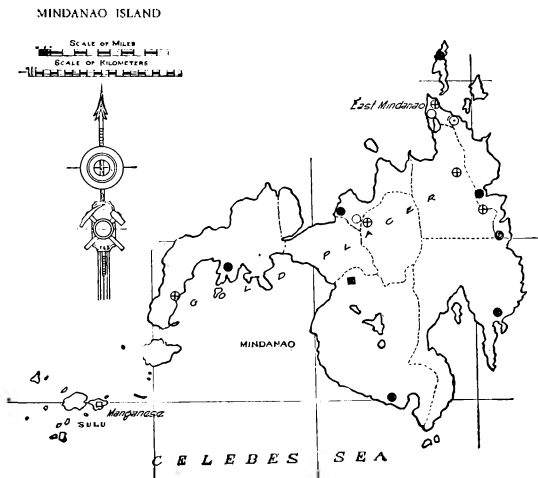




Vol. XVI  
No. 8

August  
1936

# MINDANAO NUMBER



## Mining Editorial: *We Take Issue With Mining Engineer Duggleby*

By Walter Robb

### 1 DAVAO

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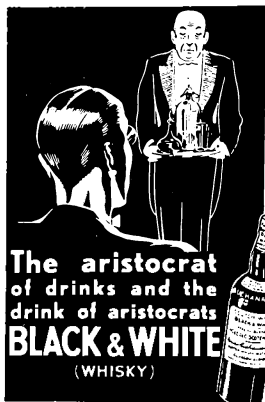
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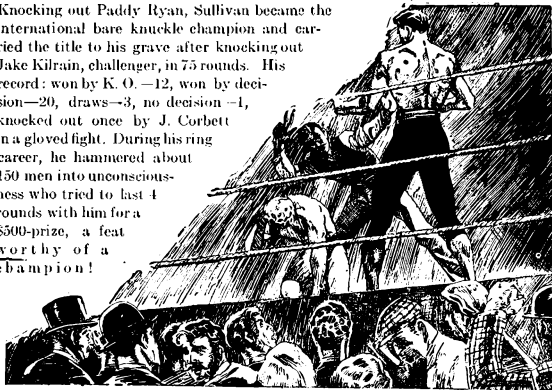
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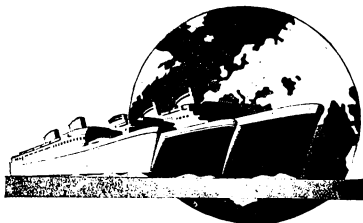
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—  
WALTER ROBB  
Editor and  
Manager



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# DAVAO

Davao is a vast province in southeastern Mindanao with single valleys larger than the state of Rhode Island. It is deeply cut south to north by Davao gulf, toward the tip of which is the port, Santa Ana, and immediately adjacent the capital, Davao. The valleys are generally well watered, or susceptible of being irrigated artificially. They comprise some of the richer tropical lowlands of the Pacific region. They are particularly desirable because of their friable soil, and because of the climate. These valleys have made Davao wanted, in our time, for the purposes of the farmer.

Back of Davao's coastal plains lie consistent ranges of mountains, some of considerable height, crowned by Mount Apo, tycoon of all Philippine mountains, rising two miles high. The piedmont areas enriched by volcanic loam generally slope gently enough to tempt the farmer to plow them. Farther up, the mountains are richly forested. Davao has incalculable forest wealth; sawmills that might be busy in her mountains for generations to come could supply a wide market for tropical hardwoods. Guinea grass has been introduced on coconut plantations, where herds may graze theavenued groves, and thus the production of beef has come to be of incidental importance.

Farming, however, remains little diversified. Though considerable corn is grown, for food, much rice is still imported. On the other hand, the swine and poultry industries are extensive. Davao itself, where no one is idle, offers a good market for livestock. This is supplemented by demands in the country communities, where well stocked general stores attest the farmer's and farmhand's ability to live on a plane much higher than that generally prevailing in the Philippines.

Davao's ordinary climate is milder in temperature than that of Manila. Even during May a blanket is comfortable before morning. Dry and rainy seasons are not distinct. Mornings are commonly sunshiny; in the hemp brakes the heat is weltering, but the coconut groves, with breezes playing through them, are fresh and cool. Rains blow up of afternoons, and the heavier rains during the night. This ideal situation is varied sharply at times by prolonged drouths,

often followed by damaging floods; but by and large Davao's climate is tolerable, even pleasant, and dependable. Davao reaches to within 5-1/2 degrees of the equator. The 8th parallel is its northern boundary, separating it from Agusan. There is also, at the northeast, just a tip of Surigao.

In both Bukidnon to the northwest and Surigao the rugged character of the northern portion of Davao continues. The Agusan river, traversing Agusan and emptying into Butuan bay on the north, rises well below the upper part of Davao gulf—far off to the east.

The Surigao-Davao ridge extending down San Agustin peninsula is vulgarly reported as highly mineralized. A gold company in Surigao is well along toward the operation of a 150-ton mill. The pioneer effort on San Agustin peninsula itself, in Davao, is that of the Elizaldes of Manila. Their project is at Pantukan, near the sources of the Agusan river.

The region is all but inaccessible by land. To hike from Pantukan to Davao consumes two days at best, and ninety-two streams are crossed. The Elizaldes have contrived a small airfield, and will overcome this difficulty with the airplane. The flight from Davao to the prospect is made in less than 40 minutes. The diesel to be used for the prospecting is being taken in by plane, in pieces, properly crated, from Davao. A. H. Shoemaker is the Elizaldes' mining engineer. They are as hermetic about what they may have discovered as they could be were it a new land.

Thus the main natural resources of Davao are briefly catalogued: tolerable and fecund climate, vast domains of rich farmlands suitable for varied crops, and mountain ranges of minerals and virgin forests of valuable hardwoods. There remain the marine resources, and it is needless to note that fish are abundant and that the fishing is dominantly in the hands of skillful fishermen from Japan—as at Manila and wherever, in the Philippines, there is a good demand to supply. It will be admitted that one of Japan's more practical educational branches is the science of fishing at sea; associate the knowledge so gained with the coordination that marks every Japanese industry, the result is beyond the competition of any-

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Scores of Japanese ketches are licensed at Davao, and few others.

Japanese began migrating into Davao about thirty-one years ago. This paper will discuss their presence there later. Provincial officials report the Japanese in Davao as 12,074; for this community, four several newspapers in Japanese are printed in Davao, but the dailies are mainly market bulletins. Japanese have not fished Davao from the Philippines. There is no prospect that they will.

Davao was possessed by the Spaniard very late in his period in the Philippines. He found it a wilderness, and left it so. There are but 45 Spaniards in Davao today, or little more than half the number of American residents there; and a number of the few Spaniards there are, are employed on the plantations of others as managers and overseers. The Spaniard, owing to his history in the Philippines generally, the civilian always under the restraint of the priest, in whom all local authority usually lodged, never grasped his opportunities in Davao. Incident to this, one of the munchausen anecdotes of Davao is told.

Shortly prior to America's advent in the Philippines, the Spanish commander was making ready to leave Davao. He owed Jong, a Chinese merchant, a sum of money. He demanded the hidalgo's privilege of discharging this debt by a grant of land, now the heart of new Davao. But Jong wanted cash; though the land offered was much, he held it worthless.

For his refusal to barter in gentlemanly manner with his military debtor, he was seized by the faithful *Guardia Civil* and thrown into jail. There he presently came to his senses; given title to the land, he receipted for the debt paid in full, and the Spanish commander left Davao under honorable circumstances.

The old Chinese still lives, and is of course immensely rich from his reluctant bargain. He sells no land, and for public buildings the sites must be expropriated. The Davao Club, American for the most part, leases a site; when the term of the lease expires, the clubhouse goes to old Jong, who learned his lesson quickly from the inside of a Spanish jail looking out.

The aborigines of Davao are fourteen various peoples. Modern times are robbing them all with want of discrimination. Atas number 3,500; Bogobos 8,042; Bilans 4,014; Kulamans 2,680; Libaons 1,338; Mandayas 20,078; Mangguangans 2,680; Manobos 3,112; Mansakas 8,045; Mohammedans, including 1,339 Isamals, 4,018; Sanggils 1,338; Tagakaolas 6,703; and a people, Kalagang, in the Padada valley—once their domain, now the prize plantations of several Americans,—numbering fewer than 3,000 persons.

As with minority peoples throughout the Philippines, practically no provision is made for the rights and claims of Davao's aborigines. Only the philosopher and perhaps the angels would say, Davao really belongs to them. Yet so it does. But they are so few, numbering now but some 70,000 all told, that Davao to them was, and is, but a hunting ground. The little farming they practiced, the small use they made of the seas, the minerals, and the forests were far too feeble and scattered to hold Davao against shoals of aggressive immigrants: Filipinos, Chinese, Americans, Japanese. The aborigines of Davao will quickly be despoiled of their heritages in the soil, and all who can not adapt themselves to the new exotic civilization, tearing at their ethnic defenses like storms, will die; the pestilences of new diseases will get hold of them, and take them away like schools of poisoned fish.

In Davao you see the most modern implements employed on the farms and plantations; you see networks of new roads, both private and public, and more added all the time; and you see courts grinding away in conjunction with an active constabulary—producing justice under the new laws that the tribes can not understand. The tribes can not bear up, and nothing whatever can be done about it. If any man thinks that man is just to his fellow man, let him disillusion himself in Davao. It is almost a cauldron, where the defeated aborigines are roasted alive. Only those will survive who learn the trick of homesteading and content themselves with sedentary farming; they have held the lands in common, the tiller having the usufruct of his labor, the right of private title quite unknown and unrecognized—even generally esteemed the foulest of evils; and now private title in the land is the



Evolution of a Davao Gulf Plantation  
Clearing at the left, mature hemp at the right, mature coconut grove, cattle grazing guinea grass top center, and Bogobo tribesmen  
in raw wilderness bottom center.



whole thing, the whole basis of Davao's new economy, and all tribesmen who can not learn how it works find their lands seized from them and themselves kept off of it by the uniformed soldier with bayonet and rifle.

Therefore the fourteen tribes of Davao are mere interesting oddtimers, providing a limited amount of plantation labor. Some mingle in marriage with the newcomers; some go through the schools and are changed, dropping old customs and neglecting old arts and crafts. Others grow old as they are.

Modern Davao is usually attributed in Manila to the diligence of the Japanese community there. Its foundations, however, were laid by Americans; and much of its present superstructure is American. American business in Davao itself is most important, beginning with the lightering and stevedoring by the Luzon Stevedoring Company. Lighters of this company ply up and down the coasts, fetching into Santa Ana Manila hemp and copra for shipment to Manila or overseas; and from the lighters the cargoes from the plantations go into the ships, unless the hemp is bought ashore, by one or another of the exporters, and is still to be classified and baled.

The American community in Davao, dating mainly from about 1905, is the most winnowed in the Islands. Among the 74 Americans, not one black sheep turns up. There are still fifteen American plantations, and there seem never to have been more than thirty. The old community has stuck like glue. It has had the grit of the intelligent pioneer; it has been free of the weakness of ignorance. There is not an American fortune in the province, but there is undimmed hope; and among all the plantations, the Japanese cooperatives not excepted, the better American ones rank best. Down the coast from Santa Ana, the whole Padada valley, a veritable paradise, is taken up in American plantations; and just beyond, at Malita, where Mrs. Orville Wood queens a valley and trading post, is a community of several more.

Others are on the opposite coast, while at Madaum, at the head of the gulf beyond Santa Ana, lies the International Harvester plantation (owned by International men, rather than by the corporation) where the hemp is handled through decorators and plantation activities thoroughly mechanized move like clockwork.

Not only is Davao's farming the most modernized in the Islands, it is the most coordinated. The hemp cooperatives are mainly Japanese, formed into associations over which is a general association with headquarters in Davao. But the fifteen American plantations are in a copra cooperative. It is four years old. It works. Its objective is marketing. Copra ready at all the plantations goes into one shipment large enough to bring to Davao any freighter on the Pacific, as much as 600 tons at a time, with freight \$9 a ton to New York. The lots are tested on the basis of color and moisture, chiefly moisture, and payment for the shipment is allotted on the weight and classification of each lot.

The cooperative has been helped by the Davao chamber of commerce, international. When it began, the freight differential against Davao was \$1.50 a ton. This has been wiped out. Davao now gets for her copra, Manila's price or better; and she can sell as readily to Europe as to the United States. This is the sensible way in which Davao Americans carry on, to their mutual interest. They are bettering their drying of

copra, to leave it white as the European market demands. Under the drubbing that Philippine copra is now taking in the United States, Davao copra will come out best. The bearing groves are supplemented by extensive recent plantings; production will increase during ten years at least, and planting continues: worn-out hemp lands are going into coconuts quite rapidly.

The reason there are no American fortunes in Davao is that wealth is mostly in the plantations. During thirty years these have been developed under economy and privations, and the pioneers have turned grayheaded at the job. They now have their incomes, from hemp and copra, and what their plantations would bring should they sell them. Now a plantation is worth, whatever it may yield not, what someone will give for it. The commodity markets what they are today, no one offers for plantations—even the best.

The Philippine National Bank, sole bank in Davao, has \$90,000 against the Libby-Burchfield plantation. Captain James Burchfield, patriarch of the American pioneers in Davao, sold his first plantation to Japanese, then bought the Libby plantation; his monument and Libby's are at the roadside at the homestead. The plantation is worked out as to hemp. The bank wants \$60,000 for it; Davao folk think \$25,000 would be the right figure, and the place, long for sale, remains unsold. The Japanese plantations are not worth, as commodities on the market, the millions of capital that have been poured into their development; and no holder for whom a Japanese as tenant is developing a place, will find a fortune at the rainbow's end when the lease expires.

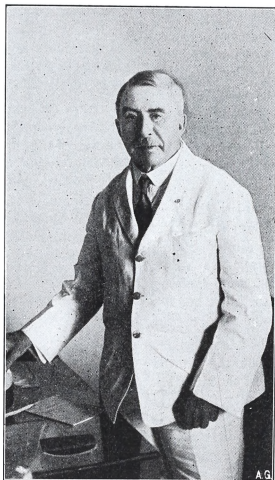
A large plantation runs from 800 to 900 hectares. One of these fell to the relief of the late Ralph McFie. Because Spanish title to it could be established, it could be sold to Japanese, the only buyers. The price is reported to have been about \$250,000. This is about \$300 the hectare, a bargain price. Rice lands of central Luzon, with nowhere near the net yield of those Davao hemp and copra lands, brings much more. An American in Davao has a competence in his plantation, nothing more, provided he can sell it; and if it was originally so-called public land—that is to say, the undivided property of the aborigines—the law puts a flaw in the title and estops its sale, lease or even rental to Japanese.

The effect of these well-managed plantations is evident in the neighboring homesteads of Filipinos, benefited not only by having models to follow but especially by having employment to eke out the capital needed to develop their own holdings, incidentally acquiring actual experience and avoiding the experiments that had failed.

This advantage is not only true of the Filipinos in the Padada valley but those throughout the gulf region where abaca and coconuts are grown.

The Christian Filipino population of Davao is 78,798. The American population is 74. The British population of 19 includes 9 British Indians who are storekeepers. The Chinese population is 1,266. The Japanese population has already been stated—12,074. The Javanese population totals about 70,000. Among the 61 other Caucasians living in the province are the 45 Spaniards mentioned. While the figure for the Japanese is official from the Provincial Treasurer's records,

(Please turn to page 10)



LEONARD WOOD

Toward the end of his life and while in Manila as governor general of the Philippines. General Wood encouraged the first American settlers to go to Davao, and surviving oddtimers there are loyal to his memory.

# World Scope of Philippine Commerce

The table on this page taken from *The Port of Manila* for 1936 shows a healthful overseas Philippine commerce in exports and imports summing the value of P359,500,000 of which P258,600,000 pertains to trade with the United States. This dominant trade with the United States misleads casual observers to the conclusion that as it is so great, it must have cut into the trade of other countries with the Islands. The table goes back happily to 1899, and so serves to correct false impressions. That the Islands trade so largely with the United States is a boon to other countries trading with them.

This is true especially of maritime countries, enjoying lucrative freight business between the Philippines and the United States widely spread throughout the year. Sugar is the primary product of the Islands to be hauled to market in the United States, and sugar goes by a season of about 6 months, with some throughout the year; but other products, hemp, tobacco, copra, coconut oil, desiccated coconut, move throughout the year. American ships do but a portion of the freighting, and other ships the bulk of it.

Since she has become a leading maritime country, the facts just stated may be taken as bound to influence Japan's attitude toward the Philippines. The trade with the United States, enjoyed by the Philippines, butters much Japanese bread. The situation is similar as to England, enjoying more carrying business to and from the Philippines now than in the heyday of her domination of the Islands' overseas commerce.

The *Journal* has never held this situation to be advantageous to the United States, nor does so now. But the United States sees the question in a different light, and the situation continues as a genuine and constant opportunity for world shipping. It stands to reason that this will soon include Philippine shipping, since the Islands must at once resolve to wrest a part of their business profits from commercial navigation of the high seas. That they are naturally endowed as a maritime country, the fact that they are not actually so argues an anachronism that must yield to time.

The great carriers of the Philippines now are, aside from the

United States, England and Japan. The table shows that the fortunes of these rivals in Philippine overseas commerce have not been equal, during the past generation, nor parallel. Japan's trade with the Philippines has expanded, England's declined; Japan's has expanded from P2,400,000 in 1899 to P35,000,000 last year, and England's declined from P13,600,000 in 1899 to P9,300,000 last year. The ships of both countries assist their trade, but Japan has more incentive than England to seek trade here.

If the situation is left undisturbed, or moderated but little, Japan will continue to batten in a market for sundry manufactures where price is commonly the decisive factor. But should the situation be changed, as by means of a higher tariff, the Philippines resolving by this means to purchase more from America and perhaps manufacture more for themselves, it might reasonably be counted upon that Japan would look twice at the profits she makes out of freighting for the Islands before lodging any substantial objections to the new duties. Japan sells so largely to the United States herself that she too is vitally interested in America's commercial welfare.

Further expansion of Japan's commercial interest here, if fairly rapid and promising, would modify her view of the situation as it stands now. It is now, therefore, when it would be easiest to do, that the future Philippine-American trade policy ought to be decided upon. All countries will fall in line with it, all maritime countries leading the parade, since the worst thing that could happen to all of them would be any appreciable curtailment of the Philippine-American trade that sums so much, and such regular, tonnage.

In 1899, just over 15% of the Islands' overseas trade was with the United States. Last year it was about 72%, but in the whole period, 60%, and 40% with other countries.

