped the ridge with approximately 25 antelope in hot pursuit. The warden stopped his car. The antelope chased the coyote over the other side of the ridge without noticing the men, who then drove to the top of the ridge and saw that the antelope were still chasing the coyote. First one and then the other closed in on El Coyote. Suddenly the two coyotes jumped up with the first coyote and the men continued to watch the unusual pursuit for approximately a mile. Then the coyotes and the antelope made a turn toward the car. When the antelope spied it they stopped, stood for a few seconds and then took out across the hill. The coyotes also disappeared rapidly—in another direction.

PRAIRIE CHICKENS HELP TO FARMER

Because the Lesser Prairie Chicken saved several landowners as much as a bale of cotton per eight acres, those fine game birds are going to get more protection in the Texas Panhandle in the future, or at least in Wheeler county, it is reported by the state game warden at Canadian. The prairie chickens devoured huge numbers of army worms which seriously threatened the cotton crop in that section of the state.

P. D. Key, owner of large holdings in Wheeler county and many of his neighbors are now planning to plant food for the prairie chickens as a result of the birds having moved into their cotton fields and totally destroyed the army worms. The worms had eaten about one-third of the leaves from Mr. Key's cotton when the prairie chickens invaded the 44-acre field at a time and the result is that Mr. Key estimates they saved him as much as five bales of cotton. Many neighbors had the same experience and now have a higher regard for those game birds. They have announced there will be no hunting for prairie chickens in that section during the remainder of the five-year closed season placed on the birds by the Forty-fifth state legislature in 1937.

Mr. Key has planted 77 acres of clover and alfalfa for the as much as 100 birds to raise them. O. K. Key, county landowner, also plans to provide feed for the birds.

TEXAS GUARDSMEN RECEIVE TRAINING

For the first time in its history, except during the World War and the Villa disturbances along the Mexican border, the Texas National Guard is receiving winter training.

At many points throughout the state, more than 10,000 members of the National Guard—virtually the entire complement of men and officers—are being given a week of field training this month.

The week of training, intended to fit the men for meeting an enemy in the field, is in addition to the regular two weeks of field training last summer.

For some time also the National Guard has been engaging in home training two nights a week instead of one, the normal program.

The unusual program has been ordered by the National War Department to fit the National Guard for any emergency. In the event of an emergency, the National Guard is intended to be in the nation's first line of defense. The training is going on all over the country, not in Texas alone. There are approximately 250,000 guardsmen in all the country and 11,238 in Texas. The War Department ordered the week of special duty to be carried out between Oct. 15 and Jan. 31.

Units go into camp at various times on fixed schedule. The general plan being to give the training near home where possible in order to save transportation costs. In the regular summer training, all guardsmen are transported to the two big National Guard permanent camps, Camp Wolters at Mineral Wells and Camp Hall at Palacios.

Scheduled encampments during December and January include the following locations: San Antonio, Denison, Galveston County Park near League City, Mineral Wells, Camp Bullis, Gonzales, Dona Ana Rifle Range, Lockhart, Fort Worth, Athens, Longview, Terrell, Tipton, Dallas, Atlanta, Clarksville, Willsboro, Greenville, Camp Mabry, Abilene, Wichita Falls, Plainview, Lubbock, Amarillo, Jacksboro, Corsicana, near New Braunfels, near Huntsville, Kerrville, Beeville, Kingsville, Kirbyville or Lake Village, Victoria, Texarkana, New Boston, Municipal Airport, Galveston.

Adjutant General Harry Knox, Jr., recently appealed to employers to make it possible for national guardsmen in their employment to take the week's training, and subsequently voiced appreciation for the cooperation received.

In the appeal he said "conditions in the world today" made a sacrifice necessary in the interest

of national security by employers, enlisted personnel and officers.

According to Knox, the Texas National Guard is rated by the War Department as "one of the best trained in the United States."

"The regular army instructors have been highly complimentary after viewing our work," he said.

An unusual situation in the National Guard is that in Texas it now is around full authorized strength.

"Interest is very great," Knox said. "In fact, at this time there are no vacancies. Many towns are anxious to establish units. Applications received are being held."

The "state office corps," that is, Adjutant General Knox and officers of his staff, recently completed their seven-day training program at Camp Mabry, near Austin. It studied intensively two problems with which it would be confronted in case of war:

1. Obtaining volunteers for the army, navy and marine corps during the first 60 days after an emergency was declared.

2. Later putting the selective service machinery in operation.

A total of 24,626 volunteers for the army, navy and marine corps would be enlisted from Texas immediately in declaration of emergency, a small per cent of these being colored. Each county has been assigned a quota.

For the entire country the war department estimates 800,000 volunteer troops will be obtained during this recruiting period. After the period of volunteer enlistment, the selective service plane will go into effect in each state.

Detailed plans for this two-phase personnel procurement have been worked out and would begin to operate within a few minutes after the president proclaimed an emergency.

Even supplementary proclamations which the governor would issue have been prepared. All that officials would have to do would be sign them.

Civilian agencies will play a big part in recruiting a voluntary civilian organization consisting of necessary state and district headquarters.

Each county would constitute a voluntary recruiting area, and a county area chairman to be appointed by the governor would be selected. The county chairman would then set up an organization appointing necessary assistants.

Cotton has been variously termed the south's money crop, economic problem No. 1 in the south, and so on, and whatever it is called, it remains important and the subject of continuous thought, discussion, speculation and experimentation, the result being that it can be, and is, an all-year crop.

Lint cotton is a seasonal crop and if East Texas depended on cotton alone, it would find business extremely dull six or eight months of the year. True, that situation formerly was true to a great extent, but this condition has been remedied to a large degree within the last few years because of the comprehensive program of crop diversification adopted by the East Texas chamber of commerce and carried out through the cooperation of local civic organizations. Splendid results have been obtained in dairying for the manufacture of cheese, dried and condensed milk. The development of permanent pastures through a seven-year campaign, stimulated through prizes offered by the regional organization, has been a contributing factor to this increase in dairying interest. Truck crops also have played an important part in bringing a monthly income to the farmer. Finishing of cattle, sheep and hogs, an industry virtually unknown in East Texas 20 years ago, has assumed important proportions.

Due to favorable climatic conditions, a plentiful supply of clear water, good grasses and plenty of feed, East Texas is destined to become one of the most important livestock feeding sections of the south.

A year around cotton season is feasible. Many farmers have cotton cash to spend every month of the year. These have an additional source of income that makes them more prosperous than cotton farmers who have cash only in the fall. Merchants with whom they trade have more business. The community in which they live will be more prosperous.

Money In Seed

Year-around cotton farmers are those who "pick" the profits from cottonseed as well as from lint cotton. These farmers sell their lint in the fall just as other farmers do. The secret of this year-around "picking" is in the seed. They either buy cottonseed meal and hulls with the money that comes from their cottonseed or they exchange their seed for meal and hulls.

Because they use cottonseed meal and hulls, cotton cash flows to these farmers all through the year, instead of only during the few months that the actual picking is being done in the fields. Cotton cash takes many forms for those who use the meal and hulls, it may take the form of lambs fed for the eastern market. Throughout the year, farmers rather than all of the cash from their cotton have income from hogs, milk, butter, beef cattle, wool and mutton, chickens and turkeys and other livestock.

In addition to the actual cash, these farmers have many other assets above those of the grower who depends upon lint cotton alone. Year-around cotton farmers utilize through livestock land that might otherwise not be productive, and in many instances could not be made productive. Their work, as well as their income, is more evenly divided among all months of the year. Their soils, receiving manure, are more productive. The grains and grasses are more valuable because they are sold through live-

stock and are supplemented with cottonseed meal and hulls in economical rations.

More Stable Business

Year-around cotton farmers have found the secret of a more stable, prosperous agriculture. By making cotton a year around crop many more farmers in East Texas have helped themselves as well as benefited their communities.

That agriculture can learn much from industry's example is self evident. Lower production costs on crops and livestock undoubtedly will increase the margin of profit and increase the consumption of farm and ranch products.

Certain well known, but too little used, practices are the fundamental basis for lower costs of livestock production. Good pastures, wisely used, are one of these. Another is the maximum production, proper care and use of home grown grains and roughages. A third is the use of rations economically and efficiently balanced with protein-rich concentrates.

On the whole East Texas farmers do not produce a surplus of grains and roughages. Many, in fact, produce less grain and roughage than is actually needed. For this reason they need such available products as cottonseed meal and hulls both for supplements and

to take the place of grains and roughages and to take the place of these not produced.

