

THE AMERICAN CHAMBER OF COMMERCE JOURNAL



October, 1929

Vol. IX, No. 10

PUBLISHED MONTHLY

BY

The American Chamber of Commerce

OF THE
PHILIPPINE ISLANDS
(Member Chamber of Commerce of the United States)

ENTERED AS SECOND CLASS MATTER
May 25, 1921, at the
POST OFFICE AT MANILA, P. I.

Local Subscription: ₱4.00 per year
Foreign Subscription: \$3.00 U. S. Currency, per year
Single Copies: 35 Centavos
WALTER ROBB, *Editor and Manager*

DIRECTORS AND OFFICERS

P. A. Meyer, *President*
H. M. Cavender, *Vice-President*
John W. Haussermann, *Vice-President*
John L. Headington, *Treasurer*
H. L. Heath
W. L. Applegate
J. C. Rockwell
Kenneth B. Day
Alf Welhaven

ALTERNATE DIRECTORS

J. L. Headington
A. B. Cresap
Frank W. Butler
Wm. H. Rennolds

John R. Wilson, *Secretary*
E. E. Selph, *General Counsel*

COMMITTEES

EXECUTIVE

P. A. Meyer, *Chairman*
H. M. Cavender
H. L. Heath

FINANCE

W. H. Rennolds, *Chairman*
E. M. Gross
O. M. Schuman

RECEPTION AND ENTERTAINMENT

J. L. Headington, *Chairman*
F. W. Butler
J. R. Wilson

RELIEF

W. J. Odom, *Chairman*
Carl Hess
John Gordon

FOREIGN TRADE

H. B. Pond, *Chairman*
L. L. Spellman
M. M. Salceby

HOUSE

J. R. Wilson, *Chairman*

MANUFACTURING

P. A. Meyer, *Chairman*
Alf Welhaven
E. A. Seidenspinner

PUBLICATIONS

P. A. Meyer, *Chairman*
Roy C. Bennett

LIBRARY

John Gordon, *Chairman*

LEGISLATIVE

P. A. Meyer, *Chairman*
Frank B. Ingersoll
J. R. Wilson

BANKING AND CURRENCY

Stanley Williams, *Chairman*
W. J. Shaw

INVESTMENTS

P. A. Meyer, *Chairman*
H. M. Cavender

Davis Goes A-Voyaging, Etc.!

While legislation was on the crane and simmering only slowly, Governor Davis went south on the *Apo* on his first extended provincial inspection. With him were his friend from St. Louis, George S. Johns, editor of the St. Louis *Post Dispatch*, his daughter Miss Davis, his niece Miss Alita Davis, staff members—Brigadier General Halstead Dorey, among others, the general bidding good-bye to Moroland and Moro friends—and Wilkins of the *Manila Daily Bulletin*, who was surrogate of the newspapers and the press services, and took pictures. Wherever Davis may go and smile, and Miss Davis and Miss Alita Davis may go and smile, there will be a Davis triumph; and whither the going may be matters not.

The southern trip was a triumph, of course; these islands may be said to have placed themselves in fee to some amiable and distinguished official folk by name of Davis.

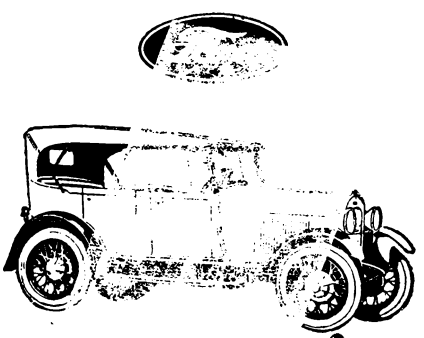
But some real work was done by His Excellency. The smile may have changed momentarily to a frown at Iloilo, where the river is dammed to facilitate the work on the marginal wharf and some of the citizens complain that their property is flooded and being ruined by engineering which more expertness would improve. Davis saw and heard, but said nothing. Maybe he has said it since he came back to Manila; the trip began at midnight August 23 and ended at sundown September 5.

From Iloilo the course was set to Isabela de Basilan, where the islands' two rubber plantations past the development stage were visited and executive interest in expanding the rubber industry was evidenced; but little was said of ways and means, this waiting upon the maturity of judgment and the gathering of further information.

At Zamboanga, naturally, there was the question of San Ramon penal colony: whether to sell the plantation and move the prisoners or keep on doing business at the same old stand. Judgment reserved.