FOREIGN COMMERCE OF THE PHILIPPINE ISLANDS  
Distribution of the Values of Total Trade with Various Leading Countries During the Years 1899 to 1935. Values Expressed in Millions of Pesos

Calendar Year	United States	United Kingdom	Japan	China	French East Indies	France	Spain	Hongkong	British East Indies	Australia	Germany	All Other	Total
1899	10.6	13.2	2.4	34.7	1.1	7.4	2.3	1.9	1.9	1.9	1.6	6.7	68.2
1900	10.2	13.7	2.5	33.7	1.3	7.5	2.3	1.6	3.5	5.7	1.6	5.5	67.9
1901	16.2	32.7	2.8	38.3	1.6	7.7	2.4	4.4	7.1	5.5	1.7	10.9	103.3
1902	31.5	27.7	3.1	40.2	1.7	8.2	2.5	4.7	6.8	6.1	1.8	12.4	117.2
1903	33.8	28.2	3.4	41.0	1.6	8.4	2.6	4.8	6.8	6.2	3.4	11.6	113.3
1904	35.2	26.8	3.7	42.0	1.6	8.6	2.7	4.9	6.8	6.5	3.5	12.1	115.5
1905	40.9	26.6	4.0	42.7	1.7	8.7	2.8	5.0	6.7	6.5	3.5	12.2	117.7
1906	32.7	26.3	4.3	43.6	1.8	8.8	2.9	5.1	6.5	6.5	3.6	10.6	118.1
1907	20.8	22.4	4.6	44.5	1.9	8.9	3.0	5.2	6.2	6.6	3.7	8.3	112.7
1908	31.1	26.3	4.9	45.4	1.9	9.0	3.1	5.3	6.2	6.6	3.7	8.3	112.7
1909	42.2	21.4	5.2	46.3	2.0	9.1	3.2	5.4	6.1	6.7	3.8	8.3	113.6
1910	74.6	26.9	5.5	46.6	1.3	17.9	3.4	4.2	6.0	6.2	3.9	8.0	186.7
1911	78.2	24.7	5.8	46.3	1.3	18.5	3.5	4.3	6.1	6.3	4.0	8.0	183.7
1912	94.4	29.8	6.1	47.2	1.4	19.0	3.6	4.4	6.2	6.4	4.1	8.1	192.8
1913	86.2	28.9	6.4	47.7	1.5	19.5	3.7	4.4	6.3	6.5	4.2	8.2	192.2
1914	96.9	29.2	6.7	48.2	1.6	20.0	3.8	4.5	6.4	6.6	4.3	8.3	194.6
1915	101.1	25.0	7.0	48.7	1.6	20.6	3.9	4.6	6.5	6.7	4.4	8.4	197.9
1916	117.1	30.0	7.3	49.2	1.7	21.2	4.0	4.7	6.6	6.8	4.5	8.5	203.9
1917	201.8	32.4	7.6	50.7	1.8	21.8	4.1	4.8	6.7	6.9	4.6	8.6	213.8
1918	296.6	44.4	8.2	51.7	1.9	22.4	4.2	4.9	6.8	7.0	4.7	8.7	265.6
1919	264.3	37.7	8.5	52.6	2.0	23.0	4.3	5.0	6.9	7.1	4.8	8.8	243.7
1920	395.0	34.4	8.7	53.5	2.0	23.6	4.4	5.1	7.0	7.2	4.9	8.9	360.1
1921	249.0	17.9	3.5	24.2	6.5	7.8	8.5	10.0	5.4	5.4	2.8	2.9	340.9
1922	223.7	16.8	2.9	17.8	6.5	8.2	8.6	10.1	5.7	5.7	3.0	3.1	315.8
1923	279.8	23.3	3.1	15.9	8.8	7.2	7.6	10.8	6.5	6.5	3.3	3.2	344.6
1924	315.5	29.0	3.9	19.9	8.8	10.0	7.9	10.9	6.8	6.8	3.5	3.4	388.9
1925	336.3	35.9	3.9	20.9	13.1	11.1	8.4	10.4	7.2	7.2	3.8	3.5	433.5
1926	343.2	24.8	3.7	19.6	6.8	8.8	8.8	10.7	7.7	7.4	12.7	28.3	512.4
1927	375.8	27.9	3.7	18.2	11.1	8.8	8.8	13.1	7.7	7.5	6.0	13.4	513.8
1928	398.9	27.6	3.9	20.0	14.9	8.8	9.2	12.0	8.3	8.4	6.1	15.6	541.1
1929	424.1	26.0	3.8	20.0	11.1	8.8	9.2	12.0	8.3	8.4	6.1	15.6	541.1
1930	367.1	19.1	3.4	15.2	2.0	5.6	11.5	1.8	5.8	2.9	3.5	13.1	512.2
1931	291.1	14.4	2.9	14.2	2.1	5.9	11.1	1.9	5.9	3.0	3.8	22.7	406.3
1932	267.0	8.3	1.2	11.9	1.9	6.0	11.1	2.0	6.0	3.1	4.0	20.1	373.3
1933	269.9	8.0	1.2	7.6	1.2	5.5	5.1	5.3	4.4	2.5	7.5	16.3	348.2
1934	258.9	8.0	1.2	8.6	1.2	5.5	5.1	5.3	4.4	2.5	7.5	16.3	348.2
1935	258.9	9.3	1.5	8.6	1.2	5.5	3.9	5.0	4.4	2.5	6.3	6.9	348.6

Total trade with the United States, 1899 to 1935..... P6,831,610,895 60.0  
 Total trade with all other countries, 1899 to 1935..... 4,531,658,000 40.0  
 Grand total foreign commerce, 1899 to 1935..... P11,363,268,895



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Forestry Bureau Photo

Part of 10,000 kilos of dry cinchona bark at the Bureau of Forestry taken from Bukidnon trees grown by the bureau, enough for 800 kilos of totaquina for treating malaria.

About 16,000 deaths from malaria occur in the Philippines every year. The infection is believed to affect from 2 million to 3 million persons all the time, income and labor loss beyond calculating, telling on all industry from the farm to the factory. Large provinces such as Mindoro are retarded, with small populations and only puerile industry, because of virulent endemic malaria. Lumbering in such a virgin field as Palawan pays its vital toll to blackwater fever, malaria's worst form. Many a homesteader pays with his life, a prey to malaria, when he tries to clear his wilderness farm.

Malaria and Mohammedan wars once practically wiped out Mindoro, in times prior to the Spanish occupation so populous and thriving that the junk fleets of China traded there rather than at Manila. In short, malaria is one of the Philippines' deadliest foes, and the alkaloids of cinchona, quinine chiefly, but others too, are the chief ammunition to suppress it.

Against malaria the Islands need 32,000 kilos of quinine a year; they actually import, or find themselves able to buy, little more than 2,000 kilos. This shows the vast number of cases that go untreated, or inadequately treated. Experts headed by Dr. Paul Russell of the Rockefeller Foundation (whose work here was recently closed out) think the average retail price of quinine tablets is 5 centavos in the provinces, and that ₱2.50 is needed for the average case of malaria. Thousands of the poor can not spend so much; often too, when the money might be had the local *botica* is out of quinine stock.

Cinchona alkaloids led by quinine sulphate are one of the few specifics in the pharmacopoeia—they are definitely specific for malaria. Over at the forestry bureau, the first fruit of 15 patient years of poorly appreciated effort, lie 10,000 kilos of first class cinchona bark from the bureau's cinchona groves in Bukidnon. The bark is crackling-dry, in uniform sacks. The trees were dug up to produce it, since the best bark is on the roots. These 10,000 kilos of bark will produce at the science bureau, where experimental extraction has often been effected, about 800 kilos of totaquina powder.

The name *totaquina* derived from the League of Nations in 1931; it refers to all the alkaloids from cinchona bark, a total of nearly 10%, 5.5% quinine. It is internationally approved for treatment of malaria, and has been proved entirely efficacious even against blackwater fever. It is seen that 800 kilos of totaquina comprise a third of Philippine imports of quinine per year.

Last year's quinine imports into the Islands were invoiced

## Bukidnon Cinchona Giving a Supply of Malaria Specific

*The totaquina obtained cracks malarial fever in record time, average patient cost below 40 centavos as compared to ₱2.50.*



ARTHUR FREDERICK FISCHER

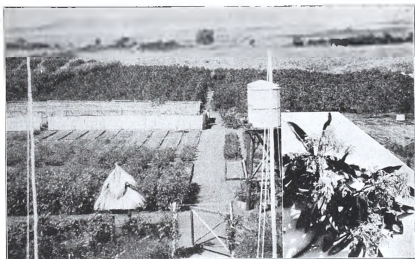
Director of Forestry, he captured the growing of cinchona in Bukidnon, an outstanding contribution to the future Philippines.

at ₱82,689. The weight was 2,430 kilos, 5,345 pounds. Since the Islands need 15 times as much quinine as they actually import, production of totaquina locally will probably not reduce quinine imports; on the contrary, popularizing use of the specific, it is likely to increase imports.

Director Arthur F. Fischer of the forestry bureau will now proceed, on a better chosen site in Bukidnon, to a much more extensive planting of cinchona, more than 1 million trees. The rotation is 8 years; in 8 years, possibly 5 if growth exceeds average, the larger trees will be cut for a great harvest of bark; earlier than will be thought possible, President Quezon giving the project every needful help, the Islands will have a domestic supply of totaquina sufficient for their needs. Then the Islands will make effective inroads on malaria, while a new industry adds something to the national payroll.

It may also be possible to do what Herbert Hoover begged from Europe should be done 20 years ago when he was Food Administrator charged with American relief of Europe's war famine. He begged that cinchona be planted under the American flag, and a domestic supply of quinine sulphate secured. Yet Dr. Russell reports that Java, though enjoying a monopoly, charges reasonably for quinine; the complaint being deficient returns on the labor and investment.

(Continued on page 15)



Cinchona in Bukidnon, Mindanao.

Forestry Bureau Photo



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1936

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## DAVAO

(Continued from page 7)

common belief is that the total may be 15,000 or even more. Such an infiltration into a province of such fertility during 31 years must allude to some controlling circumstances. This is emphasized by the fact that the only restraint on Japanese immigration into the Philippines is pauperism. We may inquire, then, of circumstances, why Japanese immigration has averaged no more than 500 persons a year.

Before doing so, let us note that the 15,000 Japanese said to be in Davao are not all men. Thousands are women, thousands are children. The immigration has in fact been much below an average of 500 persons a year. There are Japanese schools in every Japanese community including Davao itself, for Japanese children born in the province. They retain their parents' nationality. Halfaste children of Japanese men who may marry Philippine wives assume the nationality of their fathers. The health of the Japanese community in Davao is served by 2 large hospitals and various dispensaries. It is not supposed, indeed it is not reported, that mortality is high, yet we see that the community's growth under conditions in every way stimulating has been surprisingly limited.

You will find a far greater increase of Christian Filipino population in Davao during the past 31 years than of the Japanese population or any other. There is not an idle man in the province. Anyone going there can find work at fair wages at once.

Incidentally, the Japanese estimate that the plantations occupy no more than 6,000 of their people. It is naturally difficult to ascertain the accuracy of this, but there certainly is a very noticeable commercial and industrial Japanese

population in the province. The large Japanese school in Davao indicates truth in the assertion that Japanese in the business and the industries there exceed 1,000 men, which would probably signify a total of 4,000 persons.

Why the Japanese community in Davao is not large and does not grow fast and will not become extensive, is explained by the situation affecting plantation products—and products generally from the Philippines—that are to be sold primarily in the United States.

The Philippines supply the world its best cordage fibre—Manila hemp. Production of about 1,300,000 bales a year suffices. Davao grows about 40 per cent of this, and Japanese in Davao about 25 per cent of it. Hemp comes into competition with steel. Manufacturers of hemp products have long carried on chemical research to widen the use of hemp commercially. They have had practically no success. The best that may be reported is that Japan succeeds in converting hemp waste into certain forms of paper. These are good products, no doubt, but probably not very cheap. The waste now costs, at Davao, ₱6 a bale of 275 pounds. There is no prospect anywhere of wide expansion of a hemp market. It will do well to hold its own. War would, of course, provoke extraordinary demands. This would be followed by the usual depression.

Japanese in Davao produce hemp scientifically and cooperatively; at the same time, when a hemp plantation has been exhausted after a period of 10 to 12 years, they have not found means of refertilizing it, and they sometimes convert it into a coconut plantation.

Aside from growing hemp, Japanese in Davao grow coconuts for the production of copra. The Furakawa plantation also has a desiccated coconut factory to make shredded coconut for the bakery trade abroad. All over the Philippines, extensive new plantings of coconuts are coming into bearing. This coincides with the movement in America characterized by her "good neighbor" policy. That policy is developing sources of vegetable oils in South America, such as the babassu nut in Brazil. It may or may not be coordinated with the domestic policy designed to maintain foreign prices at the levels of tariff-protected industrial prices. But at least in behalf of American lard, butter and tallow, the Philippines find their coconut oil heavily taxed in the United States. We are not sure to have there again, in times of peace, the extensive market for our coconut oil that invited the planting of our new groves.

On the other hand, from old plantings and new, the Philippines are to offer the world more coconut oil than ever before. With Brazil developing her supply of similar oil, prices will hardly range high enough even to invite Japanese in Davao or elsewhere to plant coconut groves extensively.

The Japanese community in Davao is limited by the saturation of the world hemp market and of the vegetable oil market to become subsistence farmers only. The Japanese are not going to Davao in large numbers. But to hold their own and make something of their plantations when hemp fails them, they conduct a good experimental station at the Ohta plantation. Any minor products they find it worthwhile to produce will benefit Philippine commerce, but will not be the means appreciably to increase employment for Japanese in Davao. In fact all Japanese industry there reduces to a beneficent influence on the community and explains in large part the universal employment and prosperity of everyone who will work.

Davao, the city, has 30,000 inhabitants. This embraces the port, Santa Ana. In 10 years it promises to become 3 times as large because only the fringe of the province is now occupied. It is true that Filipinos have a secondary place in this metropolitan development. The town has 3 cinemas, and a Filipino owns them all. The province has a first class bus transportation line, property of a Filipino. These facts contrast with Manila and its environs. They may partly explain why Davao has little animosity toward its Japanese community. There are no calesas in Davao; taxi service is that of "P. U." automobiles. Dominantly these are the property of Filipinos. You would say on looking about Davao that Filipinos are finding as many opportunities there propo-

tionate to the population as they find anywhere in the Islands.

Another interesting thing is, more than half of the American trade there even in textiles is with Japanese.

The province is thriving, at least it begins to thrive, but the benefits are general and not at all restricted to the Japanese. The fact that numbers of Japanese farmers in Davao work crop-land that is held under lease by Filipinos and a few Americans from the government, lends itself to ready solution. Because the crops are Manila hemp and coconuts, the cropping contracts cover periods of years. The practice has obtained almost from the beginning. Only now the government inquires whether it is wrong. Decision may be made, as it ought to be, without affecting the rights of the croppers. The government can challenge the validity of the leases. When the court sustains the government, a lease may be cancelled while the cropping arrangement continues to the end of its term. After cancellation of the lease, the cropper may pay the rental to the government instead of to the lessee whose privilege to hold the land the court terminates. This would cause little hardship, no disturbance and would increase materially the revenue from the public lands under cultivation. In Davao it is supposed to be the policy President Quezon will find it advisable to adopt. Even the lessees whose leases may be cancelled will have an ample field from which to obtain other lands that they may develop in a manner entirely within the law. Their croppers will not be affected one way or the other.

There is no reason for sensational stories in Manila about a method of land-grabbing illegally devised by the hard-working Japanese of Davao. Even the Japanese man who marries a Bagobo woman who has reluctantly exercised her native right and filed upon a homestead, is not acquiring land illegally; nor is he acquiring an amount of land that is at all significant. That woman and her people have actually owned the land of their bailiwicks, all of it, immemorially, and for her to take a little part under the force of new laws, which she does not agree with and cannot understand, as her

enforced patrimony, is far from evasion of law. On the contrary, it is compliance with law. Instead of being granted that land now, she and her people should have been granted it long ago. That is to say, the tribal right to it should have been recognized. Since as a community they are despoiled of it, and are constrained to seek parts of it individually, the means they take to adapt themselves to a sedentary civilization repugnant to them is their own business and no one else's.

The bitterness these people must in every way undergo will be quite enough without any challenge of their marriages and of the legitimacy of their children. Besides, in the vast domain of Davao, the question is far too minor to make a point of.

President Quezon fortunately follows a practical course and in Davao as elsewhere need not be expected to resort to fantastic extremes. The sons of Mars alone would say that in Davao he has a real problem with the Japanese. Others would say that the Japanese community there will facilitate President Quezon's development of the province; because of what they have proved can be done, and because of the methods, adaptable by Filipino settlers, by which they do it.

Hundreds and hundreds of Filipino settlers work for Japanese and earn the means of opening their own lands.

Allusion to Davao's prosperity has already been made. Taxes collected in the town of Davao alone exceed the collections individually of a number of provinces; of, for example, Mindoro, Bataan, Marinduque or Romblon. There are 7 towns and 10 town districts. Their share of the revenue is nearly P500,000 a year. The customs revenue exceeds P500,000 a year. The provincial revenue is nearly P400,000 a year. The internal revenue exceeds P400,000 a year. Public land revenue is about P60,000 a year. Much is remitted directly to Manila. The post office revenue approaches P200,000 a year. The forestry revenue approaches P100,000 a year. As a whole the province now yields in its undeveloped state, taxes exceeding P3 million a year.

(Please turn to page 29)

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## Roast Beef Reading

After dinner at eight, for mental fare that stays with you the books reviewed this month deserve a place on the menu, according to your taste. Dessert will be served another time. Will you have—

*Philippine Independence* by Grayson L. Kirk  
*Monogram*, by G. B. Stern  
*Best Short Stories, 1936* (O'Brien, editor)  
*Singapore Patrol*, by Alex Dixon

*Philippine Independence* by Grayson L. Kirk, Assistant Professor of Political Science, University of Wisconsin, is heretofore reviewed by a contributor, A. K. Spielberger.

In this volume, Professor Kirk presents a very readable survey of the Philippine independence issue both in its historical and its immediate aspects. The reader is not burdened with endless quotations from old historic documents and yet the author supports his position by authorities which leave little room for quibbling.

In the first chapter, *Assuming the White Man's Burden*, the author's conviction that the acquisition of the Philippine archipelago as a result of the Spanish American War was unnecessary, un-American and part of the imperialistic ambitions of certain groups of politicians of the McKinley administration, projects itself with increasing force.

Discussing the economic aspect of Philippine independence, the author has no misgivings as to the possible outcome. He states, "if by independence the economic structure is destroyed, then no political organization, however carefully built and however carefully shaped to meet the Philippine needs, can preserve the Islands from disaster." Or, "when independence produces the seemingly inevitable decline in exports, the government, which will need more money than ever before, will certainly have much less, so much less that it is doubtful if it can carry on at all."

Threatening the ultimate success of the independent Philippine government, the author sees a decided menace in the "peaceful economic penetration and domination of Japan." As a possible solution of the economic problems growing out of independence, reciprocal trade relations such as now exist between the United States and Cuba are suggested by the author. Just how such a trade agreement will satisfy pro-independence interests in the United States is

not predicted. As a possibility for the solution of the future political, social and economic problems, the author proposes a "semi-protectorate" of the United States government over the independent Philippine nation.

The author's final conclusion is "that the United States cannot avoid full moral responsibility for the success of the experiment." The impression which the book leaves with the reader is that the Philippines are a political football. By a political trick it was kicked into the hands of Uncle Sam. By another trick play, Uncle Sam is kicking it toward the goal. Goal or no goal, Uncle Sam will be held responsible.

Now G. B. Stern, Englishwoman, has written a handful of books, some light, some middling, and some darn fine stuff on the Rakonitz family. Her publishers finally gave her permission to write what she pleased—and that's high praise. Gladys went introvert on them, and wrote *Monogram*. The title springs from the fact that, consciously, she indulges in the favorite indoor sport of sketching designs around her initials GBS. And unconsciously, instead of being an O-filer in the classification of Mr. Deeds, she gets off designs also concerned with her initials GBS.

So she chooses to go "stream of consciousness", but with hesitant egoism.

The inside of a writer's mind is even a queerer place than the dark forests of men's hearts. Unleashing such a mind without the solid direction of a story to tell, a cause to further, a fortune to make—this is an experiment that interests students of psychology.

Gladys discovers in her ramblings in the mauve pastures of the subconscious that her beacons have been: Dreyfus and Zola's *J'accuse*, Father Damien of Molokai, and the paintings of Vincent Van Gogh. Enough that these were men against the gods!

There are some excellent bits, and some inexcusable ones. Her usual rapier of humor is lacking, such is the solemnity (to her) of her task. With curiosity, I watch for her next novel, for *Monogram* will either clear the decks for action, or mess up any now-nebulous Stern novels.