By using cottonseed meal or cake, and hulls along with farm grains and roughages, the farmer makes maximum use of home-grown feeds. Feeding authorities agree that many farmers can obtain more value from their own feeds than they are now obtaining.

As an example, many feed only grain and hays so long as these are available on the farm. Then, near the end of the season, they are forced to purchase feeds at the time that the demands for feeds is the greatest.

If such feeds as meal and hulls were used to supplement grains and roughages at the beginning of the season, and throughout the year, the efficiency of every bushel of grain and every ton of roughage produced on the farm would be greatly multiplied, and the total production cost of meat, milk and work would be lowered materially.

Balanced rations throughout the year hold the key to reduced production costs. They will make pastures, grain and roughages go farther and have more feeding value. They will increase the chance of the farmer and the stockman to make a better margin of profit.

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Bureau of Business Research Supplies Texas the Answers

Commerce, Industry Find Data Valuable

By JAMES E. WHEAT

"What opportunities does Texas offer for the manufacture of Swiss, Italian and other types of foreign cheese?" asks a Chicagoan. A Dallas woman wants all available information concerning the manufacture of hairpins, the kind of wire used, where it is obtained and the volume of the business. Milk producers in Wauwatosa, Wis., want a list of all the milk producing plants in Texas. A Texas woman wants information concerning certain cosmetics and their manufacture.

Thus from town, city and hamlet over the United States come requests for information: from Mexico, from the countries of South America and other foreign nations inquiries pour into the Bureau of Business Research of the University of Texas at Austin. And almost all of these requests are fulfilled through statistical data collected by the bureau.

Statistics make possible the study of business trends. Take a group of business facts, add regional geographic information, then add to these certain facts concerning the natural resources of the state. The result: a reasonably accurate forecast into the industrial future of Texas. And this is the purpose of the Bureau of Business Research as explained by the two men who are chief engineers of the research machinery—Dr. A. B. Cox, professor in the School of Business Administration, eminent cotton authority and director of the bureau, and Dr. F. A. Buechel, general manager of the bureau.

But such an enormous job of collecting and assimilating information and data gathered by the bureau would be impossible for two men. Therefore a staff of five other persons, all trained in this field, is maintained by the department. They are Elmer H. Johnson, industrial geographer, Mrs. Clara H. Lewis, Miss Shirley Blomeke, Miss Ann Graham, and A. P. Vickery, United States department of labor official who is in charge of the labor and payroll statistics and of supplying the federal government with this information.

Thirty-two students have part-time employment with the bureau through the National Youth Administration funds and bureau funds.

A unique feature in the operation of the bureau is that through collecting geographical data, information on resources, agriculture, and certain other data, it has been possible for the bureau to make distinct geographical divisions of the entire state of Texas. In this manner it is possible to present data not from the state as a whole, but rather from distinctive geographical areas through the use of articles, graphs and charts to aid business and agriculture.

An East Texas District
District four of East Texas, for instance, is distinctly different from its neighbor, district five, in that four is definitely forest land and five is definitely grass land. This system of classification applies also to the study of minerals. Explaining that agricultural districts differ not only in regard to types of produce, but also to market prices of that produce, Dr. Buechel stated that the market price of cattle from district four is distinctly different from the price received for cattle raised in a West Texas district. Market of crude oil differs according to the districts producing that commodity.

Begun in 1926, the Bureau of Business Research has increased in national importance each year of its existence as it has widened its scope of activity. Where possible, information on the enormous variety of subjects is supplied those desiring it; but sometimes, due either to the peculiarity of the request or when information can best be given by some other university bureau, the requests are referred to other branches of the university.

With its two-fold aim, the bureau gathers information about business trends, then relates and interprets that information in order that business may best serve the interests of the people of the state and that its leaders may better gauge the trend of events; and the bureau seeks to place this information in the hands of the people of the state and to make them aware of its significance.

The task of collecting information and relating it is statistical and requires much cooperation for its success. Business units of the state cooperate by giving such data which forms basic material for this work, and practically all industries and fields of business are included within the scope of research work of the bureau. Among these are retail trade, employment and payrolls, livestock products, and the cotton textile industry.

Data Pours In

From 1,500 railway stations, 7,000 Texas manufacturers, 2,500 employers and 1,300 retailers comes information every month to be combined and interpreted for Texas business men who desire information essential to their industrial movements. Through the "Texas Business Review," published by the bureau through periodical news releases to the newspapers of the state and through other mimeographed reports sent to subscribers, this

information is made available to business leaders and firms. A Dallas banking firm has a regular order of 800 copies of the "Texas Business Review" to be sent to its clientele over the state.

Besides information published regularly, the bureau publishes special monographs on subjects pertaining to industry and trade in Texas. It also has on file a vast amount of research material in unpublished form used in answering many inquiries which cover a large variety of subjects pertaining to Texas industry.

"In collecting current information," Dr. Buechel explained, "the bureau cooperates with a number of federal departments such as commerce, labor and agriculture in return for which it receives the franking privilege." This privilege relieves the bureau of various expenditures which would be met in mailing correspondence and publications which would otherwise restrict the wide scope of contact enjoyed by the bureau at present. Dr. Buechel estimated the present mailing costs are reduced from what would be well over \$6,000 to around \$1,200. Preparing statistical compilations on employment and payroll, retail sales and credit, livestock shipments and prices of farm products according to the district system, the bureau makes these data available for the federal departments. The federal government then incorporates them into the picture of national economy. The regional data are used in computing incomes. The fact that these data are shown in perspective increases their value to every type business man because they become the most accurate and reliable data obtainable. In research work Mr. Johnson has made special studies of natural regions, and also the resources of these regions, then statistics have been broken down to fit these distinct regions.

Study Agriculture

Sponsoring a WPA project at the present time, Dr. Buechel and Mr. Johnson are bringing together all available census material in agriculture according to counties from 1900 to 1925. Like projects are being prepared for Louisiana, Arkansas, Missouri, Mississippi, Oklahoma, Kansas, Colorado, and New Mexico in order to present a clear picture of the entire Gulf southwest as to industrial trends.

Another project in operation at the present is a study of budget and consumption from which might be learned the standard of living and consumption habits of families in certain Texas cities and towns. Not only is this to serve as business information to retailers in these cities, but it is being conducted also in an effort to develop a social and economic system which administers to the improvement of the condition of the people of the state.

The bulk of the requests for information which are received by the bureau are concerning economic questions. In many cases supplying the desired information requires merely an investigation in the bureau library and the transcription of records and files. The library maintained by the bureau consists primarily of materials from government agencies such as yearly, monthly, weekly and daily reports. Sometimes a clerical charge is made in order to pay student help, but this is only when the job is a large one requiring several hours or several days of work.

But in any case, either the bureau will supply the most complete information available on the subject or else refer it to another agency that can supply it, for only the rarest of cases "stump" the machinery of this bureau.

No matter whether an almost illegible letter comes from a sharecropper farmer asking for agricultural information or a New York industrialist wants to know the number of dairy businesses in Texas, these requests come to the Bureau of Business Research for the most adequate information supplyable in the state of Texas.

Ports—

CONTINUED FROM PAGE 1

expenditure. The enlarging and extending of Texas' natural waterways was done by suction dredging and the depth of the water in general permits the free operation of most of the ports of 30 feet draft vessels. After these gateways were created, all of the ports were constructed by railroads, private or public capital. These ports met the necessary requirements of providing adequate free time of the freight in the car, adequacy of rail service to the port, adequacy of switching at the port and the type of commodity which is moving and the type of facility which will transfer it to and from the ship. It is possible to make the necessary transportation arrangements whereby the freight is transferred direct at the vessel to and from the cars.

Under this policy of operation there results the need of facilities which are not massive and which should not be costly. The provisions of the type of transportation operation required at Texas ports is met by all the essential factors.

Since we have considered this physical make-up of the Texas ports, one of the largest may be mentioned specifically. It is an inland port and therefore interesting, for the speculative possibilities it opens. The Houston port is located 50 miles from the Gulf of Mexico, where a network of rail lines and highways meet and radiate to all parts of the southwest. The Houston ship channel, extending from the Gulf to the city of Houston, uses the Galveston jetty entrance to Bolivar Roads, then across the Galveston Bay and up the San Jacinto river and Buffalo Bayou to the public terminals at the turning basin. Thus the natural waterways have been skillfully joined by the work of man

to make a great waterway which has materially increased the wealth of the state and which has made Houston one of the best known ports in the southwest.