At Jolo, the big crowd was all for the retention in office of Governor James R. Fugate, but a few standard-bearers toted placards to the contrary; and there's a pretty tale. Fugate's economies have gone so far as to deprive some officials of free automobiles and gasoline—heresy, as every taxpayer knows, in a bureaucracy, where every man's importance is measured by his perquisites—and Fugate has restored to the Mohammedan mullahs their privilege to judge the Sulu fallahreens in religious and tribal matters, levy and collect fees therefor, as in instances of marriage and divorce, and thereby to live in the manner to which they have become accustomed—by exaction of tribute. The other side of this quaint picture is that it seems these restive recruits of the Crescent, the Sulu fallahreens, will take up the peaceful practices of husbandry wherever roads are built, giving them access to constabulary protection, and schools established. Besides them, there is the Christian minority in Sulu. A tangled situation, and again—judgment reserved.

The *Apo* lazily journeyed on to Cotabato, Port Baras and Malabang, sluggish harbors of southern Mindanao, and, leaving its party ashore to hitch-hike along the old military wagon road to Ganasi and Lanao lake, steamed round to Iligan to pick them up again. On this hike the Maria Cristina falls were viewed, and seemingly limitless areas of Mindanao wilderness surrounding what would be a source of hydroelectric power, the cascading river, were the wilderness changed into an inhabited industrious



There Is Nothing Quite Like The New
Ford Anywhere In Design,
Quality And Price

Come in and let us give you a demonstration
Very Easy Terms May Be Arranged

"After We Sell, We Serve"

MANILA TRADING & SUPPLY COMPANY
MANILA
CEBU
BACOLOD

P. 1,000.00 CASH
(Ex. Manila Dodge)

region. This seems to have been the locale, lending itself to quiet depths of thought, where the executive mind mulled over the idea of settling with the inhabitants of Mindanao by settling them upon allotments. Later, in Manila, *La Vanguardia* nearly endorsed the proposal of Director Hidrosollo of the non-Christian bureau, and an anonymous colleague of his, as memory momentarily runs, to carry out Governor Davis's suggestion by creating a reservation of 3,500 hectares.

When it is recalled that the Mohammedans alone in Mindanao number about 500,000, marrying young and often, readily submitting to vaccination and sometimes taking quinine, the reader may calculate for himself how very generous the proposal is. The Mohammedans in their colorful tribal costumes are picturesque; they submitted their petitions, mostly for schools and public improvements, made their obeisances and bestowed their presents, and, at Iligan, bowed proudly out of the picture. The Mohammedan problem—judgment reserved. Not much was seen of the nineteen or twenty other peoples of Mindanao, their innings await another journey; they, too, have grievances, and once had the impression they possessed some of the lands over which their forefathers were tribal lords.

The lugubrious aspect of pedestrian delegations, down barefoot from the hills, excites but fleeting perturbation—the *Apo's* halts at ports are short and she is off and beyond the horizon before the chattering ashore has hardly subsided. Nevertheless, Governor Davis learns of the prevailing long delays in the granting of homestead patents; speed in this and road-building, he surmises, would do much good. He calls for data; they are available to everyone in the Lands (bureau) *Courier* and show that during the period since 1904, when the lands bureau was organized, something more than 32,000 homestead applications have been approved and that 100,000 are now pending. Discouraging—judgment reserved.

Homeward from Iligan is old Cebu, port, province and island—striated with roads and knit into a busy community of a million people bent upon wresting their livelihood from the stingy mountainous soil and the commerce commanded by the harbor, where the new improvements are progressing satisfactorily. Ships of the seven seas lay here, unburdening themselves of cargoes of manufactures and reburdening themselves with bales of Manila hemp and sisal, bags of copra and tanks of coconut oil. Entertainment was lavish, and the little *Apo* lay to sagaciously until the typhoon at Manila—presaging the sugar convention, perhaps—blew over and the high seas were once more venturable.

Sure enough, the sugar convention was waiting, and, when care had been taken to keep calm about the storm, but to send relief where it was needed (a duty involving a morning's airplane flight across the mountains to the Infanta coast on the Pacific), Davis delivered his address purporting to announce his major economic policy—the reason for the appearance of the address elsewhere in these pages.

Some suspect that the address took tone from

the fact that Congress is in special session over the tariff; however that may be, Davis did advocate limiting the further progress of our sugar industry as a piece of practical sense and practical politics. The convention thereafter adopted a resolution against *undue* expansion; Osmeña announced that unless expansion is curtailed he will have the law on the industry; and bless you, he will!

Strange transformation: only a short while ago, he who would plant sugar and pledge his property for the building of a sugar mill was lauded as a citizen of enterprising virtue—he had credit at the bank; and now the man who would follow that chap's example is threatened with the law and blacklisted at the *loans* window!