To say that Edward J. O'Brien's choice of *Best Short Stories, 1936* is less addicted to glamor

than his previous collections, is merely to announce that a half dozen of the thirty have some tilt and laughter. O'Brien has been known to publish a year's harvest, and even a suicide song (*Gloomy Sunday* as an incentive to self-destruction).

Moot is the famous question of the mechanistic plot story versus the plotless or character story. In another of his peppery introductions, O'Brien restates his case. He defends himself personally, as well; amusingly, whether or no such was his intent, and even modestly. Accusation: "I am an old man of the sea whose overwhelming influence on the American short story is undoubted but tragic."

The collection attempts to reflect the many facets of American life. Gangsterdom and depression come in for a large share. As only two stories are reprinted from the smooth paper magazines, a few more from the intelligentia group, the bulk are fresh to the reader. O'Brien deserves thanks for his gleaming.

From *Story* is Roy Flanagan's *The Doorstop*. It is a neatly architected narrative of the South, balanced between kindness and mob hysteria, with a fillip of ironic ending.

*A Kind of a Sunset*, by Erling Larsen, from *The Frontier*, portrays the crisis in mental set undergone by a country girl whose father is generally human, whose mother is a religious fanatic.

From the new mag *American Prefaces*, O'Brien chose Whitehead's *American Nocturne*, wisely for his interpretation of the title, printed (for O'Brien comments on each story wisely, with delectable geocentricity) he bumbles.

*Man on a Road*, by Albert Maltz, from *The New Masses*, calmly tells of a miner suffering fatally from silicosis, and his solution of his problem.

A tender treatment of childhood on the brink of adolescence is *The Grave*, by Katherine Porter, from *Virginia Quarterly Review*. Apropos of this story, a note dealing exquisitely with this theme is translated from the German, *Foreword to Paradise*, Thies.

*Catalogue*, Charles Cooke, from *Story*, powerfully exposes the exploitation of musical prodigies.

The foregoing exemplify O'Brien's definition of the short story—"if it is dealing at all honestly with life, it will probably be serious." O'Brien doth protest too much. His inclusion of A.H.Z. Carr's *The Hunch*, from *Harper's*, shows he knows the life can be uproariously ludicrous. Log-a-half Milano's eyes peer suspiciously at a quaking bourgeois couple who expect hourly to be taken for a ride because the racketeer has a hunch they'll bring him luck. The husband, telling the yarn, ends with, "In my more optimistic moments, I hope that he is dead."

A book that in its very raggedness of structure portrays the quick-vanishing incident of a Far East city is *Singapore Patrol*, excellently written by Alex Dixon. As a detective officer in Singapore, he wallowed in dark turmoil and Oriental guile. Broadly observing mind and a cultural background of classes and wit give the volume its distinction. No ordinary travel book this, but the work of a gifted writer whose own model is Keyserling's *Travel Diary of a Philosopher*! He has the intuition to quote wisdom of the East. A native hail-fellow-well-met, on being told of Dixon's appointment to the detective force, commented, "I hope you're getting a high salary; for a detective has no friends." Kim King's garden with its notice, "It is sinful to pick a flower—plants must be allowed to live their own lives", Rodriguez' reminiscence of Joseph Conrad, Mohammed Salih's wedding, the house-boy Ismail's return to the sanctuary of provincial life—all tatterdemalion ironies find their way into Dixon's book.

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# Central Plantation System Practical in Mindanao

*Whether ventures in new crops paid the corporations or not, they would pay the Filipino settlers in the supporting zones*

Means of placing hundreds of thousands of small holders on Mindanao's public domain ought to be considered by the Commonwealth government from the practical viewpoint; and further, from the viewpoint that mere extension of the present main crops of the island, Manila hemp and coconuts, would soon glut world markets with more hard fiber than they could absorb and more copra than would bring average good prices. Emphasis should be on other crops, sugar of course excluded; working independently, settlers could grow food crops and raise swine and poultry.

Diversification of crops should be the prime objective. There is something to say for the central plantation along this line, surrounded with small holdings.

Fifteen years or so ago, Harvey Firestone proposed putting in a rubber project in Mindanao, and wanted a large reservation for it: a central plantation for the main groves, the experimental work, etc., and small holdings around it whereon the settlers would engage themselves to cultivate rubber, the central plantation finding them while their groves grew to productivity and then buying the crude.

Failing with the Philippine government, Firestone turned in desperation to Liberia, where it is hardly likely that success has been phenomenal. Liberia is consistently notorious for its failures, there is stamina neither in the government nor the people. The objection in the Philippines to the project was that such a large interest of American capital in the Philippines might weaken the prospect of independence. This objection no longer holds.

From the viewpoint of the Philippines, politics aside, the plan was practical then and would be practical now. It is also adaptable to other crops than rubber. Diligent search could well be made for industrialists willing to capital large crop projects in Mindanao. The tanning industry may be concerned for a future independent supply of

tannin; it may be anxious about Britain's progress toward monopolizing tannin sources. There is a catch factory at Zamboanga, using mangrove bark, but nothing is done toward replanting cut-over swamps and bark is therefore procured farther and farther afield from the factory.

A rotation of at least 8 years is involved.

But the Philippines have other tannin sources. It is primarily a question of organization, for barks even superior to mangrove to be produced in quantity. There is one, we are told, that obviates the necessity of removing discoloration: it tans leathers without this defacement and would be a boon to the industry, particularly for the leathers to be colored for women's shoes.

Any plan offered for the financing and supervision of a tannin industry in Mindanao, or elsewhere in the Islands, should be welcomed at once. The corporation undertaking such a venture could never take away the land given over to the experiment, and it would be years getting back its original investment. Meantime workmen and settlers would be profitably employed, and any failure would leave them free to try other crops. Tannin will always have a good

market in the United States. It classifies as a minor forest product, but it is a fact that more than one minor forest product is practically convertible into something of greater worth than the major trees themselves.

The list of products the Philippines might produce parallels the list of tropical products the more northern world requires, especially the products America requires, and Mindanao is the great field for most of these projects. Let coordination of interest be effected, through agency of the government, between settlers willing to try and industrialist willing to risk the capital and retain the necessary experts. Cinchona is an outstanding example, which would have the advantage of the success the government has already had with it and the data of all this trying and prolonged experience.

Cinchona is a practical crop in Mindanao. It is related to coffee. Think of a central plantation financing small holders in a zone around it, for growing cinchona and manufacturing either totaquina or quinine sulphate. Whether the project proved profitable to the capital it engaged or not, from the outset it would be profitable to the settlers growing the trees and selling the bark.

If finally the central plantation diversified cinchona with another crop, or dropped cinchona altogether in favor of other crops—as the progress of science against malaria might advise doing—their lands in good till the settlers could readily adapt their own fields to other crops.

Meantime the Philippines would have the benefit to labor and commerce of the outlay of a large capital, an outlay so made as to add materially to the number of freeholders among the people. Naturally too, the term for which the central plantation should be granted the corporation would be limited, say to 20 to 30 years, with perhaps some provision for its extension. It is a foregone conclusion that the corporation would find very early that its best returns came from the set-

tlers, the lesser returns from the parent plantation under direct administration. We say this because it is established experience in Philippine agriculture; one the best Philippine plantations hardly made any profit at all under administration, and now has a large surplus and pays 8% regularly on its common shares by leasing fields to good farmers.

So if cinchona became a corporation project in Mindanao, and the corporation were encouraged with a large tract of its own for 20 to 30 years, no doubt experience would soon teach it to place settlers on this land rather than to farm it itself; after all, the corporation would only be interested in the product, and in the growing of the trees only incidentally—to produce the product.

It would fall out in the end that Filipino farmers had all the land except that part immediately needful to the corporation were it successful. For Filipinos would have the homesteads adjoining the corporation's central plantation, and no doubt would come to occupy the plantation itself as tenants under the corporation's supervision. Whatever its own experience, the ambition of the corporation to try the venture

Kling Plantation at Kling, Cotabato, illustrates in a small way the contentions of the paper on this page. The variation is, Kling grows old crops, Manila hemp and coconuts. It is managed by A. L. Rudes, and is paying shareholders dividends of 30% this year.

Because Kling has a good general store and a port from which to ship, a community of homesteaders has been established on the adjoining public lands. The plantation helps these settlers in every way, and buys their products, brought to the store over the plantation's roads. It is building a good schoolhouse, asking only teachers from the government, and will provide the houses for these planters to live in. Beyond the influence of the plantation, the wilderness begins: it is too treacherous for the settler to buck lone-handed.

## LETTERS

Hugo H. Miller

—Ginn & Co's Far Eastern representative, oldtime Philippines school man.

"I do not know where you got your article on page 11 of the July issue about the proposed local printing of textbooks, but whoever wrote it knows not only the general situation as to the printing of textbooks but also the local one. In fact the article brings out points which I had not heretofore seen in print. I also enjoyed reading your own article "Now That Rain Has Come." I have recently made several trips by auto to Nueva Ecija taking pictures of rice planting, and I have noticed the great difference in the preparation of the land by the *kasamits* in Nueva Ecija and the peasant proprietors, for instance, in Bulakan." (Reader Miller should credit the *Journal* itself with both the articles he mentions; unless there be oversight, what we borrow we credit, and our borrowing is always limited).

• • •

W. K. Perrett

—A planter at Kalaang, Cotabato, and a well known oldtimer among Americans in the Islands.

"It seems to me that 'every day—in at least every month—in every way' the *Journal* is getting better and better. I am always anxiously looking forward to its arrival in the monthly mail here, that the boat delivers to the Kalaang agency, and I read many of the articles several times before receiving the next copy. When short of reading material, the usual thing here, the *Journal* is nearly always preferred to anything else." (For which, sincere thanks: the magazine is edited in the interest of its readers, solely, this being taken as the best possible service to all its patrons).

• • •

Colonel R. O. F. Mann

—formerly of the Philippine constabulary, now for many years a planter of Occidental Negros.

"Sorry, but you will have to be 'called' on your July article on rice; self defense and that of this province calls for it."

"Paddy lands here rent for 1/3 of the crop if the tenant has his own work animals, 1/2 if the landlord does. At first sight this seems to be a high rental, but when dissected it is found to be low for the capital invested. Production of paddy (palcay) is 40 cavans per hectare, and for an example let us take the 50-50 basis. The capital the landlord turns over to the tenant is—

1 hectare of land taxed at...	P500
1 carabao .....	110
1 plow .....	40
Total .....	P620

"The tenant invests only his labor.

"When harvest opens, palcay goes out in bunches. Harvesters are paid 8% of the crop. Here is where the tenant slumps. He and his entire family turn out and gather the 8%; when threshing takes place, they go into action again and collect 10% of the palcay they thresh. Of the 40 cavans grown, there remain 34-1/3 cavans to be divided between landlord and tenant, provided that rats, both 2- and 4-legged, have kept away.

"This of course is new palcay. Actual tests over a period of 4 years showed that in 4 months after threshing palcay has shrunk 25%. By the time the market price of rice has reached its highest point, say March or April, the landlord's share of the crop is 17 1/2 cavans per hectare. Selling it at P3 per cavan, he grosses the big sum of P51.48. Now deduct all it cost him to get this: Taxes P5.71; 20% depreciation of livestock P22; 20% depreciation on the plow P2; total deductions P29.71; gross crop return per hectare P51.48; net return on the investment of P620, P12.67. The most optimistic person would not call this a big dividend.

"In paying 3 cavans of palcay for 1 sack of rice advanced him the tenant does not pay too much. It takes 2-1/2 cavans of new palcay to make 1 sack of hulled rice; this leaves 1/2 cavan by way of interest, and when dry it is but 1/3 of a cavan or 8 gantas. Furthermore, when the rice was advanced the tenant, palcay was worth P3 a cavan, and at harvest time it is worth only P1.50; so taking the palcay at its worth when the tenant turns it over, at harvest time, the landlord gets but P0.48 gross profit on a P7 sack of rice, or about 7% besides taking chances that no bank or business man would take.

"In theory your article is excellent, but in practice, ... pardon me, I just mislaid my glasses! I have just wound up 4 years of trying rice farming, and this year I had to borrow money to pay my land taxes. (Colonel Mann's digest of rice tenantry from the landlord's viewpoint makes a valuable footnote to our June and July papers and is much appreciated. We hear that some sugar-cane planters of Negros have gone upstate rice on cane lands out of production under the Jones-Costigan act, and with no little success. We seek an authoritative paper on this subject, since upland rice culture could obviate tenantry; and we know the Negro planter is resourceful).

• • •

Edward N. Vose

—Editor of the valuable *referenc* on American commerce, *Exporters' Digest*.

"Your May issue which has just come to my desk quotes quite a bit from EXPORTERS' DIGEST of April 1, beginning on page 13 and concluding on page 40. Through some oversight, however, the credit is given to the American Exporter instead of to us. We have no objection at all to our articles being quoted, but so far without any tangible result. (Thanks to Editor Vose for inviting attention to an oversight, and congratulations to him and the organizations he mentions for sound business judgment in the various actions of the interest of the United States in opposing the pernicious excise tax on coconut oil. Recent inclusion of other oils within the tax may in part remedy the situation—a partial loaf better than no bread).

Leon M. Gonzales

—head of the topnotch statistics division of the agriculture and commerce department.

"I have read with deep interest your editorial on A NEW CENSUS in the July issue of the American Chamber of Commerce Journal. A statement of this kind, especially in one of the most serious and widely read trade journals in the Philippines certainly goes far in selling the services of our office to the present administration. It is really lamentable to note that even those in the government service, supposedly well-informed, do not know that there is such a central statistical office as our division. Of course, many of them do not have occasion or probably do not care to make use of available statistical information. Your advocacy for a "properly supervised" census-taking with a "coordinating center" is really in order. Our office has from time to time been gathering, compiling, tabulating, analyzing, interpreting and publishing available statistical information on different phases of Philippine economic life. An example of this is our Economic Survey, which was published as a supplement to Volume 2 of the Philippine Statistical Review. Just at present our activities consist of a wide range of work including crops, livestock, trade, industry, finance, transportation, communication, labor, education, fishing, lands, mining, forestry and other natural resources of the Philippines. Modestly set aside, our present organization partakes of the nature of a miniature census office. Of course, you know very well that our division is handicapped for lack of sufficient personnel; I recall that in June your scintillating pen-picture of the personnel conditions in our office, which appeared in the American Chamber of Commerce Journal of May, 1935 under caption, A MEATLESS CORE OF GODDLY OUTSIDE APPEARANCES. I wish to assure you that everybody in this office is grateful to you in this regard. We are looking forward for an opportunity to reciprocate at an early return to courtesy." (The debt is quite the other way round. Heading such a fine public service, Statisticians Gonzales would be justified in tossing his head like a thoroughbred and fairly needing for attention. Elsewhere there is note on his division's current publications, the address, price, etc.).

• • •

Miss Emma Sarepta Yule

—whose latest book on Japan, *In Japan Without Clock or Calendar*, recently reviewed in the *Journal*.

"Thank you for a very appreciative review of my Japan effort. I was especially pleased with the note made of Will Adam's comment on his ship that the governor of Manila kept. That gave me a special chord in his letters, and they gave me pleasure. Miss Yule is truly an authority on many things Japanese. Having retired from headship of English at the College of Agriculture, Los Baños, she plans making her future home in southern California. The Philippines are greatly indebted to her able services. Perhaps after settling in a new home she will be putting the Islands into a magazine long interested in her manuscripts, Scribner's).





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Bukidnon Cinchona  
(Continued from page 5)

This being true, the scope of the Philippine industry may be limited practically to totoguina for use in the Islands, as it could well fall out that Java could not be undersold in other markets. Always, too, classes in the Islands able to afford it will want Java's standard quinine sulphate.

But think of the day when any Philippine peasant can with 40 centavos buy totoguina enough to vanquish a malarial attack; to save a member of his family, or restore his own ability to do a day's work.

What has actually been done toward this end and what is planned and lies in immediate prospect, has not been easy. When, for example, General Creed C. Hammond was insular auditor, he disapproved P15,000 granted by the inter-island control board from its funds for the cinchona project; he actually said over his signature that growing cinchona could not be considered a step in malaria control. The project, lacking funds, went into a long drought and great numbers of the trees were lost when the well failed and the river ran dry and watering the trees with buckets had to be given up.

This arduous official attitude, manifested in the auditor's ruling, and often encountered in the Islands, is pathetic. It derives from a hilous nostalgic pessimism disdainful of the potentialities of the Islands. It affected the cinchona project from the beginning, and probably visits dubiety on it still. To confound such an attitude, static in itself and reluctant to applaud the energy of others, we print with this paper a cut showing the first successful cinchona plantation in the Islands—the first under the American flag, the pioneer groves in Bukidnon—and another showing suckfuls of the bark stored at the forestry bureau.

## Central Plantation System...

(Continued from page 13)

would be the means by which Filipino farmers procured possession of the land and made it their cherished homes.

This is therefore a practical method the commonwealth may use both for the settlement of Mindanao and the introduction of new crops.

Everyone able to visualize the perils awaiting man in the tropical wilderness must concur in this: the drainage that ought to be effected, the irrigation often needed, the sanitation to be established, the roads to be built, the market that must be accessible, the wages settlers need to earn at day labor until their own fields be-

come productive—all these exigencies and many more show the necessity the lone settler has for a tie-in with a plantation center whether his crop be an established one or a new one merely under experimentation.

There is nothing the Philippines can possibly lose by this plan, or something similar to it; on the contrary, they have everything to gain from it. For instance, markets. The money for such ventures would come from the very industries interested in the products. Markets would therefore be ready at hand. The grower of rubber would use the rubber, the grower of cinchona would use the cinchona bark, and so with the grower of tea or gutta percha, or any other crop for which the soil and climate of Mindanao recommend themselves.

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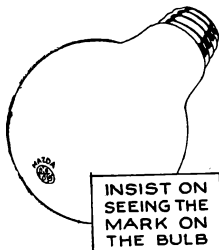
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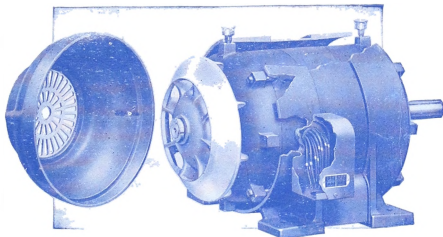
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# We Take Issue with Mining Engineer Duggleby

Vice President A. F. Duggleby and Vice President Francis O. Haussermann of Benguet Consolidated both made press statements a few days ago to the effect that current market values of Philippine mining shares are too high, that the market has reached heights that are extremely speculative, and the inference was that reaction is bound to ensue and heavy losses will have to be taken. They assumed that in general—and they did not seem to except their own companies, notably Benguet Consolidated and Balatoc—the properties could not earn a dogmatic rate of interest on current share values and return the invested capital within the average life of gold mines, and that a worked-out mine was just a skeleton of dead values.

All this is true. Nevertheless, we gainsay it. It is sound arithmetic, but it is not sound judgment or sound business philosophy taking into account, as investors must, the state of the investment world.

Let us confess that last month we were inclined to think as Messrs. Duggleby and Haussermann do. We prepared an editorial precisely along those lines. That thundering warning was approved for publication, but the sober second thought of President Paul A. Meyer, chairman of the publications committee, killed it; in its stead, the editorial was prepared by President Meyer that our subscribers finally read—an editorial of distinctly different tone. We now follow up that second thought.

There is much surplus capital in the world, and no little right here in the Philippines, seeking investment and security. Banks in Manila have just notified clients that practically no interest will henceforth be paid on deposits in current accounts, and lower rates will be paid on all deposits; one bank says, no interest at all on current balances, another says, 1.2% a year on balances averaging more than ₱50,000 a day. Other banks are probably more or less in line with this.