Factories Follow Channel

Since 1915 when the ship channel was opened, many plants such as cement mills, oil refineries, fertilizer works, cotton compresses, steel warehouses and many other concerns have been built along the Gulf coast and along the borders of the intracoastal canal. These various industries are estimated to have a capital investment of about two hundred million dollars on the waterfront, employing from 10,000 to 12,000 men in normal times, with a daily payroll of \$50,000 to \$60,000.

We have considered the Texas ports as a whole, an aggregate collection of ports which have increased the wealth of the state and brought forth the facilities in natural production of which Texas is capable. First among these naturally produced resources is cotton. Cotton has traditionally held its place at the head of Texas exports amounting in value to half the value of the total exports.

Second in Texas' list of major commodities is petroleum and petroleum products. Other commodities which are cleared through Texas ports are rice, wheat, carbon black, oil well supplies, wheat flour, lard, rice, rice flour and broken rice, cotton seed meal, cotton seed cakes, scrap iron, asphalt, cattle, canned goods and fruits, and a long list of others.

Besides supplying adequate shipping of commodities to and from Texas, the intracoastal canal maintains a weekly large service between New Orleans, Galveston

and Houston and intermediate points. Utilized in this service are two self propelled barges, each having a cargo carrying capacity of 400 tons, the units being capable of handling one or two barges in tow. An arrangement has been made whereby water rates are quoted on shipments from Mississippi and Ohio river points to all points on the intracoastal canal. Tugs and barges of various sizes and types are available for service on the intercoastal canal and additional facilities will be provided as the traffic increases.

A waterway over nine feet deep and 100 feet wide extending along the Gulf coast of Alabama, Louisiana and Texas, with access to the vast river valley sections of the Red, White, Missouri, Mississippi, Illinois, Ohio and Tennessee rivers reaching a wonderful agricultural and manufacturing territory with cheap, dependable transportation facilities, is bound to result in a huge volume of traffic. This is the result of the cut made through the Port Arthur-Galveston Bay section.

Texas ports, then, serve the state as well as the nation as a key shipping center. Through it has poured millions of tons of freight and millions of dollars, for the last quarter century. Galveston bay and harbor have long been the scene of shipping, but it was not until 17 years ago when the natural waterways were made navigable for ocean going vessels that Texas realized to the full just what the value of her resources and the extent of her possibilities were. Thus, the opening of ports and the increasing demand by other states and countries for Texas products, has induced the manufacture of

commodities and has caused the increased production of many.

Business Comes To Texas

At the present time traffic is increasing daily to the extent that plans are going forward for their enlarging and lengthening. All branches of this vast shipping industry which centers at Texas ports will be expanded and perfected under the new plans. Today, many people from other states have come to Texas to establish businesses, seek employment or to enjoy the leisure of retirement. Houston is drawing a substantial portion of these new residents and their coming is but another manifestation of the facts already stated regarding Texas' resources and possibilities.

That her ports are growing, there is no doubt; that they will continue to grow is equally certain. There will always be great agricultural shipments, both of the raw vegetables and fresh fruits and the canned, preserved or dried product; there will be oil; there will be cotton and grain; there will be many materials, for Texas is stirring in this direction and setting in motion the machinery of development of her vast mineral deposits other than oil. Among these is potash, already some of which is being exported. There is coal not yet mined to any great extent, and iron which promises to be the revolutionary force in Texas commerce. There are many others, but these given are outstanding and may serve as examples.

If Texas follows her general policy of sure building, slow expansion and lack of deflation either in prospect or reality, her future is

as certain and secure as her past.

The ports of Texas have survived two great set-backs, the depression and long strikes by seamen. Not even these calamities caused a material set-back to Texas' progress along the water routes. The ports are going forward, ever growing larger, stronger, more wealthy, and encouraging more and more the tendency in the state to produce her own exports and import as few commodities as possible.

LEASING OYSTER REEFS IS URGED

If Texas oyster production is to be materially improved the legislature will have to permit leasing of natural reefs to individuals, in the opinion of J. B. Arnold, director of the coastal division of the game, fish and oyster commission.

Arnold, whose headquarters are in Corpus Christi, said he would recommend that step to the commission and the legislature at its next session.

Asserting there was no doubt production of the tasty mollusks could be increased, the director declared private cultivation by companies on the Texas coast had been a uniform failure and it remained for the state to exercise more rigid control over the reefs.

"Texas has a unique oyster problem of its own, due to its laws, past experience with the industry and some difference in the environment of the oysters themselves," he stated. "Oysters will not grow every place in the coast. They are prolific and probably have already established reefs

at practically every part of the bottom that is suited to them.

"The idea that a large part of a bay can be planked down with oysters in thousand-acre blocks is an impossibility. It is possible with care to increase the size of the natural reef but in this state reefs are not leaseable."

Arnold noted a decline in production for the fiscal year ending Aug. 31, 1939, as compared with the year before and pointed out that during the previous year, October yielded 95,967 pounds as compared with only 57,855 pounds in October, 1939. Comparable figures for November were: 1938, 118,311 pounds and 1939, 112,293.

The director admitted that occasionally a new reef might be established artificially. "But this is not common," he said, "and efforts to profit by sowing oysters over large areas are foredoomed to failure for, except in a few spots, oysters will die."

HOPKINS REVEALS INCOME INCREASE

Secretary of Commerce Hopkins has estimated that national income for 1939 would total \$68,500,000,000, an increase of \$4,500,000,000 over 1938.

Income payments to individuals in November were placed at \$5,800,000,000, which the commerce department chief said was the largest for the month in any year since 1929. The November figures, he said, indicated that the current income flow was at the rate of more than \$72,000,000,000 a year.

Hopkins said that income payments to individuals in 1939 would

total \$70,000,000,000, a gain of \$3,700,000,000 over 1938.

He explained that the difference between income payments and national income was the inclusion in the former of direct relief and other disbursements for which no services were given. The national income figure does not include direct relief payments, but includes business savings.

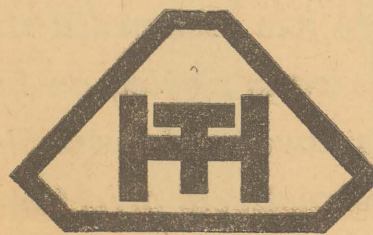
In announcing the figures, Hopkins said they were particularly significant because average prices were no higher in 1939 than in 1938.

Thus, he said, while the dollar income in 1939 was below the 1937 recovery peak of \$71,900,000,000 and the 1929 all-time high of \$82,700,000,000, the lower prices of 1939 indicated that quantity production of goods and services was about the same as in 1937 and 1929.

However, because of the population increase since 1929, he added, the per capita output for 1939 was below that of the peak a decade ago.

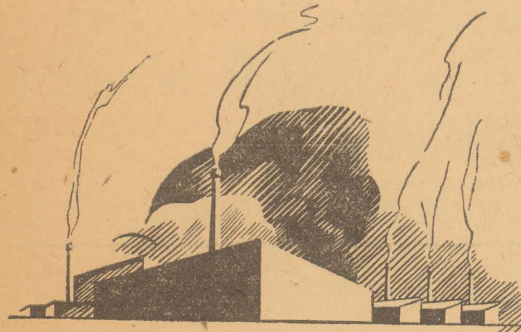
Hopkins said that industrial payrolls showed the greatest advance over November, 1938, rising 15 per cent to \$185,000,000. Wages and salaries in the distributive service industries were 5 per cent higher, while the government's contribution to employees' income fell 10 per cent as a result of a drop of \$70,000,000 in work relief wages.

The Pueblo Indians make bread as thin as tissue paper. It is made by frying a very thin blue corn meal batter on a flat rock and folding up the bread when done. There will be no such thing as neutrality.—Adolph Hitler, quoted by Hermann Rauschnig, former



Hughes Tool Company
Houston, Texas

Welcomes Another Great Industry to the State of Texas



L U F K I N - - -

The city of Houston, its people, its industries and its business interests extend to the City of Lufkin, and the great East Texas section of which it is an outstanding manufacturing and commercial center, most cordial felicitations and sincere congratulations. Because Lufkin is the home of the first plant to produce newsprint from American pine, your community has assumed a status of national importance. The attention of every section of America is riveted on Lufkin because the foresight and faith of your community leaders have made possible a great new industrial development in your town, which will constructively affect one of the nation's industries, the publication of newspapers and other media using newsprint.