Being impractical in one thing, he was impractical in all. He spoiled his labor, then German and Japanese, by paying more than the standard wage, building better than the standard cottages, and allotting to each cottage a half-acre garden which he irrigated free; and if any family wanted more than a half-acre, Wilcox provided it. Dr. Townsend, who teaches philosophy at the U. P., tells smilingly of a time when he visited Wilcox and found the great plantation proprietor busy in his carpenter shop devising a contrivance that Townsend couldn't fathom the use of. Next morning the two rode out to the plantation villages together, Wilcox inquiring here about a sick child, there about a fever case—whether or not the doctor



The Davises in a Basilan Rubber Grove

Research on this occult situation turned up the story of George Wilcox, of Kauai, T. H.

Back on Kauai, T. H., some 40 years or so ago, George Wilcox produced a crop of sugar which he had to sell in New York at about 2.09 cents a pound. Wilcox was then about fifty years old, and things looked so black to him that he went out and bought more fallow fields and tripled his acreage of sugar. "If sugar is going to be cheap, a man's got to have a lot of it to make any money," said Wilcox, in explanation to his astounded neighbors. And forth he went about the seeding of new fields; that is, about his business.

had come and his orders were being followed—all very impractical.

They came to the Germans' cottages.

"We'll go in here," said Wilcox, pointing out a cottage with an anxious mother at the door; and he carried along with him the mysterious contrivance he had fashioned in the carpenter shop. In that household was a lad with a club foot, and the doctor had said he could probably cure it if he had just the right cast to fit it into. The plantation owner, old-fogy George Wilcox—past fifty and tripling his sugar fields with sugar at 2 cents a pound!—had made it his personal concern to provide the cast the doctor needed

For Every Type
of Motor Driven
Vehicle or Machine

SOCONY
LONG LIFE OILS

"Look for the blue tin"

STANDARD OIL COMPANY OF NEW YORK

to correct that tow-headed kid's deformity! And who in h—is a club-footed, tow-headed kid on a sugar plantation anyway? Just a lot of bother!

George Wilcox failed, of course: he was so profoundly and incurably impractical. But failure that he was, he is still living, though up in his nineties and disinclined to work. In fact, Wilcox always was such a perverse fellow that he never would work unless he could see something in it—not even putter aimlessly in his carpenter shop. Now, he doesn't even know what his income is, it's so immaterial to him; and he has to tell the publicans they have on Kauai to go over his books and figure it out for themselves, setting down what they think he should pay.

"What there is of it is there," he says.

The assessor has an awful time with him too, for Wilcox doesn't know the value of his own lands! But they're still in sugar, though only worth the paltry sum of \$32,000,000, sugar being so confounded cheap and costing much more to produce in T. H. than in the P. I., what with

the higher wages and all. Filipinos long ago took the places of Wilcox's Japanese and German families, and are housed in his better-than-standard cottages and diligently working his unprofitable fields! The fate of men such as George Wilcox is, is sad indeed; they just plod on to failure—seem never to care to get ahead.

But after all, sugar conventions are lively affairs: everyone talks and no one really gets hurt. The final decision will probably be the one which is politically and economically wise.

The industry is very powerful, able as it was to evoke from Governor Davis the utterances he made.

By the way, Davis's state, Missouri, once had a sugar industry, and was to be ruined if certain things occurred and it lost it. The things occurred, about on schedule time, Missouri switched from sugar to mules; she was still doing fairly well at last reports. What was to ruin Missouri by ruining her sugar industry is not precisely recalled—maybe it was abolition. It got the old clay-bank commonwealth all

het up under the collar, but there were enough George Wilcoxes there to save the day. There always are enough of 'em; there are enough in these islands, if they'll wake up to their chances.

Footnote: That smile Governor Davis flashes about so genially seems to robe in velvet some mighty stern pertinacity. See how the probes keep digging into the government graft, and some of the grafters. How much is His Excellency smilingly having his way about things? It's just possible, you know, that he commences to dominate the council table. It's just possible that he occasionally says in Harvard English, slightly Missouri-worn, "Well, after all, I guess this matter had better be handled this way. Yes, I really believe it had; so, if there is no objection. . . . None? Fine! (with the smile out in full regalia), we'll have it done that way, then. Thank you, gentlemen (more, and more persistent, smiling), and I guess that will be all for today." Yes, it is surely a possibility; and interesting, eh what?

"Fall in" with Cashew Nuts

By E. M. GROSS

Diversification of crops is the present Philippine slogan; so, falling in line with the numerous requests of my genial friend the editor, I write this, the first of a series of short articles, founded on personal experiments and studies, as to the commercial possibilities of other than major crops, which can yield financial returns to those who wish to attempt their cultivation. I have chosen the *cashew nut* for the first of the series because it is admirably adapted to the small farmer's requirements, and also because the tree will grow anywhere, is insect, parasite and pest resistant, and commences bearing after three years of life.