This is what money faces here. Everyone knows what it faces in the United States, where 2-1/2% a year has come to be the gilt-edged bond rate and continuing security is dubious in many industries. It is equally well known what the situation in Germany is, and in Austria, and in the Balkans—with a realignment of supremacy in the Mediterranean in tragic progress. The gold-bloc countries themselves face monetary dubieties: from moment to moment it is not known when France may be forced off gold and Belgium at least will be constrained to follow suit. Switzerland, an active investment country where every householder plans all his life for a competence, has her party, headed by hotel and tourist-trade interests, dedicated to the hope that the Swiss franc may be devalued like the pound and the dollar and the country's tourist commerce may be revived.

This movement, not too threatening as yet, strikes at every savings account, every insurance policy, and little Switzerland is crumpled with both.

The Scandinavian countries are none too happy concerning both investments and trade, since their trade, like our own,

is largely overseas and they encounter all the national movements for self-sufficiency as opposed to low tariffs and active international commerce.

In gold-producing countries, Australia, Canada, South Africa, the first is in a very good way. But Canada's affairs are very much disturbed, Canadian politics is hag-ridden with schisms. As to South Africa, her treasury is in good enough shape, but she may at any time be called upon to bear the brunt of a war provoked over colonial distribution in Africa. She compares favorably, perhaps, with the Philippines as an investment field, but she hardly excels them.

It is the Philippines as an investment field that must be taken into account in judging the worth of our mining shares. Governmental stability, it is here. Reasonable taxation, it is here. A population inclined to peace, it is here. Absence of the doctrinaire and the schismatic theory in politics and statecraft, it is here. Freedom from the menace of confiscation and political or religious persecution, it is here. The entire, the airtight security of investment, it is not here and investors do not seek it anywhere because it can not be found.

This is the general picture into which goes properly, the detail of the worth of our mining shares. So placed, few of the values today will be found far out of line; and if an investor shops around and places his eggs in various baskets, he will have enough security—not enough to take all zest of adventure out of the game.

This statement should be particularly noticed by the many Filipinos who have surplus funds for investment. First, their own country is a prime field for investments; they themselves make it so. Second, the game will be played, and generally with skill; if they keep out, their mining industry will be lost to them. Third, that reasonable security of capital and moderate interest thereon are about all the investor may expect from the world during the turmoil through which it is passing. Fourth, that over their own position, during ten years, they will continue to enjoy the sovereignty of the United States.

The greater question is the capital itself; the lesser one, how much it will earn. Does not everyone now foresee that considerable Spanish capital will be coming here soon? For what, for 10% a year? By no means, but primarily for security, and afterward for what may be earned in a field where competition for earning and secure investments will be intense. As a matter of fact, that competition is intense right now; it is a factor, if not a decisive one, in the current values of our mining shares. On July 13, when shares hit a maximum in our mining history to that date, we talked with a reputable Hongkong broker looking over the situation in behalf of his clients. He thought the values quite in line with all he could learn about the mines.

In other words, he placed the situation against the background of the impossible investment situation in China.

To such a man, how much would Benguet Consolidated's

## EXAMINATION OF MINERAL PROPERTIES

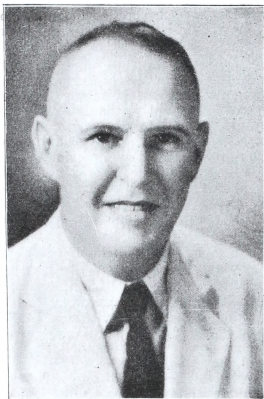
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H. Gasser, president and general manager, East Mindanao Mining Co. and Tambis Gold Dredging Co.

## Bright Prospects For Tambis

*A Successful Dredging Operation has led to a search for the source of the placer gold—with good results to date*

Where there's smoke there's fire—likewise, where there is placer gold there's lode deposits, somewhere. With that in mind, the engineers of the Tambis Gold Dredging Company, Inc., of Cebu, oldest continuous placer mining operation in the Philippines, went back into the hills to find the veins from which the placer gold had come. To date their results have indicated that they are on the right track.

Tambis Gold (look in your *Journal* file, under date of January, 1936, for an account of 1935 operations of the company) is the successor of the Lianga Mines, Ltd., which started operations in 1919 or 1920. Tambis Gold took over in 1929, and immediately started to make improvements in equipment and in the camp. A bucket dredge is in operation; a road had to be built from the sea port Barobo to the Tambis camp about 10 kilometers to permit transportation of the dredger to the property.

Both Lianga Mines and Tambis Gold were originally placer propositions; only in the past few years has exploration of lode claims been going on in the region. Since Tambis Gold has been operating, a total of 90% has been paid in cash dividends, or P96,196.50, plus a stock dividend of 80%.

After Tambis had been operating for about three years, it was decided that an investigation of the hills back of the camp near the dredge was working, was in order. The first showings were such that about 50 lode claims were staked,

and exploration work started. Prospecting in a small way has been going on for a number of years, but in April, 1935, it became apparent the lode claims should be thoroughly developed by a qualified mining engineer.

Charles P. Knaebel was employed, and the lode property has been aggressively explored since. The results have been sufficiently encouraging to warrant the installation of machinery for further development, and it is expected that some time in the future a mill will be built. A road from Tambis to the lode camp is now under construction, and will probably be finished by October of this year; this road will facilitate the transportation of heavy machinery to the new enterprise.

Tambis Gold started out with an authorized capital of P60,000, which was later increased to P120,000 and then to P240,000. An application has recently been filed to increase it further to P400,000 in order to finance continued development work.

H. Gasser, president of Tambis (and also of East Mindanao Mining Company, which will start its new cyanide plant this month), in a letter to the *Journal* states:

"It is interesting to note that various generations ago, probably 100 or 200 years back, some one has already explored and partly developed certain sections of our back country. Tradition has it that a Frenchman worked on the property a long, long time ago, and it is said that he was highly suc-

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cessful, in spite of the primitive methods which he employed. Nobody seems to know what became of him. Some old shafts and tunnels are additional evidence that some time in the past there were people in this section of the country looking for gold.

"Anyone who has seen this country or set foot on it can easily imagine the hardships the pioneers must have undergone. There is nothing but virgin forest and unadulterated jungle, and it must have taken these people months to get as far back as the lode camp, which today can be reached in two hours from Barobo, the seaport, 2/3 of the way by truck and the remainder on foot over a passable trail."

Mr. Gasser gives full credit to W. F. Pearson, superintendent of operations at the Tambis Gold dredging plant, for the success of the company, and to Mr. Knaebel for the promising aspect of the lode project.

Mr. Knaebel makes a report on the lode property, dated July 30. During June, he says, 520 feet of tunnels were driven. About 100 men worked steadily on road construction, two gangs working from each end towards the middle. They were expected to meet, and thus complete the road, about August 10.

The ore situation is as follows: The Pearson Lode has been exposed on its northerly strike by two additional crosscuts, to

give a known length of some 120 feet. Assays in these crosscuts show a persistence of very good ore, although the lode has here narrowed to four or five feet. The last sample taken assayed \$232, but is yet to be checked. Other samples in this section range from \$6 to \$17.

Exploration for the southerly extension of the lode encountered a complicated system of vein and fault intersections not yet thoroughly exposed. Apparently the Pearson Lode proper pinches out towards the south to a few very rich narrow stringers. These intersect a large vein of heavy sulphide material which is a branch of the Kia Ora Vein, previously found to be of too low grade on the lower level to be of value. At the point where this branch intersects the stringers above mentioned, a wide lens of minable ore has resulted, and further work along this toward the south has shown that values are holding up in that direction.

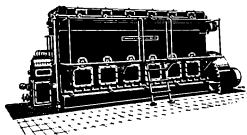
While many samples in this vein are in the \$2 to \$4 class, there are enough assays ranging as high as \$24 to give more than the necessary grade for mining.

The No. 6 tunnel contact vein is a wide vein which had just been encountered at the time of the February 15 report. Subsequent work showed a width of 8 feet, but until recently assays were discouragingly low. Recent samples along the walls of the 1-A sub-cut, however, showed some good grade, with a high of \$59. While this does not disprove the earlier low assays, it shows the possible existence of sufficient rich spots to bring the whole vein to a minable grade, and further work on this vein is now under way.

Several tunnels are being driven at this time with the object of exploring the porphyry contacts which are known to exist in the vicinity of streams carrying rich alluvial gold deposits.

Engineer Knaebel concludes his report with the statement that unless past experience is entirely meaningless, favorable information should be obtained from one or more of these tunnels in due course. A low-grade section of andesite porphyry, intersected by the No. 13 tunnel, is of special interest, and is the subject of further exploration. Prospects such as the New Zealand lode, the Hardman lode, the McVean, the Bob Vein, and the Hargis vein are all worthy of further attention, but are now dormant pending the installation of compressed air machinery and other facilities for their more efficient exploration.

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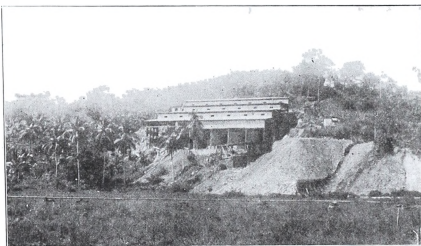
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*The Manila Stock Exchange Is  
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Speaking of the stock market—and who isn't these days?—have you ever stopped to wonder why brokers were willing to pay fancy prices for the privilege of trading on the Manila Stock Exchange? One Hongkong trader is paying ₱80,000 for a seat—a new all-time record for the Manila Exchange; the best price previously offered was ₱15,000, late in 1935.

Here's the secret: one-half of one per cent, doubled. When you buy mining stock, or any other stocks, of course, you pay your broker a commission of one-half of one per cent, but never less than ₱5.00. The man from whom you buy it also pays the same commissions; the broker therefore receives one per cent, at least, and probably more, since there are many sales on which the actual commission would not amount to ₱5.

The record day on the Manila Stock Exchange was on July 13, 1936, when 7,451,127 shares were sold at an estimated value of ₱4,239,455. One per cent of ₱4,239,455 is ₱42,239; there are 20 brokers; figure it out for yourself. During the past few months sales have been from ₱1,500,000 to ₱2,750,000, regularly. Commissions have thus ranged from ₱15,000 to ₱27,500, more or less, each trading day. The share which each broker gets varies, of course—but five or six of the group profit considerably more than the rest.

And commissions are not by any means the only source of income of the brokers. Any intelligent broker can tell, with more or less accuracy, the trend of the market. He can therefore buy for himself and profit when the market goes up. All brokers do not speculate on their own account, of course; but they would not be human if they did not take advantage of their position.


The Manila Stock Exchange was founded in 1927, by W. E. Little, W. P. G. Elliott, G. W. Mackay, J. J. Russell, and F. W. Russell. Mr. Elliott was president for 1927-28; J. N. Macloed for 1928-29; and John Hair from 1930 until August 10, 1936.

At the annual meeting this year Mr. Hair resigned, and Enrique Santamaria was elected president. The new board of directors consists of Mr. Santamaria, Gordon Mackay, J. Camahort, Pacifico Ledesma, Wm. Zeitlin, Sergius Klotz, and A. C. Hall. Mr. Zeitlin is corporation secretary; Mr. Klotz is vice-president; and A. C. Hall is treasurer.

The Exchange operates from 9:30 to 11 a. m., and from 2:30 to 3:30 p. m. five days a week; there is no trading on Saturdays, Sundays or holidays. Even with a five-day week, and plenty of holidays, the brokers usually have a hard time keeping up with their orders.

The board is opened each morning by E. Palomo, assistant secretary of the Exchange. After he goes through the list of stocks, alphabetically, trading is opened, each broker being free to buy or sell as he can. A committee of board control handles the controversies which spring up; the decisions of this committee are final, although appeal may be made after the session is over to the board of directors. For the year 1936-37 this committee consists of Sergius Klotz, chairman; J. Camahort, and Leo Schuurmaecher. One member of this committee must always be present while the Exchange is operating.

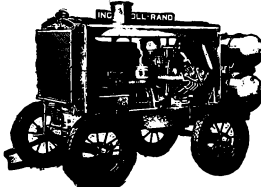
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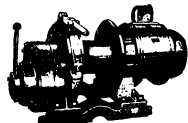
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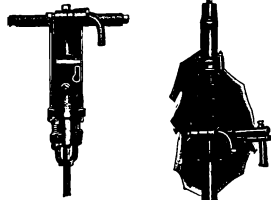
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# The Growing Importance of Nonferrous Metals In the World's Markets

The world is presumed to consist of a solid shell 10 miles thick, known as the earth's crust, about a core some 3980 miles in diameter. This entire core is supposed to be metallic, more or less consisting of a complex iron alloy containing a large amount of nickel and small percentages of several other elements.

In the 10-mile shell Nature has concentrated in various places certain of the elements; eight elements account for more than 98.5% of the whole: oxygen, 46.59%; silicon 27.72%; aluminum, 8.13%; iron, 5.01%; calcium, 3.63%; sodium, 2.85%; potassium, 2.60%; and magnesium, 2.05%. The amounts of the important metals in the earth's crust is surprisingly small, according to estimates made by the U. S. Geological Survey: nickel, 0.02%; copper, 0.01%; tungsten, 0.005%; zinc, 0.004%; lead, 0.0002%; tin, 0.0001%; silver, 0.000,000%; gold and platinum, 0.000,000%; and radium, 0.000,000,000 (n being the place of the first significant figure and also uncertainty as to the exact amount.)

With the gradual solidification or crystallization of the earth's crust there began a concentration of some of the elements that ultimately resulted in veins, beds, or other deposits capable of being mined for profit, and called "ores". Man continues this process of concentration in so far as he is able to locate the minerals, until the various metals are produced in a substantially pure state, or in a state suitable for commercial use.

It is a peculiar fact that of about 30 metallic elements used industrially, iron accounts for more than 90% of the total production. The reasons for this are that iron is abundant, it is easily reduced to the metallic stage, and it is well-fitted for man's needs.

The non-ferrous metals vary between two extremes; gold and platinum, which are very scarce but easy to reduce to the metallic state when found, and aluminum and magnesium, which are abundant but difficult to reduce. By non-ferrous metals, of course, is meant metals other than iron.

The circumstances given above account for the lower production cost of iron, but the unusual fitness of iron to commercial use make it doubtful whether any non-ferrous metal, even if procurable as cheaply as is iron, would be as commonly used.

Figures for world production of metals show that for the 40 years ending with 1924 the ratio of pig iron to non-ferrous metal production was about 20 to 1, while in the period from 1924 to 1934 the ratio was about 14 to 1. In the non-ferrous field, however, no one metal occupies a dominating position. Copper, lead, and zinc together comprise nearly 90 per cent of the tonnage.

In values, of course, the story is entirely different. In 1934, for example, the world gold production was valued at around 970 million dollars, while that of pig iron was estimated at some 1150 million dollars—the total for the other non-ferrous metals would obviously bring the whole to well over the iron production value. In 1935 no non-ferrous metal was even a close second to gold, and with the gold production of every nation in the world climbing substantially, the non-ferrous metal production value is well above that of pig iron.

Non-ferrous metals used industrially may be grouped into two general classes: those used in the pure state or serving as the base metal for alloys (aluminum, cadmium, copper, gold, lead, magnesium, mercury, molybdenum, nickel, palladium, platinum, silver, tantalum, tin, tungsten, and zinc; those used essentially as alloying constituents (antimony, arsenic, beryllium, bismuth, calcium, cerium, chromium, cobalt, columbium, indium, manganese, osmium, rhodium, selenium, sodium, tellurium, titanium, vanadium, and zirconium.)

The non-metallic or semimetallic elements—carbon, silicon, phosphorus, sulfur, oxygen, and nitrogen, are also used for alloying purposes. Chromium is used industrially in the substantially pure state as an electrodeposited coating on other metals.

When the metal industry first came into being, it was rather simple. The acceptance of metals for sale depended upon tests for a few fundamental properties such as plasticity, hardness, and durability. The industry has become more and more complex, however, until today the metal supplier must have a general working knowledge of every other industry. The rapid growth of the electrical, transportation communication, and radio fields has resulted in part from the improvement in metal products, and has in turn stimulated their further development.

Today metal products are tested for: resistance to many kinds of corrosion; ability to withstand high and low temperatures and changes in both; electrical resistivity; and changes in resistivity; ability to be formed by pressing or other means; ability to receive coats of enamel or paint or other surfacing; behavior toward ink; reaction to chemicals; behavior as regards heat radiation, light reflectivity, electron emission, sensitivity to light for photographic purposes; resistance to impact with both heavy and light blows; resistance to repeated stresses, and melting points; besides the usual determination such as tensile strength, yield strength, percentage of elongation, and reduction of area, hardness, and density.

Every industry has its own requirements for metal products with special properties and many and varied combinations of properties that call for special tests.

EDITOR'S NOTE: This is the first of a series of articles on the non-ferrous metals, which it is believed will be of interest to *Journal* readers. Subsequent articles will deal with metals found in the Philippines. Credit is given to "Modern Uses of Nonferrous Metals", published by the American Institute of Mining and Metallurgical Engineers, for data used above.

## July Gold Production

Antamok Goldfields.....	P 531,535
Baguio Gold.....	97,896
Balatoc.....	1,050,542
Benguet Consolidated.....	773,742
Benguet Exploration.....	26,709
Big Wedge.....	77,764
Cal Horr.....	78,842
Demonstration.....	112,253
Ipo Gold.....	44,202
Hogon.....	253,132
I. X. L.....	100,085
Masbate Consolidated.....	213,861
Salacot.....	33,626
San Mauricio.....	161,523
Snyoc Consolidated.....	85,672
United Paracale.....	115,824
Total.....	P 3,757,208
Total to date this year.....	P 23,413,779
Production July, 1935.....	P 2,927,721

# Evolution of Placer Mining Methods, and Conditions Necessary for Commercial Success

By V. V. CLARK



V. V. CLARK

(Address given before the Manila Rotary Club on July 23, 1936. Mr. Clark, an experienced placer engineer, is now a member of the consulting staff of Marsman and Company.)

Placer mining is probably the oldest form of mining, mainly because it is the simplest way of recovering the earth's riches. It is applicable to many different metals and minerals—gold, platinum, tin, diamonds, etc. No two placer mining operations are exactly the same; any discussion of the subject must of necessity be quite general.

Primitive man used three types of placer mining equipment: the elongated shaking bowl; the circular wooden bowl, deeper but similar to the present-day batea, and the hollowed-out log, open at both ends and filled with irregular-shaped stones of even height for riffles.

The gold used in King Solomon's temple was undoubtedly recovered by one or all of these methods.

Modifications of these forms in use today are the rocker, the modern gold pan, the Long Tom, and the sluice box provided with block or Hungarian riffles, or both.

The rocker is a good substitute for the gold pan when a larger capacity is desired. A mechanical gold pan is now on the market which has greater capacity with reasonable costs of operating.

The sluice box remains, in my opinion, the best and the simplest placer gold saver ever devised. Yet, simple as it is it requires experience to operate it successfully. For its successful operation there must be ample, but not too much water, sufficient, but not too much feed, and a proper gradient.

Many placer miners, and some old timers at the game, are afraid of grade. My experience with grade is: that the steeper the grade, (up to 18%), the better the recovery. Grade thins the stream, increases velocity, submerges float gold, and keeps the riffles from packing. Moreover, grade and area of the sluice box have an important, very important relation.

A few years ago I made an experimental run on an 8-ft. New Zealand type sluice-box dredge and when cleaning up the amalgam at completion of the run, I kept the products separate so as to obtain evidence as to relation of grade to area. It was very illuminating, resulting in voluminous data which in itself would serve as material for an article. Briefly, 12-1/2% grade yielded the best gold recovery under the sluices set up of that dredge.

Alaska sluice box practice, in the early days, and even today, has been brought to a high state of efficiency. "Nugget Johnson" found the famous Anvil Creek nugget at Nome while shoveling into sluice box for the Pioneer Company. He became famous thereafter as a discoverer of other nuggets. "Steam Shovel Dick" a sturdy Pole of Nome, held the undisputed record of Shoveling 32 cubic yards overhead into

a sluice box in 10 hours. That is equivalent to 48 tons, or 2-2/3 pounds a second. Consider throwing 2-2/3 pounds a second over your head continuously for 36,000 seconds!