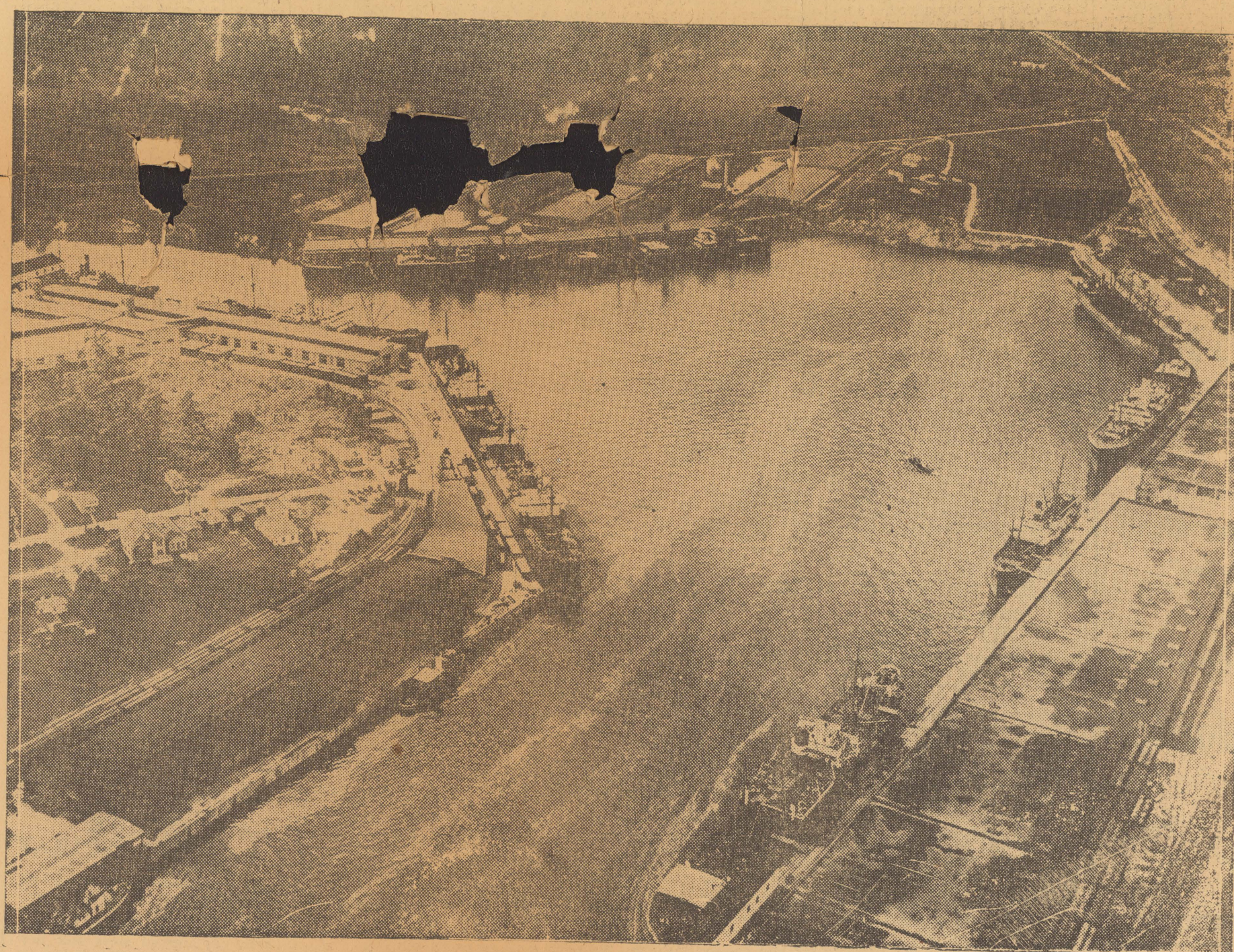
The whole of Texas and the South eagerly awaits the first commercial production which will herald the revolutionizing of a vast consuming industry bringing inestimable benefits to the pine lands of the South. Because Lufkin has pioneered in this great new field of endeavor, you are richly entitled to the approbation of all America and of the South in particular.

It is appropriate in congratulating Lufkin as a community that one particular citizen be singled out for special commendation, the one individual who more than any other is responsible for the magnificent new industry now being developed at Lufkin—a courageous citizen and outstanding industrialist, Ernest L. Kurth. Over a long period of years he has contributed much of his time, his thoughts and his material resources to the full development of this history making project. The mighty Southland Mill will ever stand as a vibrant living monument to the courage, resourcefulness and vision of Ernest L. Kurth.

We pause at this important milestone in the progress of our sister city of Lufkin, marking the completion of a project so vitally important in East Texas, the State of Texas and the American Publishing Industry; to pledge anew Houston's confidence and esteem and to voice deserving tribute to a neighbor community which has through its enterprise risen to national leadership in an important new industry.

The business community of Houston reviews with much pleasure the cordial commercial relationships which have obtained between the two cities for many years, and looks forward with anticipation to even more cordial and intimate business relationships in the future. Houston's interest is inspired by the sincere desire of its people and its business interests to extend useful assistance and cooperation to the progressive cities of East Texas and its trade territory.

HOUSTON SALUTES YOU!



IN BEHALF OF THE BUSINESS, INDUSTRY, AND PORT OF HOUSTON

National Bank of Commerce

Second National Bank

San Jacinto National Bank

The Commerce Company

Battlestein's Incorporated

Houston Lighting and Power Company

Earthen Products Company

Atlas Engineering Works

Houston Port Commission

PACESETTER FOR PROGRESS

East Texas C of C Does Big Job Effectively for Section

By CURTIS MORRIS

For 13 years Lufkin has supported the work of the East Texas chamber of commerce, in the realization that what benefits this rich region must benefit Lufkin.

Business leaders in Lufkin recognize the economic interdependence of their city and the towns and growing cities of East Texas. Of the new dollars that spring from forest, field, oil wells, and bustling retail centers in East Texas, Lufkin gets its full share in the regular channels of trade. In turn, Lufkin leadership has always been ready to cooperate in the development of this great region.

The new president, F. Dudley Perkins of McKinney, is bringing new vision and dynamic leadership to the East Texas chamber in this promising fourteenth year of service to East Texas and all Texas.

Lufkin directors of the regional chamber in the past have been men of outstanding leadership. At this time E. L. Kurth and E. C. Durham are Lufkin members of the board.

The value of the business experience represented on the board of directors of the East Texas chamber of commerce cannot be calculated in terms of dollars. Giving unselfishly of their time and effort and traveling at their own expense, the directors of the East Texas chamber of commerce have guided the policy of this organization and charted the course of regional development. The value of their leadership exists today in the practical achievements of the East Texas chamber of commerce. The soundness of our future program rests on the strong foundation of the counsel of this board, our councilors, and the loyal support of our membership.

The work of the regional chamber on agriculture in all its phases, including cotton improvement, soil and water conservation, forestry, livestock, chemistry, and the milk industry, has been well known in Lufkin. More recently the tax control work being done in East Texas has been recognized by students of government and by taxpayers.

Industrial Activity Upped

The construction of the newsprint mill at Lufkin has given a renewed impetus to industrial development throughout East Texas. The regional chamber was active from the earliest stages of the newsprint project to the consummation of the enterprise in the forming of the company that is building the mill.

The most recent industrial activity of the East Texas chamber is in the study of the development of rich East Texas iron ore deposits.

A committee of able business men, scientists, and engineers investigated the Madaras process for the reduction of iron ore with natural gas and made a favorable report. In line with the usual policy of the regional chamber on industrial projects, the report was made available to all local chambers that were interested. The formation of a company was left to local leaders. Through the activity of interested investors the capital of \$250,000 for the first iron ore plant using the Madaras process was over-subscribed 15 days after lists were opened by citizens of Longview, Kilgore, Henderson, Gilmer, Marshall, Tyler and Shreveport. Our committee believes that the construction of the first Madaras iron plant in East Texas will be followed by great industrial development in iron and steel through the location in this area of fabricating plants which will use iron from the reduction plant.

The major purpose of the East Texas chamber of commerce is to serve as a clearing house of information and activity for 150 local chambers. Through planning and cooperation with local groups, through setting up better conditions of public health, through utilizing East Texas' great transportation advantages of rail, highway and seaports, this organization seeks to foster industrial development through cooperation and coordination of local leadership.