The cashew-nut tree, for which the botanical name is *Anacardium Occidentale*, in Tagalog is called *casuy*. It is a small garbled tree found all over the Islands in a wild state, never having been cultivated up to the present time. It flowers in the month of March and fruits from the latter part of April until early in June. The fruit is a lemon colored, pear-shaped, spongy body, of a strongly astringent sweetish taste, repugnant to most people; for edible purposes this fruit so far does not hold out any promise. It can, however, easily be fermented and distilled off into alcohol. The part of the fruit that chiefly concerns us is the small kidney-shaped nut attached to the lower end of the fruit, weighing from 9 to 10 grammes. Its shell is an elastic spongy mass, containing a black viscous vesicatory oil analogous to carbolic acid, known as *cardol oil*. This oil makes the nut difficult to handle. When the outer covering or "shell" is removed we find a small cream-colored nut which is probably the most delicious nut found in the world to-day. It is not astringent as are most other edible nuts, nor has it laxative or satiating properties. The edible portion of the cashew nut represents about 45% of the total weight of the whole nut; 55% is shell; recovery

of cardol oil from the shell is about 10%.

Many efforts have been made in the past to shell these nuts by machine, but the elastic, spongy nature of the shell, irregularity of size, and the caustic character of the oil it contains, have thus far been insurmountable obstacles to the success of mechanical devices. Hence the process resorted to in shelling is to place the nuts on corrugated sheet iron under which a quick fire is burning; the cardol oil oozes out into special receptacles placed to receive it, the charred shell then cracked with a piece of wood, and the edible nut recovered. Some dexterity is required to recover the nut whole, as they command a much higher price intact,—about forty cents gold per lb.,—than when they are broken; pieces are worth only about one half as much. It is advisable to desiccate the nuts before packing in order that they may keep longer.

According to last American consular reports, India is at present the only country cultivating and shipping these nuts to the United States. During the past year Calcutta exported to the States over four million rupees' worth of cashew nuts, and about half a million rupees' worth of cardol oil. The principal buyers of cashew nuts are the "Salters". The Indian practice is to give the coolie a sack of nuts in the shell, forty per cent of the weight of which he must bring back in shelled nuts, in return for a stipulated price. The coolies keep the charred shell which they use for fuel. The burning is done in the open air, but this is objectionable as the burning process gives off a very acrid smoke, irritating to the eyes and throat. The writer uses a fuming chamber process by which a considerable quantity of crystal carbolic acid can be recovered as a by-product.

In Indian practice the nuts are not desic-

cated, but when shelled are heaped in piles in the various go-downs prior to shipment. As a result, many of the nuts become worm eaten. These are not a complete loss, however, for buyers allow a 10% worm eaten product. During desiccation about 4% of water is taken out, and naturally results in that much loss of weight in the finished product, but this loss is compensated for by a superior finished article, worm resisting more crisp in taste; in other words, a "nutty tasting nut." Recently India tried shipping the nuts in cold storage to arrest worm destruction, but if they are desiccated, this becomes unnecessary. The nuts are packed in clean petroleum cans.

Planting should be done during the month of May-June, spot planting being cheapest. Each tree should be given 50 square meters of space, or about 200 trees per hectare. After about one year the trees need little, if any care. They commence bearing in small quantities after three years, gradually increasing every year until about eight years' old, when the yield will be about 500 fruits per tree, or a total of about five kilos of nuts, or two of the shelled product, which is equal to four and one half pounds. In the shelling process, even with care, only about 75% of whole nuts can be recovered; we can, therefore, sum up the yield of an eight year old tree per year, as follows: three pounds' whole nuts at \$0.40 equal \$1.20; one and one half pounds of pieces at \$0.22 per pound equal \$0.33; total \$1.53; harvesting and preparing, \$0.53; balance \$1.00 per tree, or \$200 per hectare, not considering the value of cardol oil, the alcohol which may be recovered from the fruit, or the gummy exudation from the tree, which can be made up into the best book-varnish obtainable.

Cardol oil is used for the preservation of fish seines, as a wood preserver, and can also be used as the base material for the manufacture of a hair-dye (Alpha and Beta Anacardic Acid with Ammonia), which does not stain the scalp nor the hands. The sap of the cashew-nut tree makes the finest of indelible inks. The natives

Retail
Importers

Wholesale
Agents

Philippine American Drug Co.
BOTICA BOIE

MANILA

Heavy Chemicals—Fertilizer—Manufacturers

We have been selling drugs for 98 years