Only gravel sufficiently rich per yard will stand sluice box mining where the gravel is handled by means of a shovel. Power shovels and drag lines are now being used to feed sluice boxes, either stationary, or mounted as mobile units. Sluices are also employed on modern gold dredges, all attesting to efficiency in that method of gold recovery.

Hydraulic mining was developed largely in California after the rich deposits of 1849 had been hand-mined. Great ditch systems of hydraulic mines on the Mother Lode in California, some of them 50 miles in length, attest to the expense those miners incurred to get water under sufficient head for hydraulicking. The Anti-Debris law of California followed the hydraulic operations, where the farmers enjoined the miners, as their land and homes were being covered by the tailings from the mines. This has resulted in millions of dollars of placer gold being locked up in many idle mines, huge gravel banks, with their grown over and eroded ditch systems.

Hydraulic elevators are very largely employed throughout the world at the present time. The best elevator practice that I have witnessed was on the Rio Porce in Columbia, South America, where two Americans, the McGuire brothers, were throwing the great Porce River from side to side of the valley while they gathered the golden harvest that lay on bed rock.

The efficiency of the hydraulic elevator, however, is low. If one gets 20% of the value of his water he is doing well, and sometimes it goes as low as 13%.

In 1895 I witnessed the first demonstration at Oroville, California, of the Evans hydraulic elevator. A fruit farm was being torn up by means of plows and the loam and gravel was handled by scrapers to the boat of the elevator. It was more profitable for that farmer to mine than to farm, a point against the Anti-Debris law.

It is reported on good authority that hydraulic elevators were operating on the Mother Lode in California in the early '80s. Earlier than that I have no information.

The Chinese were probably the first to employ a floating digging system for gold recovery. It was merely a crude raft on which was man-handled a long wooden spoon which reached down into the stream and pulled up small quantities of gold-bearing material for subsequent treatment in a long Tom or wooden bowl. This was followed by a windlass mounted on the raft which wound up the ladle carrying a larger quantity of gravel.

Then in about 1870 there was developed the New Zealand dredge, on which were water wheels, "Side Wheelers" for power, and enjoyed a long term of success. Then steam boilers and engines were mounted on the deck of the dredge, with open connected buckets for the digging.

The Risdon Iron Works, of San Francisco, during the late

(Please turn to page 31)

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# Mayon Mining Association

*One of the new Bicol region properties,  
this project is being developed systematically*

From J. H. von Heiber, consulting engineer for the Mayon Mining Association, comes the following progress report for the month of June 15-July 15, inclusive:

Tunnels Nos. 1, 2, and 3 have advanced slowly due to hard ground and lack of explosives. These tunnels are traversing a hard conglomerate with a view to contacting the ore body which extends from the Cabit into the Mayon claims, and at present are serving as mere crosscuts. Samples taken as progress is made show, however, assays ranging from \$41 to \$1.65. Inasmuch as the distance to be traversed by these tunnels will be over 400 feet, not much as to values may be expected until the main ore body has been reached, which will be at least 60 days more.

During the past 30 days several new outcrops and deposits have been uncovered and sampled. As a result, 3 additional tunnels have been started for the purpose of exposing and sampling this area. As these tunnels prove the ore body others will be laid out and driven for the purpose of a block of ore in this section of the property.

Assays taken from these outcrops show the usual values as found in this district, viz.: \$1.00 to \$4.00 and \$5.00 normal, with occasional flashes up to \$20.00. These new tunnels will,

therefore, be driven directly into new ore, and will commence developing new ore bodies at once.

In addition, a small crew are kept constantly at work prospecting all of the ground, opening as many outcrops as can be found. These are sampled, mapped, and other tunnels will be driven into them as fast as we can get to them.

The dynamite bodega, which is being built to conform with government regulations, is nearly completed, and in a few days dynamite will be shipped to the property, when the advance of the tunnels may again be pushed with much greater speed.

Inasmuch as the development of this property, like all others in this district, consists mostly of a huge sampling proposition, and as samples are often delayed in obtaining returns, I strongly recommend that an assay office be installed at the mine as soon as possible. This assay office will also effect a large saving to the Association as many assays will be necessary before the mine is fully blocked.

Mess building and bodega are 90% completed, and will be ready for occupancy by August 1st (this report was dated July 21).



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**P80,000 A Seat***(Continued from page 21)*

Each broker has a symbol representing his name; when he has shares for sale, or wishes to buy them, he makes a notation on the board to that effect, jotting down his symbol and the price he will pay or accept. Then other brokers who are interested in the same stock can, by glancing at the board, see who is selling what, so to speak, and for how much.

Several other stock exchanges were started in Manila from time to time. Early in 1934, for example, the Philippine Stock Exchange and the United Stock Exchange were in operation. Their activity, however, did not compare with that of the Manila Stock Exchange. On January 30, 1934, for example, the first named exchange traded 89,120 shares; the second, 61,000; and the Manila Exchange, 142,560.

These exchanges had short lives—the Manila Exchange alone surviving. Jacob Rosenthal and his associates are now planning to start a new exchange, to be run along the lines of the New York Curb Market, with open trading. This venture may meet with more success than did the others who attempted to compete with the Manila Stock Exchange. It is certain, that at the present rate of trading, the facilities of the present board are hardly sufficient. With 20 members at present, the Exchange finds itself unable to handle all of its business. The directors are now considering the selling of the five seats not being used.

Seats are sold by the board of directors to the highest bidders. The seller of a seat, however, profits when he sells his rights—the directors merely retaining a previous lien on all seats in order to control the entrance of brokers to the exchange.

It is interesting to glance back over the record to see what happened a few years ago. The big boom of 1933 started on August 31, when an 8-column streamer in the Manila Daily Bulletin said "Mine Stocks Shoot Upwards." At that time Balatoc was selling for P25; Benguet for P37; Itogon for P5; Baguio Gold for P.47; Benguet Exploration for P.35; Big Wedge for P.30; and Antamok Goldfields for P.50.

On September 29, 190 shares were sold, and more than 400,000 shares changed hands in the two days previous. On August 10, 1936, 6,168,584 shares were traded.

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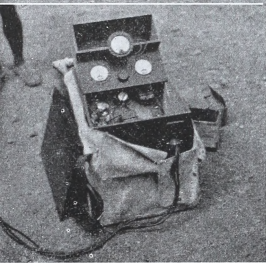
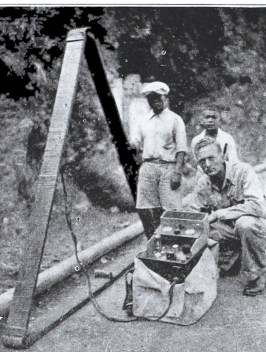
**Iloilo—Bacolod—Cebu—Davao—Legaspi—Baguio**

# Geophysical Prospecting

## Introducing the Clarke Brothers

By Ralph Keel

Mining-Section Editor &



This is the sending set used by Developments, Inc. Fremont Clarke is shown demonstrating its use. From the small radio broadcasting set shown here, electrical impulses are sent into the ground.



ROGER CLARKE

Excellent results have been obtained from their work; and by good results in geophysical work is not necessarily meant that gold has been found wherever sought. No electrical prospecting method will determine the character or the values of a mineralized area; it will, however, determine the location of mineralized zones, if within a reasonable distance of the surface, and thus accelerate exploration work and save useless development costs.

The patented electrical method used by

Geophysical prospecting has been used in the Philippines for the past two years, in the Baguio, Paraale, Belacan, and other districts. All of this type of work has been done by one corporation, Developments, Inc., formerly known as the Geophysical Prospecting Corporation.

Roger W. Clarke is president of the board of directors of Developments, Inc.; James Ross, vice-president; J. R. Herridge, treasurer; Roy Springer, and E. C. Frederick (of Hongkong) directors. The company is incorporated for P250,000, and its purpose is to provide a geophysical prospecting service for gold, manganese, chrome, iron and other mining companies.

Developing engineering. The latter has a successful and other provinces in Asia; and



On the march. A crew of Developments, Inc., ready to move to a new set-up, a protection against the weather, and it takes five men to



interpreting and recording the results of the work. This shows left to right, Roger Clarke, Horace Moore, and Fremont Clarke, at work in the map room. The most difficult part of the procedure is the mapping of the results obtained.

W

# ing in the Philippines

## Brothers and Associates

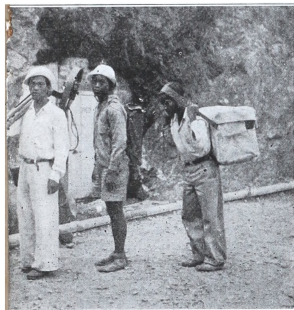
h Keeler

ditor & Reporter

Developments, Inc., is unique in many ways. It was developed by four men, back in the early 20's, two mining engineers, a radio engineer, and a navigation engineer. The latter was Roger W. Clarke, head of the company; he has nursed the idea along and has seen it highly successful in California, Arizona, New Mexico, New Jersey and other parts of the States; throught the Canadian provinces where over 130 surveys were made; Soviet Russia; and now, the Philippines.

The principle of the idea is this: it is a high frequency inductive method; an electro-magnetic field envelops the ground for a certain distance, and distortions or irregularities produced by the hidden mineral bodies are recorded and mapped. A small radio broadcasting station, of about 50 watt power is used to set up the magnetic field, while a portable radio receiving set is set up combined with a direct finding coil for making readings. The distance over which the equipment is effective varies, but in the Islands about 1,000 feet is the usual distance

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to a new set-up. Instruments are enclosed in canvas covers as they are handled by five men to handle the complete outfit.



FREMONT CLARKE



This is the receiving set, by which the broadcasts made by the set shown on the opposite page are heard by means of earphones. The varying intensities of reception are recorded, and readings are made in many different locations.



Working near Ipo. Here is a crew of Developments, Inc., in the river near Ipo. A survey of the Ipo property was completed some time ago, and development work is now being carried on along lines outlined by the survey.

# Cagayan de Oro: The Golden City, North Mindanao

*More than 50,000 inhabitants, an active port and terminus of an expanding highway system coordinated with airways*

By Filomeno Bautista and Fred A. Paradies

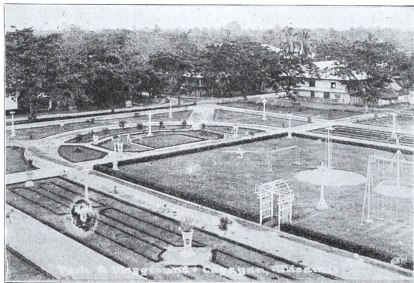
In all the Philippines there are a number of towns bearing the name of Cagayan but only one bears the glamorous appellation of *Cagayan de Oro* or Cagayan, the Golden City. What is in a name, you might be tempted to ask, but in the archives of the Philippine government as well as those of Spain and the Catholic church you will find your answer in the recorded history of this town, now Cagayan, Oriental Misamis. History tells of times when the Montescos descended from the hills and traded quantities of gold which they had panned in the upper reaches and tributaries of the Cagayan river, for worthless trinkets and salt. Gold was said to be found in practically every river and creek and for a small can of salt the Montescos would pay several *cecos* of gold, a measure approximately one gram.

To them gold had practically little value except as a means to secure the indispensable salt which cannot be secured in the hills.

The Montescos rarely bothered to pan for fine or *flour gold* but worked the creeks for nuggets, and nuggets the size of small hen's eggs have been recovered by them in the old days. Even today prospectors and mining engineers agree that this country, comprised mostly of the silt from continuous floods of rivers and creeks, is saturated with gold dust and even the streets of the town of Cagayan, if worked scientifically, would produce a small quantity of gold dust.

In point of population, Cagayan is now the largest municipality in Mindanao. It has grown by leaps and bounds. In 1910 the population was 18,000; in 1918, 31,000; and in 1935 the population had increased to 51,000.

The town itself is ideally located on what is practically the center of the northern coast of the island of Mindanao. It serves as the focal point as well as terminal of a network of inter-provincial roads and highways, such as the first-class road to Iligan, Lanao, on to Dansalan, Malabang, and Cotabato, a distance of about 289 kilometers. To the east is road leading to Gingoog, and on to the province of Agusan. Later, it is to be pushed on to Surigao. This road, at present, extends 129 kilometers. To the southeast is the Misamis-Bukidnon road which extends 160 kilometers on to Maramag, Bukidnon, which is already in the heart of the island of Mindanao. This Misamis-Bukidnon road is being continued to Davao, with



another road from this stem branching off to Cotabato.

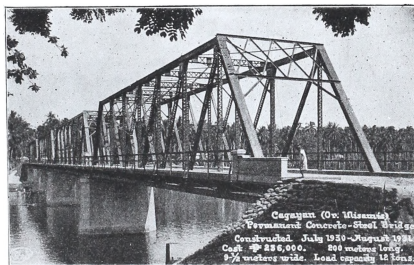
Lastly, to the south is a road leading to Talakag, Bukidnon, planned to continue to the extremely rich and fertile Ni-arayon Plateau which is an extensive plateau lying over six thousand feet above sea level, supplying most of the delicious and aromatic arabica coffee which is grown in Bukidnon. Nowhere else has this coffee been raised with such success as on this highland country of Bukidnon. There, also, are raised potatoes, garlic, strawberries, cabbages, quinine trees and a multitude of other produce which cannot be grown successfully in other places with warmer climates. This plateau has the prospect of becoming another "Baguio" for besides its cool and healthful climate, it consists of an immense undulating plain which encourages agriculture as well as a resort for vacationists.

The road to Malaybalay cuts through the largest cattle country in the Philippines. On the Bukidnon plateaus roam large herds of pure bred and mestizo-Indian cattle, and every week hundreds of heads are shipped from Cagayan to Manila for slaughter to supply the meat market of that city. A breed between the buffalo and the carabao is also raised in Bukidnon, and once broken to the plow these are shipped to the sugar haciendas of Negros as draft animals for they have the sturdiness of the carabao and the activeness of the steer.

A miniature of the Hawaiian pineapple plantations may be seen in Santa Fe, Bukidnon, where the Philippine Packing Corporation, a subsidiary of the great California Packing Corporation, has cultivated and planted thousands of acres of the rolling plains with pineapples. From a high point in Del Monte Camp, one may see, looking towards the south, oceans of growing pineapples. Del Monte Camp is only forty-five minutes by automobile from Cagayan, has a club house and one of the most beautiful golf courses in the Philippines. It serves as the airport for the army and the Inac planes, and is considered one of the best and well-kept landing fields in the country. Del Monte Camp is along the Cagayan-Bukidnon road.

About 43 kilometers from Cagayan and along this same road,

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## Geophysical Prospecting...

(Continued from page 26)

between broadcasting and receiving set. Mineral bodies can be located to a depth of several hundred feet, which in mountainous country, means that rugged regions can be even more thoroughly explored in this way.

So far the company has made surveys of the following properties:

For Benguet Consolidated

Ipo

Cal Horr

Manganese Group

Acupan Exploration

Gold Hill

Southern Cross

For Marsman & Company

United Paracale

San Mauricio

Coco Grove

For independent companies

Demonstration

Benguet Exploration

Salacot

Virac

Benguet Goldfields

and is now working on the property of Equitable Exploration in the Paracale district. All of these surveys have definitely assisted in the planning development work as well as indicating, in many cases, areas having potential possibilities previously unknown.

Errors in the early direction-finders used in navigation led Clarke to investigate the possibilities of building up errors artificially and thus use them positively for prospecting mineral bodies. With the help of the other three engineers, the idea was developed and about 12 years ago was put to practical tests in California.

Then the method was patented by the Radiore Company of the U.S.A., and was extensively used in Canadian mining fields from 1927 thru 1929. Over 135 surveys were made there including some of the largest mining properties in Canada, and the results obtained were highly satisfactory to the companies concerned. Then the process was used in California and Mexico during 1929-1930.

The group was engaged as consultants to the Soviet Government thru its Geophysical Institute of Leningrad, and spent 1930-1931 in European Russia, and then Roger Clarke with some of the crew went to Siberia. He returned to New York in 1933, and went to China to work 1½ years for the Nanking government as advisor to General Han Fu Chu, military governor of Shantung province, coming to the Philippines in 1934.

Fremont Clarke, brother of Roger, has been associated with him since 1925, and is at present in Paracale working on the Equitable job. Horace Moore, a University of California man, has also been with the Clarke for more than 10 years.

Clarke organized the Geophysical Prospecting Corporation in November, 1934, when he first arrived in the Is-

lands, and for the past year and a half has conducted successful operations. It is still in existence, but Developments, Inc., was formed to absorb it because it was felt that the field was growing more and more, and a broader scope was essential.

The operating staff of the company consists of the two Clarkes, Roger and Fremont, Horace S. Moore, William Lowry (a mining engineer from Michigan), and C. M. Peters; two crews are now available. Expansion plans are underway. The work of mapping the results obtained in the field is always done by one of the engineers.

### Davao

(Continued from page 11)

Attention ought also be invited to the social

decorum of the province. This is of extraordinarily high standard. Police are less in evidence in Davao than in any other town remembered to have been visited in the Philippines.



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**Iloilo**

Outside of the town, one romantic establishment that began with 15 daughters of Venus is reduced to a number about half that; and these women themselves, lacking patrons, hope to return to better fields farther North.

One other libel deserves clearing up. It is the libel that the Filipino surgeons who are the heads of the Japanese hospitals in Davao are figureheads. This asperses the one race and the other. It especially reflects on the dignity of the Filipinos occupying these positions. The truth may be thoroughly investigated at either hospital and in a short time.

The hospital at Mintal (Olita Development Company) has as superintendent an able young surgeon who is a son of the well-known Santos family of Pampanga. He is Dr. J. Santos Cuyugan. He went to Mintal from the health service at Zamboanga 4 months ago after health officers were deprived of the privilege of private

practice. He left an excellent personal and professional reputation earned in Zamboanga and he is making a similar one at Mintal. He will enlarge and rebuild the hospital this year, and has already reduced its rates about 50% to the great advantage of the Mintal vicinity. He is the superintendent of that hospital in every sense of the word. He reflects the utmost credit on his alma mater, University of Chicago, class of 1926.

Incidentally, Dr. Cuyugan married at Zamboanga some years ago a daughter of a Spanish family there, the Borsas. Dr. and Mrs. Cuyugan have 3 delightful children growing up to be captivating Americanized girls.

It is a matter of mere fairness to reveal the actual status of the young surgeons who head the Japanese hospitals in Davao. They compromise themselves and their country in no way whatever. More significantly, it is not

expected of them. They are chosen for their ability and they fill the bill. Dr. Cuyugan is assisted by a Japanese who is an eye, ear, nose and throat specialist. Dr. Cuyugan's own work embraces many major operations. The situation is similar at the other Japanese hospitals.

President Quezon has already fixed upon Davao's real limits: reasonable, reasonable and too small a population. He has also fixed upon a practical solution; to enable him to work this out, he has reserved for settlers an empire in Davao, Agusan and Surigao of just under 2 million hectares, or 5 million acres. Davao needs a million young Ilocano farmers and that many farmers in the Ilocos region certainly need Davao. President Quezon's plan is to invite settlers by building roads tapping the public domain. He plans to survey the reservations into homesteads, and to penetrate them with highways giving settlers means of reaching a market. That is all that is needed.