Directors and members of the East Texas chamber are:

President, F. D. Perkins, McKinney; vice-presidents, J. Lee Greer, Denison, Bryan Blalock, Marshall, J. E. Angly, Palestine, C. T. Nall, Waxahatchie, Tom P. Walker, Beaumont, John D. Rogers, Navasota; past president, R. M. Kelly, Longview, John D. Middleton, Greenville, Dr. N. D. Buie, Marlin, Gus F. Taylor, Tyler, E. L. Kurth, Lufkin, Chas. F. Ashcroft, Sulphur Springs, A. G. Pat Mayse, Paris, T. E. Acker, Jacksonville, E. L. Smith, Dallas, Paul T. Sanderson, Trinity; treasurer, C. A. Loftis, Longview, directors, J. W. Birdsong, Greenville, B. B. Black, Clarksville, George G. Chance, Bryan, Grace Daniel, Liberty, M. E. Darsey, Grapeeland, Noble Davis, Henderson, E. C. Durham, Lufkin, J. N. Edens, Corsicana, A. M. Goldstein, Waco, John M. Griffith, Taylor, W. S. Hanley, Tyler, F. H. Harvey, Jr., Corsicana, George A. Hill, Jr., Houston, Frank P. Holland, Dallas, B. B. Hulsey, Terrell, Lacy H. Hunt, Nacogdoches, Burris C. Jackson, Hillsboro, H. A. King, Atlanta, J. A. McGill, Paris, McDonald, Mesquite, Houston, C. C. Nelms, Caldwell, J. H. Nussbaum, Mexia, Henry A. O'Neal, Shreveport, W. A. Pounds, Jr., Tyler, Dr. C. N. Shaver, Huntsville, O. M. Stone, Jasper, James

E. Stuart, Texarkana, J. C. Wahnenberger, Conroe, N. G. Watts, Naples, J. E. Wheat, Woodville, Hugh S. White, Gladewater, J. E. Woods, Temple, staff, Hubert M. Harrison, vice president and general manager, Glen D. Davis, publisher, East Texas magazine, Dallas, Elmore R. Torn, agricultural and forestry director, Curtis Morris, director tax department.

Committee chairmen are: Taxation, Oscar Burton, Tyler; magazine, J. Lee Greer, Denison; freight rate adjustment, J. A. McGill, Paris; cotton development, O. H. Grissom, Longview; agriculture, Bryan Blalock, Marshall; livestock and pasture development, J. N. Edens, Corsicana; forestry, Lacy H. Hunt, Nacogdoches; world trade, Tom P. Walker, Beaumont; cotton, Burris C. Jackson, Hillsboro; cotton improvement, James R. Gill, Waxahatchie; insect control, Alston Clapp, Sr., Houston; increased uses of cotton, A. M. Goldstein, Waco; marketing and ginning, J. G. Hawkers, College Station; farm chemistry, Victor H. Schoffele, mayer, Dallas; flood control and conservation, John D. Rogers, Navasota; single variety cotton contest, Eugene Butler, Dallas; trench silo contest, Frank Briggs, Dallas; highway beautification, Mrs. Lee J. Rountree, Bryan.

The state and southwest are watching with interest the transition taking place in the agricultural and industrial picture of East Texas.

East Texas Transition

A happy alliance in the form of a working partnership between country and town is in clear evidence as this transition moves on. Then what is this transition? For one thing, it is a shift in agricultural production. East Texas for a long time has been dairy industry minded. Today it is aggressively supplementing its dairy program with a balanced livestock program and a closely with it is trying soil and water conservation, reforestation, farm chemistry, and diversified small industries.

Beef cattle, dairy herds, hogs, poultry and sheep are in the increase in East Texas, but is not being allowed to run ahead of adequate facilities, feed, pasture, and so on to assure the producer a fair return on his investment.

In this phase of its development program, as in all of its services to elevate the plane of living in the area it works for, the East Texas chamber is gauging its efforts to make them serve equitably both the agricultural and industrial interests.

Farm chemistry is not new, but in its present new application, can be made to serve the farmers' interest. Only when it does service to increase the farmers' income can it expect the support of the regional chamber.

Although not quite ready to make its debut, the sweet potato starch and dehydrated pulp and cattle feed industry can reasonably be expected to make a substantial contribution to the agricultural economy of East Texas before another five years pass.

Increased yields of sweet potato production of the proper varieties, perfection of a commercial dehydration process, and education of the superior value of sweet potato starch for many uses along with advancement of the use of dehydrated potato or residue pulp as a carbohydrate supplement to protein meals for feeding out cattle will do much to make the sweet potato a worthy crown prince to King Cotton that has long been tottering on his throne.

In the successful production of castor plants in the Trinity river basin and southwest Texas lies a possibility that may completely revolutionize the drying oil and pulp industry, along with furnishing material for many organic insecticides and potash fertilizers.

For in the complete utilization of the castor plant now being experimented with in Texas, the leaves and juices come from the stems and outer covering of the trunk which has best fiber for rope, linen materials, etc.; the beans for a bean meal and dehydrated oil as a drying agent for paints; the pomace enclosing the beans and good for fertilizer; and the stalk for pulp purposes and use of a filler in newsprint and for use for tissue and other soft surface papers.

The East Texas chamber of commerce is interested in the farm chemistry program so that it may keep its people advised of every development in this field that may have merit.

To sum up these points of the East Texas chamber agricultural program and to give some insight into some of the other projects, we continue:

Conservation and proper utilization of our natural resources, cotton improvement in all its phases, encouragement of an orderly expansion of the livestock and dairy industry, promotion of the farm chemistry movement in all phases practical to our region, furthering city-country cooperation and recognition of the economic interdependence of urban and rural areas, stressing the value of trench silos and permanent pastures, and fostering increased world trade, of the work of our agricultural and forestry department and the six active agricultural committees to which it gives staff service.

The agricultural program of the regional chamber is well diversified to meet the needs and requirements of everyone of the 70 counties it serves.

Because of this diversity of purpose and because of its effectiveness, our organization's farm program has drawn universal commendation from farmers, business men, agricultural leaders, and the press alike.

Our director of agriculture and forestry is in constant demand as advisor, counselor, and planner throughout the region and is recognized as an authority in his line.

Our program along forestry lines including renewed vigilance in forestry conservation practices and reforestation, is being stressed, because growing timber is a farm crop which can give more cash return on some lands at present conditions than anything else.

"Save Soil and Water and Save All" has been the slogan and working theme of many soil and water conservation rallies held throughout East Texas, which have attracted a total attendance of over 20,000 persons.

To arouse fully a working enthusiasm in conservation has been the goal because it is firmly recognized that soil erosion control and rainfall run-off retardation is essential to the success of virtually all of our major agricultural activities including cotton improvement, permanent pasture development, timber farming, livestock and dairy programs, rural health, crop diversification and rotation, and farm processing industrial plants.

To further the livestock program 4,000 trench silos were filled in East Texas last year, assuring economical storage of some 100,000 tons of home grown feed.

Supporting the trench silo program has been the Texas Cotton Seed Crushers' Association and aiding the cotton improvement work has been the Texas Cotton Association.

In the trench silo work as in cotton improvement, and all farm betterment work, our agricultural committees and our agricultural and forestry department have sought the advice and counsel of local chambers, established agricultural agencies and institutions in planning the program, and in all instances it has been carried forward in cooperation with our affiliated chambers, the Texas Agricultural Experiment Station, and the Division of Vocational Agriculture, state and federal departments of agriculture, and established agricultural and commercial organizations.

The quality of all East Texas cotton has shown significant improvement during the past two years, and special outstanding quality improvement and increased per acre yields and values have been enjoyed by communities engaged in the East Texas Single-Variety Cotton Contest.

Contestant single-variety cotton communities reported increased per acre values of from \$4 to \$10 per acre because of improved quality and increased yield. Thousands of dollars were reported coming to communities following standardized cotton production plans and East Texas cotton was again coming into demand by world market spinners.

East Texans are wide awake to the possibilities of using chemistry and science to convert surplus agricultural crops into industrial uses. In the tax control work jointly sponsored the first chemistry congress ever to be held in the southwest at Gladewater and cooperated in the chemistry conferences staged in Beaumont. We brought all information on the manufacture of sweet potato starch to all interested local chambers and on new industrial crops such as castor bean, tung oil trees, and soybeans.