With an allotment of more than P1 million of insular funds, Davao is now in the throes of a great road-building program. The highway from Davao to the penal colony, 42 kilometers away, was to be completed in June; that to join Davao and Cotabato will soon reach the Cotabato border. President Quezon proposes an electric railway from Butuan to Davao through Butuan, Agusan and Northern Davao, about 140 kilometers long, to be supplemented by lateral highways. He will develop the penal colony as the main one in the Philippines. This tract comprises 28,816 hectares, and when men have served their time in its development, they are expected to remain there as settlers. Such penal administration has been demonstrated practical in Palawan and Zamboanga. The prisoners at Davao have opened about 1,000 hectares to date. That project can go on advantageously to all concerned for years to come. There is a further reservation at Kapalong of 2,116 hectares and another at Tagum of 4,652 hectares. These are for settlers. They will be accommodated with surfaced roads. Workmen on the roads, by the way, are paid P.80 a day.

Davao imports rice, otherwise the cost of living seems to be about the same as in provinces around Manila. The settlement of the great reservation first mentioned will consume many years. Its survey and sub-division will no doubt be tardy, and when roads are built it will be rapidly dotted with squatters whose rights will have to be determined later. But in Davao, where good land is so plentiful, such details are readily adjustable without material expense.

As President Quezon develops Davao, he will find it costing the government nothing because the revenue will offset what is spent. He will make Davao, as it now actually is, a province of considerable opportunity for everyone. After he does so, the so-called Japanese problem in Davao will dwarf to even smaller dimensions than it exhibits now. It should be no trick whatever for President Quezon, by means of his roads, to throw more Ilocano settlers into Davao in 2 years, than the whole number of Japanese now there.

What might go wrong, because the farmer invariably deludes himself with hope, is the farming itself. Calamity could come to the Philippines by the production of much more hemp or many more coconuts. The new farming should be for subsistence. No doubt it will be pointed in that direction. If it is, the experimental station of the Olita company will be an immediate and primary advantage. In fact, everything the Japanese have done will be found to be of great help. He who believes the aggressive Ilocano will not, with decent assistance in the way of public improvements, hold his own against his Japanese neighbor in Davao, is a man easily discouraged or poorly informed. President Quezon's optimism about Davao is fully warranted by the facts.

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## Evolution of Placer Mining . . .

(Continued from page 23)

90's, built and sold a number of modified New Zealand type of open connected bucket line dredges.

It remained, however, for the Feather River No. 1 dredge, built in 1898 in California, patterned after the best features of several failures, and incorporating untried innovations, to start the real present-day California type of dredge. It was a mighty contribution to the mining industry, and was used on the Feather River, near Oroville, California. W. P. Hammond figured in the early dredge history of California, made and lost several fortunes, and is affectionately known in California as the father of dredging in that state.

The present trend of dredging, owing to the difficulty of finding new shallow dredging fields such as was possible in the past, is deep dredging.

In 1934 Yuba No. 17 was put into commission in California, digging 112 feet below water level, and carrying a 30-foot bank, making a total of 142 feet from surface to bedrock.

Does deep dredging pay? Yuba No. 17 says yes—definitely yes. This operation, however, will soon be comparatively shallow, for Bulolo is going deeper, according to a clipping from the Western Mining News of San Francisco under date of May, 1936. It says:

"The engineering department of Bulolo Gold Dredging, Ltd., Russ Building, San Francisco, is designing a gold dredge capable of digging to 125 feet below water level, and to carry a bank of 40 feet, for use on the company's New Guinea properties. When built, this will be the world's largest and deepest digging dredge." It will handle ground 165 feet deep!

"This company, in the short period of four years' operating, has become one of the world's important gold producers, ranking 42nd among the world's leading gold mining companies. In 1932 its production was 52,962 ounces, increasing in 1933 to 90,373, in 1934 to 106,061, and in 1935 to 124,350 ounces, respectively."

To those of you who have read Gold Dust and Ashes, giving the history of Bulolo, and its remarkable entry into large gold production, these production figures will undoubtedly be interesting.

Being uninformed as to the length of the digging ladders of Yuba No. 17 and the Bulolo dredges, I have roughly calculated that Yuba 17's ladder should be approximately 213 feet long, and the Bulolo dredge will have a ladder approximately 237 feet long. Great problems have no doubt already been encountered by the Bulolo designing engineers. The mounting, and the stresses and strains of the digging ladder of the Bulolo dredge offer many opportunities for the application engineering formulae and safety factors. I should enjoy seeing the Bulolo digging ladder in action in New Guinea.

There is a new type of dredge being developed in California at the present time for shallow ground. It is a floating washing plant, provided with power, screen, a stacker, winches and bow lines, and is fed by a long-boom drag line. Costs are approximately 15 cents a yard. But it will only handle ground to a depth of around 11 feet below water.

It remained for the Philippines to develop the first really successful suction dredging operation that I have examined. Recently I spent several days at Coco Grove, witnessing the Rotterdam and the Hankow in action. Later the Nanking was added to the group. I saw then that, under proper conditions of type of gravel, bedrock and design of cutter and suction, plus ample power, suction dredging had come to stay.

As to the conditions necessary for a commercial success, there are many, but the most important ones are:

(a) Sufficient gold in the deposit and an adequate yardage to represent at least three times the cost of the equipment installed and ready for operation after deducting field costs. The size and cost of equipment depends entirely upon the conditions presented by the property under consideration. There must also be,

(b) Sufficient water for the method selected.

(c) Power (if dredging), transport, climate, personnel of staff, and last but not least by any means, is management. Many good placer mines have been wrecked by inexperienced

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management. Overhead from a head office standpoint is another elusive item. I seldom care to go beyond field costs when estimating the costs of any operation, and from an engineering standpoint that is about as far as any engineer should be called upon to go. Carefully worked out field costs is the basis of an engineer's estimate for amortization of the investment. Depreciation, etc., must also be considered.

The following approximate field costs will apply to the various methods of placer mining mentioned in the foregoing:

Shovelling into sluices, 25 cents to 75 cents a yard.

Power shovelling into sluices, 15 cents to 30 cents a yard.

Hydraulicizing into sluices, 3 cents to 10 cents a yard.

Hydraulic-elevating into sluices, 4 cents to 15 cents a yard.

Dredging, from 3 cents to 15 cents a cubic yard. All of these costs are dependent on location, capacity, and general field conditions.

I have only operated \$1.00 per yard ground twice in my experience. One was a hydraulic mine on Boulder Creek, in Alaska, and the other at Pato Mines, Columbia, South America, using two 8-ft. dredges. Both made money so rapidly as to cause one's head to swim, but it was wonderful none the less.

Placer ground averaging 50 cents a yard is considered excellent, and 25 cents a yard is good. In large capacity dredging, using buckets of 18 cubic feet, and where cost of plant had already been written off, ground as low as 7 cents a yard handled at a profit of 3-1 2 cents a yard! Daily yardage was around 20,000.

In the yearly part of 1935 I made a trip to the southern portion of the Republic of Panama, where on a hostile Indian

reservation I made a sluice box run on gravel averaging \$1.66 (U. S. Cy.) a cubic yard with gold at \$20.67 an ounce. I had to turn it down, on account of the attitude of the Indians. That was probably the most difficult decision that I ever made during my professional career.

## News From The Mines

... Consolidated Mines is to look over Gold River, in the hopes of developing ore. The contract, on a profit-sharing basis, was concluded August 12. Several other companies and a number of engineers have turned the property down.

... Rumors denied during the month: Gold Creek plans no merger with Benquet Consolidated; Baguio Gold is not contemplating a hook-up with Gold River; Ambassador is doing nothing at its property, and there is only a watchman on the claims; Consolidated Mines has not as yet arranged for the sale of its 10,000,000 tons of low-grade chromite in Zambales; Big Wedge has been in continuous operation in spite of refractory ore from one section of the mine.

... No trace as yet has been found of the P18,000 stolen from the Suyoc Consolidated drying-room on August 1. One man is reported under arrest, and the police are searching the Mountain Province. The precipitate stolen weighed at least 500 pounds, and must be melted down to bullion before it can be sold. A reward of P500 has been offered for information on the case.

... San Mauricio will double its mill capacity by the first of 1937 as a result of favorable underground development work. A shaft width of \$10 to \$12 ore has been opened up, and a new shaft is being started to facilitate delivery of 350 tons a day.

... Ipo will pay its third dividend on August 20, amounting to 2-1/2 per cent, or P19,293. Previous dividends were for 5 per cent each.

... A new operating company is being organized by J. H. Marsman in Hongkong, to handle mining properties developed there. No details available as yet, but Mr. Marsman, on his return August 10 from a trip to China, said that preliminary steps were being taken.

... A Diesel shovel is being used by Masbate Consolidated for open cut mining—the first of its kind in the Islands. It has a capacity of seven-eighths cubic yard, is mounted on a tractor, and is in use on the 3 level on the Wyoming section of the Panique mine.

... Capital stock of Paracale-Gunauas will be increased from P400,000 to P500,000, to finance further development work and a mill if enough ore is blocked out. Meanwhile, Nielson and Company is operating the property.

... The Bicol region is humming. Samples of ore have been sent from Bicol Gold to the States and to Europe for testing; Cabit has secured George Hezzelwood of Balatoc for its general superintendent, and is installing a pilot mill; Mayon reports good progress.

... Floramie chromite is probably on its way to the United States by now; 100,000 tons have been sold to Union Carbide, and the price is expected to be close to P4,000,000.

... Antique Consolidated has had offers from Europe for chromite and manganese, while a New York firm is said to have made offers for low grade manganese. Shipments will be made to Europe this month.

... A new company has been formed to exploit coal deposits in Sorsogon, with the idea in mind that it might be possible to produce power at the mine and sell it to the Paracale district.

... Aldecoa now has new directors: H. A. Gibbon, John Canson, R. L. Hobbs, J. F. Boomer, and A. G. Henderson. J. H. von Heiber, engineer for the company, has recommended that the 25-ton mill be put into operation.

... After five years service as president, John Hair resigned from the directorate of the Manila Stock Exchange, Enrique Santamaria being named in his place. Directors of the Exchange now are Mr. Santamaria, Gordon Mackay, J. Camahort, Pacifico Ledesma, Wm. Zeitlin, Sergius Klotz, and A. C. Hall.



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### We Take Issue . . . .

(Continued from page 18)

It is conceded that the project just mentioned has the prospect of a long milling period.

But why limit our comment to mining shares? Money made in them may be placed in other securities, and the Philippines have them. Holding that our sugar has ten years' life ahead of it, what about sugar shares, par or a little more, even double par, regularly paying 20%? Then the truck-line shares, many paying 20% and generally selling around par? While the sugar industry was in debt, this country was starving for capital. The situation is now reversed, and the old bonanza profits not yet adjusted to it. Therefore, here are yet other capital opportunities. Others exist in a few prime plantations.

This has become an empirical world. Investors who win more than they lose must be keen pragmatists—as keen as all the statesmen are!—and choose what is best under all the circumstances. Until you can go back to short-term 6% and 7% mortgages in the United States, you can't hold mining shares here or there to a dogmatic 10% net per year: your yardstick must be existing criteria only. Mark how the great insurance companies are either getting away from annuities or sharply revising their terms. What does it mean? They can't earn as much as they have been promising to pay, that's all. Money is cheaper, it no longer earns so much. This affecting the insurance companies, means that it is a worldwide condition; and a real condition, not a theory, however erudite and seemingly well based.

—W. R.

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# Men of the Mines



On the *Ferancini* property, left to right B. D. Calacallader, a Filipino capataz, and G. C. Worthington, geologist for Benguet Consolidated.

A. W. Ralston has been elected president of the Salacot Mining Company, replacing Antonio Brias. Julian Wolfson is the new president of the Gold Creek Mining Company, E. M. Bachrach having resigned because of an impending trip to the United States.

J. S. Baker is now in charge of development work for the

Batabalani Mining Company in the Paracale district.

New directors were elected by Aldersons Gold Mines, Inc., on July 30. They are H. A. Gibben, John Canson, R. L. Hobbs, J. F. Boomer, and A. G. Henderson.

O. A. Willson and J. L. Mitchell, both of Salt Lake City, arrived on July 23 to become mine shift bosses at the San Mauricio Mining Company, while J. R. Needham of San Francisco and Homer Martin of Battle Mountain, Nevada, are handling similar jobs at United Paracale.

Willson attended the Universities of Oregon and Wisconsin, and since 1912 has held various mining positions in the western United States, and Alaska. Mitchell attended the University of Utah, and has worked in Mexico and the western states.

Needham is a Colorado School of Mines graduate, and recently completed a three-year contract in South America. Martin is a practical miner with about 10 years experience in Nevada and other western states.

Harold Cogswell, who has been with Benguet Consolidated for several years, is now connected with the Salacot Mining Company.

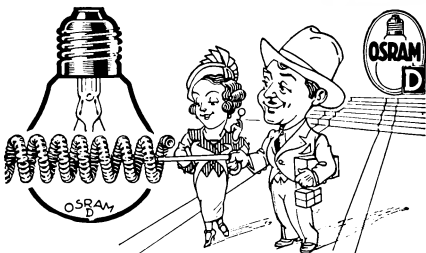
V. V. Clark, placer mining expert, has joined the staff of Marsman and Company, and will be resident engineer on the Gold Pocket property in Nueva Ecija. He is a graduate of Stanford University, and has had placer experience in North, South, and Central America for many years. He came to the Islands to attend an examination of the Agusan Trust claims in Mindanao and completed that job about two months ago.

Frank S. Parker, mine accountant at Balatoc, is now affiliated with the Engineering Equipment and Supply Company as vice-president and office manager.

J. M. Wittler has been appointed accountant at Balatoc.

L. W. Shaner of Benguet Consolidated is now on the staff of Antamok Goldfields.

George C. Dankwerth has been named managing director of Marsman Investments, Ltd., and vice-president of Marsman and Company. Mr. Dankwerth, formerly president of the Philippine Trust Company, joined the Marsman interests on July 1.



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At the Paracale Gammas Mining Co. Left to right, George Goodier, in charge of the development work, Carson Taylor, publisher of the Manila Daily Bulletin who was on a visit to the district at the time, and two Filipino laborers.

# The Better Way to Lubricate

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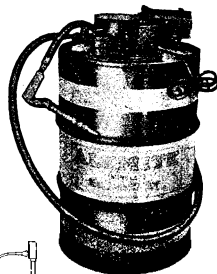
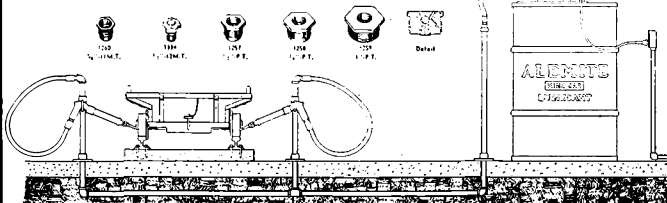
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Officers and directors of a mine under the management of Marsman and Company, Inc., retain full responsibility to their shareholders for the control of the property. The contractual relations do not materially differ from those that would have existed between the mining company and any individual they might have appointed as general manager. But the mining company secures the advantage of our collective, coordinated, expert service. Complete information is always available to the directors; and to them and their shareholders is sent a monthly, a semiannual, and an annual report of operations.

The mine management department of Marsman and Company, Inc., from its wide professional acquaintance, selects the best qualified mining engineers for the mine operating staff; plans mine development and mill construction and expansions; budgets all expenses which are submitted for approval to a sub-committee on finance that meets daily; and supervises all mine operations. For their information there is available a uniform mine cost system and a mine accounting system that has been installed in all mines under management.

*To officers and directors of mines that have been developed to the point that paying ore... gold, chrome, coal, iron, manganese... in commercial quantities is assured, or gives promise of such assurance under skilled development, detailed information will be gladly furnished regarding the functioning of the mine management department.*

## Marsman and Company, Inc.

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"Banks, like industry, are coming out of the depression through the use of printer's ink."

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... and hundreds of other prominent people have made similar statements.

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## Manila Daily Bulletin

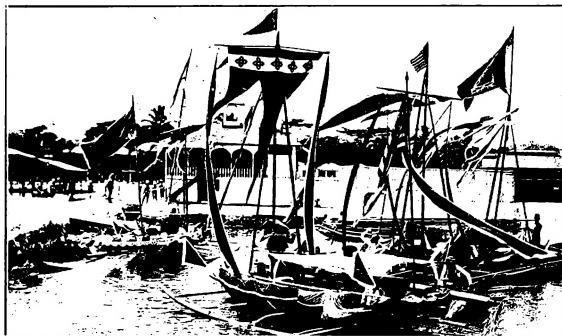


# COMMERCIAL REVIEWS



AMERICAN CHAMBER

OF COMMERCE JOURNAL



## Where Pearls Are Bought

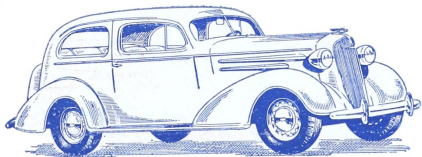
Mohammedan Vintas at the Pier in Jolo, Sulu's Capital

Jolo is one of the most advanced provinces agriculturally in the Philippines, with a system of first class highways



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IT'S good-looking—it's comfortable—it's safe, yet powerful and thrilling to drive—it's dependable and it's decidedly economical—this 1936-Chevrolet, the year's outstanding automobile value. It brings you all the features, all the advancements, that you ever expected in a motor car, all for a price which a few years ago would have been simply amazing.

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ALL steel "Turret Top" bodies—new perfected hydraulic brakes—"Knee Action"—shock-proof steering—these are a few of the features that contribute to Chevrolet safety. And it runs on LESS gasoline and oil—will serve you for extra years, giving you the most economical, dependable transportation you have ever known.

**The Only Complete Low-Priced Car**



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**Particular!!**

*It pays to be particular  
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**SanMiguel  
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*It's the Connoisseur's Choice*

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**SAN MIGUEL BREWERY**



# Davao Tales from the Hills and Valleys

*The tirelessness of Davao planters at their work compares only with the marvels of their experiences with nature in the raw*

There is a luncheon at the Davao Club as a farewell to Wm. "Billy" Gohn whose wife and children have preceded him to the United States. Since Gohn has not visited his old home in Pittsburgh, Pa., since 1903, nor has been out of the Islands since that time, he feels the folks at home are due a visit and prepares to pay them one. You have a friend who begins introducing you around, whereupon you find, because much of your past in the Islands was criminally devoted to school teaching, here among Davao officials are a number of your quondam students.

Major De Jesus commands Davao's constabulary, but you knew him in highschool at San Isidro, Nueva Ecija, as a crack second-base man or short-stop. Beles, customs collector, you knew 20 years ago at the customhouse in Manila when you were a green reporter. Other former students turn up; not merely among the Americans, among Filipinos too, Davao is generously settled with old friends. You have a remarkable 8 days with them all. Among the 74 Americans, men and women, most seem to be genuine oldtimers like Gohn. Genuine oldtimers came to the Islands with the earlier troops, 2 to 3 years prior to first teachers who, coming here in 1901, hardly qualify as oldtimers.

Gohn's farewell address is spoken in less than 3 minutes, a sweet discretion in a man in his sixties—looking about 45—with a boyish attitude toward his prospects in the booming community. He and P. J. Frank have the light and power franchise, furnishing 24-hour service with 4 big American diesels; and they also represent the Ford agency (Manila Trading and Supply Company) in Davao, where the new roads and the new highway-for-Mindanao policy open a first rate market. The Gohn plantation is down in the Padada valley, where the prize one of all seems to be that of East Mindanao Estates: Ernest H. Oesch, manager; Paul Gulick, principal owner.

There are 15 American plantations around the gulf, some of them surpassing the best Japanese plantations. The Americans operate a copra cooperative, much to their mutual advantage. The American community in Davao is the most winnowed in the Islands, it would seem. There is not a blacksheep in the lot; all are well educated, and the larger number seem to be college folk.

But running a plantation is not a rolled-sleeve job, at least not exclusively. There is work enough, but the planter doesn't do it; he lays it out for the help, and contents-himself with supervising. It was in the early years, when he had little or no capital, that he made a regular hand himself. Then he might get down to bare feet and rags, boiled rice, and such wild meat as his service rifle might bring down. But he stuck it out just the same, partly because he had no decent alter-

native, partly because he was about the last of America's border pioneers, second to none.