Last, but not least, we come to city-country cooperation which the East Texas chamber feels is one of the keystones of success in developing a prosperous region. Under this part of our farm program comes advancing junior agricultural work and bringing about a better adult appreciation of the economic interdependence of urban and rural sections, so that they may more completely blend their efforts understandingly and cooperatively for the mutual benefit of community progress.

Taxes touch every person. Government embraces us all. The taxes with which to support government have now reached a point where they absorb about one-fourth of our national income.

So the East Texas chamber maintains a tax department.

Tax control is our interest, particularly in the field of county, city, and school district administration. The East Texas chamber engages in no activities for or against the raising of revenue. While the bitter controversy raged over the O'Daniel sponsored natural resources-sales tax constitutional amendment for old age pensions and other purposes, we did no direct or indirect lobbying for or against the measure.

To be drawn into a fight over how to raise taxes divide our friends and our influence. We are trying to influence our people toward conservation in fiscal policies. We are striving to improve the efficiency of state and local government. We are pointing the way to economy in government.

Most of our work to date has dealt with counties. For East Texas as taxpayers, in most cases it is

the county that spends the most money. Unfortunately, it is with counties that most needs to be done in tax control. This comes about in part because of the lack of clearly fixed and centralized responsibility for financial administration.

Tax Savings Sought

Strict budget control, good bookkeeping, adequate auditing, centralized purchasing of supplies, and some modernizing of county machinery can nevertheless save for East Texas counties money. This is our idea of tax control. They will save cities and school districts money too.

To arouse the citizens of a given county is not easy. But it's essential. To do this and to get the diagnosis of a county's finances, we make a survey.

Our Ellis county tax survey, for example, shows the usual 15-year record of assessed valuations and tax rates. Ellis county's valuations in 1938 were \$27,823,345, and 25.5 per cent under the 1925 peak valuations the past 15 years. The county rate was 52 cents on the \$100, highest in 15 years.

The county's debts are shown in a tax survey. Take Navarro county. Its debt as of December 31, 1938, was \$2,610,282. This was 9.6 per cent of its assessed valuations. It hasn't issued a bond or warrant in 11 years. Its gross debt has been reduced \$460,000 in less than six years.

Cash receipts and disbursements for the last fiscal year appear in a tax survey. Starting with closing cash balances, too, are shown. Galveston county in 1938 had total net receipts in all funds of approximately \$707,000 and net disbursements of \$760,594.90. At the end of the year, believe it or not, in the general fund Galveston had more than \$132,000 in cash.

How the money actually is spent features each survey. For example, take the road and bridge fund for 1938. Here are some of the expenditures: wages, \$15,643.01, lumber, \$5,397.17, gravel, \$853.57, gas, oil and grease, \$10,251.15, and rent on sewing machine, \$300. This last item was an ironing board and bridge expenditure.

Just how the county's receipts and expenditures for the year compare with the budget adopted for that year show in each county, that is if the county followed the Texas budget law and prepared a budget. Williamson county in 1938 had a budget allotment for its road and bridge fund of \$123,823.40, but actually spent \$162,289.07. It budgeted \$10,200 for the jury fund but spent only \$7,092.36.

The way expenditures compare by years is shown in each survey. Usher county's total net expenditures for 1938 were \$322,402, for 1937 they were \$323,823.40, and for 1936, \$355,374.67.

Tax collection experience for a five-year period is shown in a county survey. All county as an illustration, and that current and past collections in 1937 were \$1,000,000, went delinquent, \$100,000 in 1936, and 78.1 per cent in 1935.

County meetings are held in the county when we first make the survey. Each person gets a free copy of the survey. It is fully discussed. Questions are answered. A county-wide taxpayers' committee is set up or reorganized as each such meeting. These are the taxpayer groups that we develop to work with—not against—public officials.

What do we urge our taxpayer groups, county officials, and all good citizens to do in trying to make their county governments more efficient and more economical?

We have referred to our emphasis on budgeting. A county budget is a county plan for spending the county taxpayers' money. It is the first essential step in tax control. A good county budget will show in detail all the necessary expenditures for the new fiscal year. It will likewise show in detail what and where the money's to come from.

Some alert citizens groups help the county judge make the county budget. In all cases alert taxpayers should attend the public hearing on the proposed county budget. Such a hearing must be held before the budget may be legally adopted. The public hearing is the taxpayers' one big opportunity every year to have a direct vote in what he wants spent, for what, and how he is willing to have the money raised.

Hopkins county is an example of how our system works. We made first the tax survey. Next there was the big county-wide meeting in the courthouse with over 300 present. The county-wide taxpayers' committee was formed. Now that county had never had a county budget, although the law required it. So the county-wide taxpayers' group went to work with the county judge and county auditor and made a budget. The county auditor has the backing of the taxpayers. This year of 1939 the county will show substantial savings over 1938, according to preliminary reports, because of good budgeting, and living within the budget.

Living within the budget is most important to tax control. Here's where the county-wide taxpayers' committee can do a lot of good work. It's their job to check up from time to time to see that the budget is complied with.

We emphasize good bookkeeping. It is as necessary in county business as in private business. We believe in having a good auditor on the job and we believe that a county auditor should be backed to the limit in requiring every county official to account strictly for all funds passing through his office. We urge centralized purchasing of supplies, ordinarily through the county auditor's office, strictly on competitive bidding.

We believe that every East Texas county can modernize its machinery in the important instance of putting its road and bridge work on a unit basis, under a competent engineer, with a

central warehouse and shop, and with strict accounting. Harrison county has been doing this most successfully for eight years. Efficiency and economy in state and local government can only come through information, inspiration, education, and intelligent cooperative action. Saving tax dollars comes through earnest, fundamental work, and not by short cuts, wild talk, and extravagant promises.

Tax rate reductions for counties last year, effective October 1, 1939, that have been accomplished through tax control work initiated by the East Texas chamber of commerce and followed through by us with the splendid cooperation of our local tax committees and commissioners courts include:

Gregg county—reduced from 81 cents to 56 cents.

Hopkins county—reduced from \$1.75 to \$1.62.

Van Zandt county—reduced from 95 cents to 71 cents.

Smith county (with Tyler road district)—reduced from 80 cents to 72 cents.

McLennan county—reduced from 65 cents to 63 cents.

Navarro county (with near county-wide road district)—reduced from \$1.15 to 80 cents.

Angelina county—reduced from \$1 to 95 cents.

Camp county—reduced from \$1.65 to \$1.25.

Marion county—a reduction of 10 cents.

Walker county—a reduction of 5 cents.

Robertson county (1 road district)—a reduction of 10 cents.

Henderson county—a reduction of 7 cents.

AIR LINE WILL MOVE TO SOUTH

General offices and the main shops of the Chicago and Southern Air Lines, now located at Lambert-St. Louis municipal airport, will move to Memphis, Tenn., during the summer of 1940. D. D. Walker, vice president, has announced.

Walker's announcement was made after executives of the air line conferred at length with Memphis city officials concerning hangar and office buildings. Construction of new \$150,000 to \$175,000 quarters to be located on the enlarged Memphis municipal airport will be started within a few weeks.

At the offices of the company, it was stated that the city of Memphis and the WPA will share the cost of constructing the hangar and office building for Chicago and Southern and the air line will lease the buildings.

The air line's administrative, traffic, advertising and operations office and main shops with a personnel of nearly 200 and annual payroll of \$163,000 will be transferred to Memphis as soon as the new buildings are completed.

The air line indicated several months ago that general offices would "very likely" come to Memphis if Chicago and Southern was granted the proposed Memphis to Houston route.

The civil aeronautics authority grants its Chicago and Southern Memphis-Houston airway. This will become the center of the firm's operations, being 500 miles from Chicago, 500 miles from New Orleans, 365 miles from New Orleans and 360 miles from Louisville.

An important factor involved in the move was inadequate hangar facilities at Lambert field. The air line moved to St. Louis from Memphis four years ago because it had outgrown its hangar space there.

Chicago and Southern recently announced a \$585,000 improvement program in the form of new planes and other equipment. New 21-passenger Douglas DC-3 transports will be delivered to the company in St. Louis in March, service with the new equipment will start on April 15.

The air line now operates three northbound and three southbound flights each day between Chicago and New Orleans by the way of Springfield, Ill., St. Louis, Mo., Memphis, Tenn., Greenwood, Miss., and Jackson, Miss.