Now that the planters are gray and have settled back into comfort, some of their recollections approach the remarkable.

There's Byrns. You don't see him today, he's prospecting for gold down on San Agustin peninsula. Byrns and Reid, 35 years ago, were making planks from a hardwood log with a crosscut saw. Reid, reeking with sweat, said he hoped they wouldn't have to do this all their life; and Byrns, fatter and dripping even more freely than Reid, replied that faith, they would never live to complete such a life.

Locusts are Davao's worst crop enemies. They are swarming now; those too young for wings crawl in dense masses, and heaps of these wriggling masses make cars skid in driving over them.

They say in Davao that the best way to catch locusts is this: Take a pair of shoes, say a planter's last pair, and sew gunny bags to the tops for use as hoppers. Use the toes for handles, one firmly grasped in either hand. Approach your locust covertly, and at the right moment knock him between the shoe heels until he is driven bodily through one heel or the other into one of the bags. Repeat with the next locust; and when the bags are full of locusts, bury the creatures and knock off for lunch.

The one drawback to this technique is its lopsidedness; if one shoe heel is weaker than the other, one bag fills quicker and the load won't push along squarely. Skill born of persistence gets both bags filled evenly.

Planters who have no old shoes, or who are awkward at handcrafts, or lazy, wait for heavy rains to drive the locusts back into the mountains. One plan works as well as another.

Pythons, crocodiles and cobras are other interesting fauna of Davao. There is also the viper, though science knows it not. At Padada they point out to you a boy 7 years old who catches cobras with his butterfly net; and once he caught 17 crocodiles, but his sister, 9 years old, collect crustaceans at the Padada beach for the American Museum of Natural History in New York. Brother and sister have eyes like lynxes for these creatures; they have mason jars full in alcohol, few specimens alike.

The museum will pay them something, and the cost of shipping by mail. It is said to be short of Philippine crustaceans, but it will have enough when it receives the lot from these 2 lively children—as schooled to nature as a forest fern.

Whether the children partake of the munchedness of their elders would be hard to say. They tell you that crocodiles, when carabao are wallowing in the lazy streams at noon, swarm up on the carabao's backs and sun themselves. Their elders do much better; they say the largest man-eating

Lumber is a great resource of all Mindanao, and Davao is no exception. Japanese in Davao have a large timber concession from the forestry bureau, under a term of 5 years. Popular misinformation does not realize that the term is so short, nor the other basic factors affecting this concession. The land on which the timber stands is agricultural, and getting off the timber clears it for the plow. Before the concession was granted, for so short a term, many persons were making free with the timber: they were burning it off with dangerous fires, thus clearing patches here and there for catch crops, and giving no attention to erosion and other problems their vandalism provoked. They also gave the government no revenue.

This question was put up to the department, and to grant the concession for 5 years to the Japanese applicants was approved. Objectives: getting the area cleared, getting the revenue the timber should yield the government, lessening wasteful erosion, etc., and additional labor employment.

Employment of non-Filipinos in lumber projects is kept below 3% of the total personnel by regulation. Violations expose the company to risk of losing its license. Forestry revenue in Davao runs about P100,000 a year; it was P82,207 from licenses last year. Lands cleared by timbering will be new homes for Filipino settlers and farmers, being public lands.

crocodile known to have been killed was 30 feet long. But they grant he was well stretched out.

They are best about the pythons, who are first rate mousers and like, for this purpose, to rendezvous above the ceiling. An old python so ensconced at Padada, in the earlier years, grew fond of vegetable soup which the 2 cronies developing the plantation nearly always had prepared for supper. If the cook failed to watch carefully, the python would reach down when the soup was done and he could smell it, and dip his nose into the kettle and drain off the last drop. To do this he had to learn to bank the fire by piling ashes over it, and to make the soup cool he fanned it vigorously with a big palm leaf he managed in a coil of his neck.

His name was Tim. The whole household knew him and grew fond of him. But once, when the cook saw him uncoiling and making for the soup, and slapped him away, he took mortal offense. He coiled back into his lair above the ceiling, lashed about a bit, and presently, by way of the rainspout, left the house altogether and went out across the river. They would often call him, and coax him with soup, but he refused to go back into the house. This was taken to be equal to a curse upon the house, so it was torn down and another built in its place.

There is a huge python in the coconut groves across the river from the Padada homestead now. Whether it is Tim or not, no one knows; for old Tim, after the cook slapped him, never responded to his name again. If alive, Tim now answers only to the call of the wild. Everyone thinks it quaint of him, and somewhat strange.

They say in Davao that the lustier pythons have been tricked into clearing some of the fields for coconuts. These fields, such magnificent groves now, were originally clothed with scrub timber. The problem was to fall the trees so they could be burned. One way to get the trees down was to lasso a wild hog, preferably a tusker, of which there were many, tie him securely to a stout tree, and leave him to be attacked that night by a python.

The python would wrap himself around one tree after another, and pull them down in his effort to get the hog loose from its moorings; and his wild thrashing about in this gormazingand effort would clear, they say, a considerable patch of field during a single night. After that it was only a matter of getting another hog and tethering it to a tree farther along in the field.

They say Davao boasts a crayfish 3 inches long with a chubby short leg claw, and a prolonged right claw 8 inches long. He lurks in his burrow, and does have to passing prey with that terrific right claw, which operates a set of pincers. While his reputed architecture resembles that of the common crayfish, it is the length of the right claw that astounds you; yet it quite fits with other natural wonders of Davao, as planters tell of them. Do they really draw the long bow?

These Davao Americans are earnest folk, really; and they certainly acquire the latest good books and subscribe to the better magazines. One thing in their favor is, they will not use their telephones because they are all on party lines. The

government owns the system, and will put in nothing new. As many as 8 phones are on 1 line, business phones at that. The most anyone risks over such a service is, "This is John, Joe." And over the most ventured in reply, "All right, John—I'll be right over!"

Instead of the telephone under such circumstances, messengers are sent with notes; and for convenience in replying, a pencil. Yet Davao is a thriving business town.

But to the quiet veracious planters again.

One planter was found busy on his estate. He was sitting on a fallen tree, and leaning comfortably in the crotch of a branch to rest his back. He had been strolling. Asked what he was doing, he said he was calculating. He was calculating, he said, what Old 347 in Plot 19, across the hanging bridge over the river, was going to do now that the drouth was broken. His handy notebook showed that this coconut tree 19 years old yielded 347 nuts last year, hence of course its name, Old 347. He thought this lucky, because that is the tree's actual number in the plot. All plots on a plantation are numbered serially, and all the trees in each plot.

You don't count the copra per acre, but the copra per tree.

The planter said that when Old 347 is bearing its best, he just backs a cart up to it and hauls off cartloads of nuts as they fall ripe from the tree. There is some feeling that such constant exertion will undermine the man's health. Some friends are unworried, however, but others are. There is always someone more thoughtful than someone else. This holds even in Davao. It was this planter who told about the crayfish, but he admitted the creature's streamship was faulty.

He said there was another creature down his way, the kuago, or old-man-o'-the-woods. He says it isn't good to eat, but it stands about 8 inches high in a brown coat with feet like a rodent and a dismal face drawn down about the mouth like that of an oriental philosopher—ashamed of his ancestors but with great faith in them. Filipinos say the creature eats charcoal, but our lively planter finds this is because they see him foraging for insects, his real diet, on burned-over clearings. No one will kill him, he is supposed to be some eminent soul undergoing transmigration.

The aborigines half expect the kuago to speak at any time, and announce a national policy. But our planter doesn't go that far. He won't tell more than he actually sees, and it was he who told about the python Tim.

He also told about the flocks of aigrettes that visit his neighborhood at certain periods of the year, and feed in the banana brakes. He says they make the brakes as white as if covered with snow; but his aigrettes, though they have superb crests, have no plumes such as the aigrettes of the West Indies have.

When this planter has at times been extraordinarily busy, he has watched the romantic pretensions of the ubiquitous Philippine iguana hours on end. (The iguana is a large and stately lizard.) At these times the planter can't loll on his log, because it is the iguanas' promenade: it is their bench in the

(Please turn to page 49)

#### Davao Customs Collections 1935

Item	To		After	
	Nov. 14	Nov. 14	Nov. 14	Nov. 14
On Imports.....	₱218,156	₱52,574		
Immigration.....	12,320	1,936		
Tonnage dues.....	13,187	2,063		
Stamps.....	9,340	1,676		
Fines, etc.....	242	92		
Forms, legal.....	169	45		
Miscellaneous.....	995	212		
Storage charges.....	458	79		
Auction sales.....	89	15		
Internal revenue.....	14,993	3,122		
<b>Total General.....</b>	<b>₱269,550</b>	<b>₱61,814</b>		
Portworks fund.....	143,379	16,568		
Highways fund.....	33,237	6		
Trust funds.....	4,551	1,212		
<b>Total Misc.....</b>	<b>₱181,167</b>	<b>₱17,786</b>		
Carried down.....	209,550	61,814		
<b>Grand total full year</b>	<b>₱530,317</b>			

#### Davao Hemp Auctions

Davao's great export is Manila hemp and much of this hemp is produced by farmers, mainly Japanese, organized in local associations and selling their hemp cooperatively through auctions at the associations' warehouses attended by the buyers at Davao.

In any other hemp region of the Islands, growers sell their hemp independently and no guaranty is involved. In Davao this is all changed. The auctions are announced in advance, the lots in the warehouse are classified into about 4 general grades, and buyers, after inspecting the various lots, place written bids for such hemp as they want. The highest bids win, thus each grower is assured the highest current price for his hemp even though it is no more than 2 or 3 pieces in a warehouse lot.

On the other hand, the associations stand back of their classifications, and the Davao Japanese Association backs this up. Buyers have absolute protection; if any hemp, on being opened and examined, falls below classification, the discrepancy is more than made up for by the association, urged on by the general association—an extraordinarily heavy penalty falls upon the grower who tried to deceive.

## Cotabato Highway System

By LORENZO PALLASA, Acting Provincial Governor

The lengths of existing roads in the province of Cotabato may be seen below. These roads are scattered, mostly on the northern part of the province. Most of these roads are connected with the capital, although eventually all will be connected to it. Most of these roads traverse rich agricultural lands.

Class	No. of Kms.
First Class	86,189
Second Class	105,060
Third Class	45,480
Trails	249,320

### First Class Roads

	Kms.
1. Cotabato-Tamontaka	6,300
2. Cotabato-Nituan	27,000
3. Lumopog-Bual	16,903
4. Libungan-Batingawan	4,251
5. Pikit-P. Pulangi	15,162
6. Pikit-Kayaga	15,437
7. Hospital	0,400
8. Philippine Constabulary Hill	0,200
9. Cotabato Parang Road—Salimbao	0,486
<b>Total</b>	<b>86,189</b>

### Second Class Roads

	Kms.
1. Salimbao-Pinarang	4,88
2. Tamontaka-Upi	29,70
3. Nituan-Parang	2,00
4. Parang-Lanao Boundary	26,00
5. Bugasan-Sugod	2,00
6. Parang-Baeolod-Wharf	1,30
7. Cotabato-Davao	30,51
8. Kayaga-Kabanan	3,50
9. Silih-Tapodoc	2,30
10. Pagalungan	0,30
11. Nituan-Orandang	2,17
<b>Total</b>	<b>105,06</b>

### Third Class Roads

	Kms.
1. Parang-Lanao Boundary	0,74
2. Nituan-Orandang	6,00
3. Pinarang-Manuangan	2,40
4. Upi-Nuro	2,00
5. Cotabato-Davao	11,16
6. Pikit-Goetan	14,00
7. Dulawan-Maganoy	11,00
<b>Total</b>	<b>47,30</b>

The roads under construction are: Cotabato-Davao, Cotabato-Lanao, Tamontaka-Kibukay-Upi and Dulawan-Maganoy.

1. The Cotabato-Davao Interprovincial Road which is 142.7 kilometers and the longest interprovincial road in the province, passes through rich agricultural lands. Of the 142.7 kilometers, 19,688 kilometers are first class, 30,51 kilometers are second class, 11,16 kilometers are third class and 81,342 kilometers are not yet graded to date. There is available for this project the sum of P320,000.00 from Act 4197 as amended by Commonwealth Act No. 18, besides allotments from the Gasoline Funds. All efforts are being made to rush the construction of this road. All labor available is being utilized. Maximum result cannot be expected due to the incessant rain, daily.

2. The Cotabato-Lanao Interprovincial Road which is already passable is a little less than 36

kilometers. Twenty-seven kilometers are first class, 27,984 kilometers second class and 740 meters third class. This road was given P50,000.00 from the same Act where Cotabato-Davao got the P320,000.00. This amount is now enough to complete the 29 kilometers into second class, and it is expected to open it to traffic this month (July). This road gives Cotabato an outlet to northern Mindanao besides opening exceptionally rich agricultural lands in Parang and Bugasan districts.

3. The Tamontaka-Kibukay-Upi Road is 31.7 kilometers long, passing mostly through mountainous section not well adapted to agriculture. This road connects Cotabato and Upi where the Agricultural High School is. Upi and the valley beyond are good agricultural land. There are 29.7 kilometers second class and 2 kilometers third class. Of the 29.7 kilometers classified second class, 6 kilometers are but detours so that 6 kilometers are yet to be constructed, but no construction is being done at present.

4. The Dulawan-Maganoy Road is about 17 kilometers long connecting Dulawan and Maganoy. The road passes through low, flat and rich agricultural land very appropriate for rice and corn. Eleven kilometers of varying widths—2, 3 and 5 meters have already been subgraded. Occasional clearing is undertaken as it is very much used as trail. So far this year no construction is being done.

Besides these roads under construction, there are proposed roads approved for construction as follows:

1. Cotabato-Bukidnon Interprovincial Road. This is the third and last interprovincial road of the province. It was surveyed in 1931 and 1932 and approved for construction, but no construction has as yet been started. The length is 52 kilometers. It branches at Km. 87-071 of Cotabato-Davao Interprovincial Road. About half of the line is on mountain section and the rest passes through fairly good agricultural and pasture land.

2. Lumopog-Makar Road—This road was surveyed in 1929 and had been approved for construction but no construction has ever been done. This road is 135.3 kilometers long connecting Peridu Pulangi and Makar at Sarangani bay passing west of lake Buluan. With the exception of about 11 kilometers of mountain section, this proposed road passes through flat and rolling country well adapted to agriculture and pasture. It will open as much untouched land as the Cotabato-Davao Interprovincial Road.

3. Labungan-Cefaran -Maganoy Sapakan Junction Road—This proposed road, 64.3 kilometers long was surveyed in 1930. Plans and estimates were already approved but no construction has as yet ever been started. About 15 kilometers are on mountain section, 37 kilometers on rolling section and about 12.3 kilometers on flat ground. The rolling and flat sections are good for agriculture.

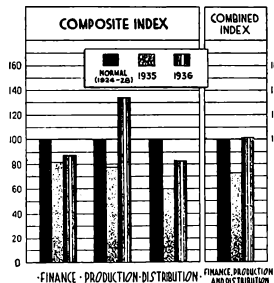
Trails have been used as means of communication in the days of old and continue to be so. Nature is so kind as to provide water transportation facilities in this province. Places not connected with roads have, in most cases, trail, either or not maintained by the government

depending upon their importance. Lack of roads has retarded the progress of the province, however, the Commonwealth government has come to realize the need of highways here, hence, its attention is now focused on road construction for economic development, a move which is and will never be regretted.

## Good Source Data

The *Journal* urgently invites its readers' attention to the many good volumes of economic statistics printed monthly and at longer intervals for the statistics division of the agriculture and commerce department. This division is served ably by Antonio Peña, a statistician of perhaps more than 20 years' experience in the department. It is headed by Leon Ma. Gonzales, a painstaking coordinator and editor. The whole division is infused with good public-spiritedness. It is felt that whoever is in need of economic data on the Philippines, and is not resorting to what this division offers, is missing valuable information. The division lays no claim to infallibility, but its work is most creditable.

There is at hand at the moment a copy of the division's *Philippine Statistical Review* comparing many data for the first quarter of 1936 with like data for the first quarter of 1935. It is neat gray covered volume of 84 pages convenient in size for the pocket. Its data are such standard items, and countless supplementary ones, as any analyst of the current business situation would like to consult. This table of comparisons appears on the cover:



We once showed at what miserable pay the rank and file of employes in the division are constrained to work, and will not revert to that unhappy situation again. We have also suggested the ease with which the division might be converted into a central agency for coordination of census data; in fact the division keeps up to date many data essential to the census, that will have to be embraced in it. The volume at hand takes 1924-1928 for its index of 100. Farm production rose in 1934 to 272, dropped in 1935 to 82, and stood during the first quarter of 1936 at 100. This is but an example of the data. Retail trade is up 16 points; exports to the United States are up 113.05% over 1935's first quarter.

A companion volume is *Economic and Social Conditions of the Philippine Islands 1935*. This covers each of the 49 provinces separately and the Islands in summary. Subscription to the *Philippine Statistical Review* issued quarterly is 1 peso a year, a most nominal charge that no doubt covers the occasional supplements too. Address: Chief, Publications Division, Box 302, Manila, P. I.

# Some of Major Vargas's Mindanao Statistics

*From "Economic and Social Conditions of the Philippine Islands 1935," statistics division of the Agriculture and Commerce Department*

*Agusan's* area is 1,112,150 hectares of which 514,900 hectares are suitable for farming and 492,610 are open for settlement. The population is 65,416 or below 60 per square kilometer. Wages average 55 centavos. The school population is 16,885 and attendance 8,218. Crop values in 1934 summed ₱713,820; coconuts ₱201,220; abaca ₱136,460; 18 other crops were grown, rice alone valued at ₱96,030. Real estate is assessed at ₱9,005,950; real property taxes per capita is ₱137.66. Gross sales, 890,131; internal revenue collections ₱72,198. Towns and municipal districts total 53; retail stores 251, of which 105 have capital of ₱200 or more. Roads measure 104 kilometers. Carabaos and cattle number only 8,548 head, indicating potential expansion of the livestock industry.

*Bukidnon's* area is 821,870 hectares of which 559,116 hectares are suitable for farming and 544,990 are open for settlement. The population is 45,271 or about 55 per square kilometer. Wages average 47 centavos. The school population is 11,913, attendance 4,499 because of the many nonchristians seminomadic in the province. Crop values in 1934 summed ₱397,620 only, abaca valued at ₱115,990 being the one crop among 20 leading ones worth more than ₱100,000. Real estate is assessed at ₱3,757,480; real estate taxes average ₱83 per capita. Retail stores number 94 with gross sales ₱214,747; there are only 56 stores with capital above ₱200; towns and municipal districts number only 11. Carabaos and cattle number 60,576, livestock being a considerable industry.

*Cotabato's* area is 2,491,580 hectares of which 1,294,890 hectares are suitable for farming and 1,233,780 are available for settlement. The population is 220,017 or about 88 to the square kilometer. Wages average 54 centavos. The school population is 57,133, attendance only 9,568 because of the many nonchristians both Mohammedans and pagans, the latter's villages often isolated from easy access from the towns. Crop values in 1934 summed ₱2,612,770; rice ₱1,857,860 is exported; the second commercial crop is banana, ₱310,680, and the third coconuts, ₱108,230. Seventeen other crops make up the 20 leading ones—these data showing the retarded state of agriculture and consequently the wide opportunities awaiting farmers when roads are further extended. Real estate is assessed at ₱9,066,490; real property taxes per capita are ₱41.21. Retail stores number 331 of which 270 have a capital exceeding ₱200; gross sales in 1934 were ₱3,154,512. Internal revenue collections in 1934 were ₱127,694. There are 38 towns and municipal districts, and 229 kilometers of highway only 86 kilometers of which were first class in 1934. Carabaos and cattle total 53,787 head only.