The new route applied for would extend the service from Memphis, southwest to Houston, Texas; Pine Bluff, Ark., and Shreveport, La., the northeast extension from Memphis to Louisville, Ky., by the way of Paducah and Evansville, Ind.

Mr. Walker said Chicago and Southern had filed with the CAA an application for a new route from Memphis to Kansas City, via Springfield, Mo.

MADZON MILK FOODS POPULAR

A tremendous growth in the popularity of Madzon, a new whole milk food prepared by the Michaels Food Products, Inc., has been experienced since this new food has come on the shelves of Houston food markets. M. K. Michaels, president, said.

"For many years I have been a firm believer in the amazing qualities of a cultured milk," Mr. Michaels said. "I, as well as many friends and customers, have benefited from this knowledge, but I have often been puzzled why mankind, particularly those of Anglo-Saxon extraction, has not discovered itself the use of this food that has been such a boon to the health of Europeans for centuries."

"I made an exhaustive study of the structure and the properties of Caucasian cultured milk, and beyond any shadow of doubt, I am convinced that Madzon is the finest food of its kind in existence."

Madzon is neither a clabber nor sour milk. It is produced by the action of sterilizing a lactic bacillus contained in fresh, pasteurized milk. The product is not a drinkable liquid such as buttermilk, but a semi-solid, jelly-like substance that is to be eaten with a spoon or incorporated in cooking recipes. Madzon can be eaten whenever the spirit moves but the ideal time for its consumption is one-half hour before each

meal. At this time there is very little food in the stomach, and the full benefit can be obtained. The bacillus with which the fresh milk is inoculated converts the sugar in the milk into lactic acid, which produces the thick, jelly-like mass with a pleasant, tart taste. The action of this culture on the digestive system is little short of phenomenal. Suffice to say that two jars a day for two of three weeks will work miracles as far as eliminating digestive disorders and toning up the system is concerned.

"Medical men throughout the world are unanimous in their acceptance of this product for digestive and dietary disorders. It has long been one of the most effective foods for the sloughing off of excess weight. The beauty of using Madzon as a reducing agent is that it does not put any restriction on the normal eating habits of the individual."

LAREDO ANNOUNCES TOURS TO MEXICO

Calling attention to the fact that over 100,000 visitors from the United States entered the republic of Mexico through the city of Laredo in 1938, Gilbert I. Garretson, manager of the Laredo chamber of commerce, pointed to the increasing importance of Mexico as a vacation land for American tourists and announced its winter schedule of caravan tours for 1940, which have been growing in popularity during the last three years.

"A caravan tour," Mr. Garretson explained, "is group travel in your own car, with the repulsive conditions. Expert planning relieves every traveler of every burden and care usually attendant upon touring in a foreign country. The trip is conducted in leisurely fashion, directed by experienced guides and Spanish speaking attendants are always on hand to care for every need."

Five 12-day, all-expense caravan tours have been scheduled for the 1940 season, the first taking place Jan. 9 to 20. The itinerary included Monterrey, Tamazunchale, Mexico City, Puebla, Cuernavaca, Taxco and several more of Mexico's most colorful cities. En route, members of the tour saw the Desert of Lions, Indian Markets of Toluca, the national palace, great cathedral, Chapultepec castle, the floating gardens, the ancient pyramids of Teotihuacan and many other highlights, beside lunching in the crater of an extinct volcano and taking in Mexico's famed bull fights and night clubs.

Each tour is under the auspices of the Laredo chamber of commerce. Applicants are selected with care in order to assure a congenial company on each trip. That its cost is well within the means of even the most modest budget is evidence by the fact that \$70 is the cost of each tour per person. This includes hotels, meals, immigration costs, car storage and transportation.

The United States leads the civilized world in homicides. The only country approaching ours in this matter is Finland.

There are more than 48,000 communities in the United States that depend entirely upon the highways for their transportation facilities since they do not have railroad service.

A TRIBUTE

We are proud of this opportunity to join in a tribute to the builders of The Southland Paper Mills at Lufkin.

They represent the kind of courage and leadership that promises to bring a new and greater industrial era to Texas.

Herrin Transportation Company

Houston

Texas

LUFKIN, TEXAS

Leaders See Good Year in Store as Production Spurts

By CLAUDE A. JAGGER
Associated Press General
Financial Editor

The United States rounds out a decade of economic convulsion facing a momentous and dramatic challenge to show a cynical war-ringing world that the American system of democratic free enterprise can endure and achieve a still better life in this machine age.

The last World war mobilized the wealth and industry of America to "make the world safe for democracy." The golden era of the 20's saw a fantastic outpouring of wealth and machine-made products in the United States, with billions of American dollars overflowing into other lands to finance what seemed to be a new world devoted to peaceful enhancement of the material well-being.

It was evident in 1929 that the post war economy was far from perfect. The farmer had not regained his relative position of pre-war years. The frenzied era of new financing had built up an enormous structure of debt. Speculation had made alarming inroads into the money market. But doubts that necessary adjustments would be readily made, were laughed away.

Yet within two short years after the warning sounded by the Wall street stock market panic of October, 1929, international trade had dropped by half, banks were in difficulties and currencies depreciating, raw material prices had tumbled so far that crops were being destroyed, five South American republics had suffered revolutions, war clouds darkened the Far East, revolt threatened in Germany, and millions were unemployed and in misery.

The early 30's saw totalitarian governments sweeping away democratic liberties, and nationalism rampant. The elaborate system of peace treaties toppled, and efforts at international cooperation failed. The World Economic Conference and the disarmament parleys were fruitless, and individual powers turned to desperate measures of individual protection, or aggression.

U. S. Unique

The German blitzkrieg on Poland last August brought the major powers once more to war. England and France, determined to check the frankenstein of totalitarian aggression, immediately placed their own national economies under rigorous controls to wage war on both military and economic fronts.

The United States thus finds herself at the end of the turbulent 1930's the only major world power with her economy functioning under the free enterprise system.

Like most of the rest of the world, Uncle Sam has been largely preoccupied in the past decade with his own problems. Tariffs on foreign goods were jacked up in 1930. President Hoover sought to check the oncoming financial panic in Europe with the intergovernmental debt moratorium in 1931, and at home his administration launched such gigantic projects as the Reconstruction Finance Corp. to loan billions to banks, railroads and states, and the federal farm board to try to check the collapse of farm prices.

In the period of uncertainty between the election in November, 1932, and the inauguration of the Roosevelt administration the next March, however, the American banking crisis worsened rapidly, and President Roosevelt dramatically took office with the nation's banks shut by executive order. Of the paradox, poverty in the presence of plenty, he said:

"This is because the rulers of the exchange of mankind's goods have failed, through their own stubbornness and their own incompetence, have admitted their failure, and have abdicated. Practices of the unscrupulous money changers stand indicted in the court of public opinion. . . ."

Billions For Relief
The Roosevelt "New Deal" was launched, and the next few years saw the most ambitious program of recovery, relief and reform measures ever undertaken in America. NRA tried to control and regularize prices, wages and working hours in industry, to avoid "cut-throat" competition, spread work, but was overruled by the supreme court in 1935. With private capital still languishing, the federal government tried to "prime the pump" by pouring out billions on relief and public works.

Industrial production came up close to 1929 levels by the spring of 1937. A speculative "boom" was feared. Strikes swept through automotive, steel and other industries. Government spending was curtailed. Bank reserve requirements were increased. Autumn of that year saw an abrupt relapse in industry and speculative market. Business began to revive in the summer of 1938, as the government adopted a new "spend-lead" program.

The threat of war in Europe then jarred the American economy, to be banished, briefly, after the Munich pact of autumn, 1938. It arose threateningly again early in 1939, with Hitler's absorption of Czechoslovakia. After some hesitancy, however, business began to improve again in the summer.

Actual outbreak of war in September, instead of precipitating panic conditions as in 1914, brought back visions of the World war boom, at least of rising prices. Merchants and manufacturers hastened to build up their inventories. Industrial production in the United States came up again to 1929 levels, with ingot production in the great steel industry surpassing all previous boom time records.

Millions Jobless

But despite the quickening in industry, America faces 1940 sob-

erly. Some 8,000,000 or more remain unemployed. (More than 5,000,000 new workers have become available since 1929.)

The private capital pump has not been effectively primed. The national government debt has risen more than 20 billions during the depression years, and its deficit spending has lately been running around a quarter of a billion a month.

New capital raised in the securities markets the past year came to only about \$365,000,000, compared with an average of 5½ billions annually in 1925-29.

Huge surpluses of farm products remain in warehouses, and prosperity prices for the farmer still are not in sight.

Conflict between government and business leaders continues, with government accusing business of wanting freedom to repeat the excesses and abuses of 1929, business men insisting that government controls have dammed up the flow of capital, inhibited enterprise, aggravated labor squabbles.

The September visions of a war boom have blurred. Many business men are leery of the "false prosperity" resulting from war orders. England and France, having pooled their economic and financial resources, plan to buy carefully and sparingly, bargain their own goods in world markets to the highest bidder, use every means to conserve their funds.

Business Wants Peace

But one thing stands out clearly, and that is the determination to keep the United States neutral.

Business men—observing developments in belligerent countries—know that war means a straight-jacket for business and crushing taxation.

President Roosevelt said in his message to congress Sept. 21:

"Our acts must be guided by one single, hard-headed thought—keeping America out of this war. . . . Destiny made us, with our sister nations in this hemisphere, joint heirs of European culture. Fate seems now to compel us to assume the task of helping to maintain in the western world a citadel wherein that civilization may be kept alive."

The Congress of American Industry, a sounding board for big business, on Dec. 8 affirmed its "intense desire for peace with a full realization of the irreparable destruction of war . . . with crushing depression and economic chaos inevitably following in its wake."

Outlook Is Good

Despite the widely acknowledged gravity of the problems facing economic America, most business men looked for at least a fairly good year in 1940.

The hazards of war, and the uncertainties of the impending national political campaign, made predictions difficult, yet many analysts say that the impetus of the autumn and early winter acceleration of manufacturing and trade should keep wheels spinning well into the new year.

Some warned that inventory accumulation might bring a fresh slump, but thus far available statistics are interpreted as indicating that supplies of goods generally are still far from burdensome.

Heavy industry, such as railroad equipment and industrial plant building, laggards in previous recovery efforts, have shown some sharp stirrings.

The effects of war on industrial price levels have been minimized, and corporation financing in the securities markets, brought to a standstill in the early weeks of war, has been resumed on a small scale.

U. S. Gets War Orders

Although buying of war materials by belligerent powers outside of aircraft and machine tools has not amounted to much, most of the experts agree that a fair volume of business is bound to come to American factories, both from belligerents and neutrals whose former sources of supply have been interrupted.

The federal reserve estimated that the Allied powers at the end of August had bank deposits, securities and gold in the United States worth \$8,440,000,000, providing a substantial basis of payment.

The very fact that America's factories are once more turning out the largest volume of goods since 1929, brings hope that once more the various wheels of the national economy may be coming into mesh.

The national resources committee recently submitted to the president a report which estimated that had there been no depression since 1929, and had economic activity expanded sufficiently to absorb the additions to the labor force, enough extra income would have been produced in the past decade to build a \$6,000 house for every family in the country.

The World war of 1914-18 gave to the United States its real realization of the possibilities of production in this machine age. Automobile production quadrupled between 1914 and 1920, and steel production doubled. At the same time, the United States was initiated into large-scale financing. When the war began, America owed the world three billions. But when it ended, the world owed the United States 10 billions.

With her new-found industrial and financial might, the country raced through the 20's piling up new records of production and prosperity, financing and lending with a lavish hand, until the American economy suddenly began to stall in 1929.

A New Frontier?

Much of the world's vast increased industrial plant in the post-war years, and the wave of nationalism of the depression years, resulted in strenuous efforts

to become nationally self-sufficient.

The American geographic frontier is no longer, and with foreign markets seemingly diminishing, some have despaired over the lack of a new industrial frontier.

But with mass production not yet effectively applied to fill as

vital a want as housing; with a whole new industry developing in plastics and talking of soon making automobile bodies from soy beans, pressing airplanes from resin; with new clothing fabrics made from cellulose and glass fibres going into production, with these and innumerable other developments of the laboratory and the factory on the horizon, maybe the American productive capacity will be put to new tests before long.

Fatal accidents within a 15-mile radius of cities of 500 or more population account for 63 per cent of Michigan's fatal accidents.

History—

CONTINUED FROM PAGE 1

statue of Sam Houston at the entrance of Hermann Park.

The old City Hall and Court-house Square were donated by the Allen brothers, founders of Houston, and the Gulf Building is on the site of the last home of the Allen family.

Sam Houston High School is on the site of the Old Copper Institute, the educational center of early Houston. Martha Hermann Square, opposite the Public Library, is the site of one of the first wagon yards in Houston and on

the library site Confederate soldiers camped during Civil War Days.

Smith Street and Dallas Avenue mark the beginning of the old San Felipe trail which led from Houston to San Felipe de Austin, 50 miles west of Houston and founded 117 years ago by Stephen F. Austin.

One of the oldest houses in Houston is in Sam Houston Park, where it is used for park offices. In the tower is a bell taken from the "Harriet Lane," captured in the battle of Galveston on Jan. 1, 1863.

There are approximately 1,100 rooms in the Vatican at Rome.

EGNER FIRM HAS STEADY PROGRESS

Egner Brothers, distributors of machinery and supplies for the wood working industries, started business in Houston in 1929.

P. O. Egner established the business on a small scale in the outskirts of Houston. He was joined by two brothers a short time later and the business was moved to the center of the city. Mrs. Egner has been closely associated with the business since it was founded.

Nine salesmen are employed to cover the state of Texas. Machinery

has been supplied to saw mills throughout the timbered portion of the state. Wood working machinery and tools are stocked from the smallest to the largest available. Many school shops in the Houston territory have been completely furnished by the Egner Brothers.

N. H. McClamrock, general manager of the firm since 1933 formerly was secretary of the Angelina county Y. M. C. A.

Sir Henry Irving was the first British actor to be offered a knighthood. He refused the honor in 1883, but accepted it 12 years later.

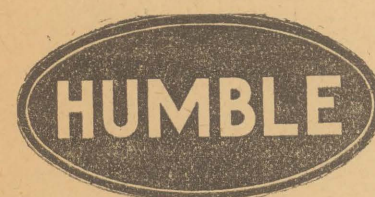


The Lufkin Paper Mill

made another one forward—and a long one!—in the industrial utilization of East Texas' rich resources. Now the East Texan will find a broader market for his timber resources; now there will be new jobs for East Texans; now a new Texas Product will find its way to market.

That this is a fine thing, all will agree. At the same time, it should be remembered that such things don't just happen of themselves; they are the result of long study; of long labor; of an unfailing determination to see the thing through. So, in our admiration of the new paper mill, let us not forget the gentlemen who planned it, their foresight and their leadership.

As one East Texas institution to another, the Humble Company extends congratulations and best wishes for an outstanding success to East Texas' newest industry.



HUMBLE OIL & REFINING COMPANY

A Texas institution manned by Texans

TOWARD A GREATER *Gulf* SOUTH



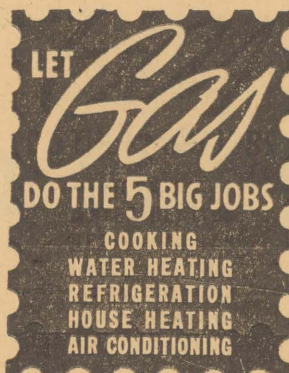
Congratulations to Southland Paper Mills, Inc., on the opening of its new plant at Lufkin.

The establishment of this important new industry means much to Lufkin, to East Texas and the whole Gulf South. It signifies another step forward in the progress of industrial development in this region.

The Southland Paper Mills, Inc., pioneers a new type of industry in the Gulf South-- the manufacture of newsprint from Texas pine. Here is evidence in one industrial field of what can be done in many fields. The Gulf South is rich in raw materials for a score of new industries. Many of these raw materials are yet to be developed and used for the further expansion of the region.

time passes, other industrialists will come to build and operate their plants in the Gulf South. Alert cities like Lufkin will seek out and welcome them. Populations and pay-rolls will grow, business for all will increase. The Gulf South will come into its own as one of the important industrial areas of the nation.

No small part in this great industrial drama of the Gulf South has been played by Natural Gas, the No. 1 industrial fuel. As in the past, Dependable Natural Gas Service for industrial use will continue to be a powerful incentive for industrialists who locate in the Gulf South.



UNITED GAS
PIPE LINE COMPANY