*Davao's* area is 1,929,722 hectares of which 1,322,680 hectares are suitable for farming and 1,195,890 were still open for settlement in 1934. The population in 1934 was 152,750 or about

79 per square kilometer. Wages average 63 centavos. The school population in 1934 was 39,487, attendance 11,308 there are 14 aboriginal peoples in the province among whom school patronage is low. Crop values in 1934 summed ₱6,155,720; abaca ₱4,878,800; coconuts ₱697,020; rice ₱141,870; yams ₱128,820; the other 16 leading crops in a list of 20 each fell below ₱100,000 in value. Real estate in 1934 was assessed at ₱42,981,330; real property taxes per capita ₱281.38 and internal revenue summed ₱484,734. Retail stores numbered 1,379, Davao having the best country-store service in Mindanao if not in all the Philippines, the number of stores with capital of ₱200 or more numbered 1,000; gross sales summed ₱13,444,500. There are 22 towns and municipal districts; highways in 1934 measured 149 kilometers of which only 57 kilometers were first class, but the highway system has been appreciably extended during the past 2 years. Carabaos and cattle in 1934 numbered 52,042 head.

*Lanao's* area is 631,700 hectares of which 363,400 hectares are suitable for farming and 223,100 were open for settlement in 1934. The population is 141,782 or about 224 per square kilometer; the many aggressive Mohammedans in Lanao practice sedentary farming and their settled communities partly explain the comparatively dense population, though it is not evenly distributed and there is much public land. Wages in 1934 averaged 53 centavos. The school population was 36,559, attendance only 7,245; public schools among Lanao Mohammedans have never been popularized. Crop values summed ₱5,510,010: rice ₱4,864,700; cassava ₱131,680; coconuts ₱108,920; and 17 other crops among the leading 20 all much lower. Lanao's potentials in the coconut industry should not be overlooked by anyone interested in that crop. Real estate was assessed at ₱4,257,170; realty taxes averaged ₱30.03 per capita. Retail stores numbered 262 of which 132 had capital of ₱200 or more; gross sales were ₱1,349,370, and internal revenue collections ₱113,689. Towns and municipal districts number 38; highways in 1934 measured 180 kilometers, 53 first class, but have since been somewhat extended. Carabaos and cattle numbered 62,082 head.

*Misamis Occidental's* area is 176,580 hectares only, of which 97,900 hectares are suitable for farming and 61,940 hectares were still open for settlement in 1934. The population is 116,066 or about 657, an extraordinarily heavy population for any part of Mindanao. Note that it is supported by only 36,000 hectares under cultivation, though some of the farmlands not cultivated yield minor products. Wages in 1934 averaged 42 centavos. The school population was 29,985, attendance 14,449; this attendance is fairly high because of the dominant Christian population. Crop values were ₱1,717,880; coconuts ₱943,890; rice ₱242,170; corn ₱222,000; the other 17 leading crops all falling below ₱100,000.

Real estate was assessed at ₱20,822,230; realty taxes per capita were ₱179. Retail stores numbered 633 of which 255 had capital of ₱200 or more. Gross sales summed ₱2,352,610; internal revenue collections were ₱136,393; highways measured 124 kilometers, 88 kilometers first class. Carabaos and cattle numbered 41,014 head.

*Misamis Oriental's* area is 270,900 hectares of which 175,680 are suitable for farming and 138,030 were still open to settlement in 1934. The population is 153,573 or about 568 to the square kilometer. Wages in 1934 averaged 41 centavos. The school population was 39,898, attendance 18,551; the dominant population is Christian and the province quite progressive. Crop values in 1934 summed ₱1,471,490; coconuts ₱931,840; bananas ₱206,590; rice ₱131,540; the other 17 crops in the leading 20 all falling to much lower totals. Real estate was assessed at ₱21,352,330; realty taxes per capita were 139. Towns and municipal districts numbered 13. Roads measured 302 kilometers, 163 first class, and have been materially extended since. Retail stores numbered 1,119 of which 458 had capital of more than ₱200; gross sales summed ₱2,932,955, and internal revenue collections ₱134,205. Carabaos and cattle numbered 41,253 head; the province is largely supplied with work stock and beef from Bukidnon.

*Sulu's* area is 280,240 hectares of which 203,440 are suitable for farming and 179,960 were still open for settlement in 1934. The population of 258,425 is almost all Mohammedan; Sulu may not be looked upon as inviting immigration, as land is quickly taken up by the Mohammedans as soon as any new road makes it accessible. The population is 921 to the square kilometer. Many products, especially fruits unique to the archipelago, are grown and will figure in the general market of the Philippines when better freight facilities offer. Farming in many communities is intensive; Jolo particularly presents the appearance of a garden supplemented with orchards and protected forests. Wages in 1934 averaged 44 centavos. The school population was 66,641, attendance only 9,926 because in Sulu as elsewhere in the Mohammedan communities school patronage is low. Crop values summed ₱381,880; abaca of a very high quality ₱145,320, and rice ₱104,100, the other 18 crops in the list of 20 coming far below these figures. Real estate was assessed at ₱5,510,180; realty taxes per capita were ₱21. Towns and municipal districts were 22; roads measured 137 kilometers, 122 first class—an extraordinary proportion. Retail stores numbered 227, of which 184 had capital of ₱200 or more; gross sales summed ₱2,801,443, and internal revenue ₱98,646. Carabaos and cattle numbered 40,096 head.

*Surigao's* area is 757,400 hectares of which 480,070 are suitable for farming and 406,730 were still open to settlement in 1934. The population is 155,458 or about 204 per square kilometer. Wages in 1934 averaged 44 centavos.

(Please turn to page 41)

**JULY SUGAR REVIEW**

By GEO. H. FAIRCHILD

**NEW YORK MARKET:** The market was inactive during the first week ending on the third, with sellers but no buyers of 2000 tons afloat Philippines at 3.75 cents while offerings of new crop sugar at 3.60 cents did not find a buyer.

An advance in values was recorded during the second week both in the Exchange quotations and in actual sugar. Small sales of Puerto Ricos and Philippines in nearby positions were made on the basis of 3.70 cents. A resale of 1000 tons and another of 2000 tons afloat Philippines realized 3.72 cents and 3.74 cents, respectively, during this week. There was a further improvement at the end of the week, with small sales of Cubas at 2.88 cents (3.78 cents duty paid) for first half of August shipment.

The advance on the Exchange from 3 to 11 points was credited to speculative buying on the strength of the reports that the prevailing drought in the western states of the Union might materially reduce the volume of the beet crop. This factor, however, was subsequently discounted in view of later reports that the U. S. beet crop, unlike other agricultural crops, would not be so seriously affected by the drought, with the result that the market became inactive again after buyers had retired from the market. Two small parcels of afloat Philippines were sold on the 16th and 16th at 3.70 cents, while small quantities of Puerto Ricos in the same position were offered at the same price.

The price of refined was reduced on the 13th to 4.75 cents from the previous level of 5 cents less 2%.

Very little business was done during the fourth week, only small sales of August shipment Puerto Ricos being made on the basis of 3.70 cents. No interest in Philippine sugar was shown by refiners. The decline on the Exchange during the last two days of this week was credited to the announcement on the 23rd that the 1936-37 quota of Puerto Rico would be allocated to the mills instead of to planters.

The market was depressed during the last week of the month, with first half of August shipment Puerto Ricos being sold to refiners at as low as 3.65 cents on the 28th. On the following days Puerto Rico sugar in the same position did not find buyers who were uninterested in any position earlier than September shipment. A slight improvement was noted as the month ended with holders raising their ideas to 3.70 cents, at which level, however, there were no buyers. The poor demand for refined was reported to be the reason for refiners staying aloof from the market. The passage of the Robinson-Patman Bill, prohibiting secret rebates and allowances generally, has temporarily at least resulted in a slower refined market.

The Suesest Corporation was offering on the 29th refined sugar for October-November delivery at 4.75 cents and for January-February delivery at 4.45 cents.

Part of the Philippine 1936 quota, namely 97,009 short tons, which Philippine producers were unable to fill during the year, was reallocated by the AAA to other areas.

**Futures:** Quotations on the Exchange during July fluctuated as follows:

	High	Low	Latest
July.....	2.83	2.75	2.76
September.....	2.84	2.71	2.74
November.....	2.82	2.67	2.70
January.....	2.62	2.46	2.49
March.....	2.58	2.41	2.44
May.....	2.59	2.41	2.44
July.....	2.49	2.42	2.45

**Stocks:** Latest figures of world stocks were 4,958,000 tons as compared with 6,189,000 tons at the same time last year and 7,324,000 tons in 1934.

**Philippine Sales:** Sales of afloat Philippines during July amounted to 2,890 tons at 3.70 cents, while resales in the same position amounted to 4,200 tons at prices ranging from 3.70 cents to 3.74 cents.

**LOCAL MARKET:** The market for export sugar throughout the month was practically lifeless. Sellers were uninterested in buyers-nominal quotations at P8.75-P8.80 at the beginning of the month. These gradually declined to P8.40 as the month ended, even at which level exporters would buy only very limited quantities.

No new feature in the domestic market was recorded except in the middle part of the month when the market was depressed owing to fears that an excessive quantity of reserve sugar might be released by the Domestic Sugar Administration later in the year for domestic consumption. The market firmed up during the latter part of the month with sales of small parcels of raw sugar made at P8.20 per cial.

**Philippine Exports:** According to reliable advices, Philippine sugar shipments to the United States during July amounted to 31,275 long tons of centrifugal and 3721 long tons of refined. The aggregate shipments of these two classes of sugar from November 1, 1935, to July 31, 1936, were as follows:

	Long Tons
Centrifugal.....	739,853
Refined.....	38,807
<b>Total.....</b>	<b>778,760</b>

Some of Major.....

(Continued from page 40)

The school population was 40,379, attendance 13,646 only. Crops were valued at P2,333,400; rice P1,067,550; coconuts P432,130; abaca P257,690; bananas P255,600; the other 16 crops in the leading 20 falling far below these figures. Real estate was assessed at P24,795,730; realty taxes per capita were P160. Towns and municipal districts were 19; highways measured 192 kilometers, 105 first class. Retail stores numbered 685 of which 231 had capital of P200 or more; gross sales were P1,645,486 and internal revenue P103,061. Carabaos and cattle numbered 53,440 head.

Zamboanga's area is 1,653,200 hectares of which 915,350 are suitable for farming and 847,520 were still open to settlement in 1934. The population is 198,662 or about 120 to the square kilometer. Wages in 1934 averaged 50 centavos. The school population was 51,461, attendance 15,606 owing to the numerous Mohammedans and other nonchristians. Crop values were P3,445,560: coconuts P1,564,150; bananas P808,660; rubber P321,370; rice P320,040, other crops in the list of 20 coming far below these figures. Real estate was assessed at P26,824,830; realty taxes were P135 per capita. Towns and municipal districts numbered 19; roads measured 324 kilometers, 68 first class, a system now much extended. Retail stores numbered 1,118 of which 682 had capital exceeding P200; gross sales were P6,399,705, internal revenue P355,949. Carabaos and cattle numbered 89,403; the livestock industry has long been important.

**Japanese Ships Many at Davao**

Ships calling at Davao during 1935 numbered 149, of which 89 were Japanese, 7 American, 38 British, 6 Panaman, 6 Norwegian, 2 Dutch, 1 Australian. Japanese ships often call at Davao in voyaging to and from Australia and other Pacific islands south of the Philippines.

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## COPRA AND ITS PRODUCTS

By KENNETH B. DAY  
AND LEO SCHNURMACHER



KENNETH B. DAY

The general situation in the local market for copra and coconut oil has continued through July in very much the same condition as during the previous few months.

COPRA: Copra arrivals were fairly heavy, being in Manila 7% over June receipts and 31% over receipts of July, 1935 while in Cebu they were 5% over June receipts and 38% over July, 1935. Manila arrivals were slightly in excess of the last ten years average while in Cebu arrivals showed a gain of some 30% over the average for the last seven years. Exports continued to take a heavier percentage of the arrivals than customary, leaving the local crushers short notwithstanding the heavier receipts. The month opened with quotations at P8.50 for rescada Manila. The



LEO SCHNURMACHER

European market became more active and prices rose until by the middle of the month P10.00 was available for rescada. The heavier arrivals allowed the mills to secure somewhat more copra, which had a quieting effect upon the market which gradually dropped and the month closed on the basis of P9.25. Prices in the provinces continued at higher levels than those in Manila and Cebu so that middlemen had difficulty at all times in covering their contracts with any margin of profit.

The European market for copra ranged from £11/17/6 to £13/10/- for F.M.M. with sundried commanding from 7/6 to 12/6 better. Pacific Coast crushers quoted from \$2.30 to \$2.75 being, at most times, considerably under the equivalent of European current bids. Italy continued to bid for copra but a larger portion of sales were made for other European countries.

Statistics for the month follow:

Arrivals—	Sacks
Manila .....	322,747
Cebu .....	361,619
Shipments—	Tons
Pacific Coast .....	10,595
Atlantic Coast .....	1,270
Europe .....	11,180
Gulf Ports .....	2,119
Other Countries .....	1,247
Total .....	26,321

Stocks on hand in Manila—	
Beginning of Month .....	16,824
End of Month .....	21,344

Stocks on hand in Cebu—	
Beginning of Month .....	14,211
End of Month .....	13,473

COCONUT OIL: The market for coconut oil in the United States has continued narrow through the month with very little business transacted for bulk shipments, the majority of transactions being in tank car lots. Prices fluctuated from a low of 4 cents to a high of 4-1/2 cents c.i.f. Atlantic ports. While European buyers were interested through the month, the local crushers were unable to buy copra freely enough to make offers which were acceptable.

Statistics for the month follow:

Shipments—	Tons
Pacific Coast .....	1,341
Atlantic Coast .....	12,294
Gulf Ports .....	2,001
Europe .....	672
China and Japan .....	10
Other Countries .....	8
	16,326

Stocks on hand in Manila and Cebu—	
Beginning of Month .....	13,585
End of Month .....	6,139

COPRA CAKE AND MEAL: The drought in the

United States had the effect of driving prices for feed stuff up to new highs for the year, quotations rising until at the end of the month as high as \$28 per short ton c.i.f. Pacific Coast could be secured. The European market has been gradually rising but still lags far behind the American market. Apparently the United States demand will be able to take care of most, if not all, of the Philippine production during the next few months and Europe does not appear interested at competitive prices with the United States.

Statistics for the month follow:

Shipments—	Tons
Pacific Coast .....	2,372
Europe .....	5,262
	7,634

Stocks on hand in Manila and Cebu—	
Beginning of Month .....	5,448
End of Month .....	4,194

DESICCATED COCONUT: The desiccated coconut market in the United States dropped during July approximately 1/2 cent per pound. Shipments were heavy partly on account of the announced increase in freight on this article which was to go into effect on August 1st. Shipments were 3,247 tons.

GENERAL: At this writing, it is extremely difficult to make any prediction of future trends in the coconut oil and copra cake market. The latest reports indicate that the drought in the United States has been broken in most places and there should be little further damage. Unquestionably there will be a considerable reduction in production of fats on account of the drought and there will also be increased importation into the United States of copra meal. The cotton crop is estimated by the government to be sufficient to cover the domestic demand for cotton-seed oil. The political situation in Europe is introducing a new factor of uncertainty into the general situation as Spain is a considerable producer and exporter of olive oil. Apparently the production of olive oil in Spain should be considerably diminished and in general any warfare tends to increase the value of coconut oil because of its high glycerine content. All these factors must be taken into consideration in order to appraise future oil and fat markets, but it is as yet impossible to competently judge their effects.

# Compliments



**SHIPPING REVIEW**

By H. M. CAVENDER  
General Agent, The Robert Dollar Co.

From statistics compiled by the Associated Steamship Lines, during the month of June there were exported from the Philippine Islands the following:



June 1936 exports from the Philippines, amounting to 252,507 revenue tons, show a shrinkage of 83,000 tons as compared to the preceding month.

Sugar shipments amounted to only 93,350 tons as against May 167, 740 tons, the 74,300 tons difference accounting for most of the June

shrinkage.

Coconut products, except oil, were normal. The oil shipments 6,013 tons were all deep tank parcels; no tanker was dispatched. Lard and margarine shipments amounted to 756 tons only.

Hemp shipments were not particularly satisfactory. The United States took only 19,317 bales and Japan 34,155 bales. Both of these markets in volume reflect the influence of increased freight rates. Europe took 52,609 bales. The total movement to all districts amounted to 111,163 bales, or 18,000 bales less than in May.

Logs and lumber shipments amounted to 13 million board feet; the United States, Europe, and Africa shipments increased slightly, and Oriental shipments held their own.

Japan took 53,391 tons of iron ore. The United States and Europe took 1,781 tons of chrome and manganese.

Tobacco shipments amounted to 3,481 revenue tons, practically all to Europe. Cigars, rice, and rope shipments were below normal. Embroideries, furniture, gums, and cutch shipments in volume were normal. Japan took 545 tons (40 cuft) and the United States 212 tons of Kapok. The heaviest monthly movement of this commodity noted for several years.

The pineapple packers forwarded 1,748 tons. China took only 260 long tons of mangoes.

Passenger departures from the Philippines during the month of June continued to decline as compared with the previous month. While this decline is expected on account of the rainy season, the figures for this month compare well with those of the same month last year. Passenger carryings to Australia and the Dutch East Indies increased over those of last month, mostly tourists from the United States.

The following figures show the number of departures from the Philippines during June 1936:

	Inter- mediate	Third
China and Japan .....	46	149
Honolulu .....	3	0
Pacific Coast .....	31	80
Europe via America .....	2	3
Straits Settlements and Dutch East Indies .....	21	3
Europe and Mediterranean Ports beyond Colombo .....	36	4
Australia and Belawan .....	15	0
America via Suez .....	1	0
<b>Total for June, 1936 .....</b>	<b>155</b>	<b>239</b>
<b>Total for May, 1936 .....</b>	<b>319</b>	<b>385</b>
<b>Total for June, 1935 .....</b>	<b>165</b>	<b>222</b>

To	With		Of Which Tons	Were Carried in American Bottoms With Sailings
	Tons	Sailings		
China and Japan .....	76,701	40	843	6
Pacific Coast Local .....	29,864	18	18,600	10
Pacific Coast Overland .....	707	10	481	6
Pacific Coast Inter-Coastal .....	3,959	12	3,500	9
Atlantic and Gulf .....	103,934	30	4,209	5
European Ports .....	33,279	24	701	3
All Other Ports .....	4,063	28	336	7

A GRAND TOTAL of 252,507 tons with a total of 95 sailings (average 2,660 tons per vessel) of which 28,670 tons were carried in American bottoms with 13 sailings (average 2,200 tons per vessel).

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## LUMBER REVIEW

By ARTHUR F. FISCHER  
Director, Bureau of Forestry



Lumber and timber exports in May registered an increase of 8% over the previous month and 31% as compared with the same period in 1935. Consumption of the Japanese market during the month under review, constituting 63% of the total

lumber and timber exports to all foreign markets, was all in the form of round logs. Demand for timber concessions is keen, which is in a large measure due to the increasing exportation of logs to Japan. Log shipments to this market in May aggregated 9,633,704 board feet as against 7,300,856 board feet for the corresponding month last year, or an increase of 31%. It is possible that some of these logs after having been sawn into lumber in Japan were reshipped to Singapore in competition with the locally manufactured product as recent reports from the latter state that Philippine lumber is being dumped into this market. The Philippines since January of this year has been shipping to Singapore creosoted Apitong piles and only small quantities of Calantas lumber for special purposes and it is not possible that these shipments would create a disturbance in that market.

Exports to China totalled 2,293,840 board feet, most of which were round logs. It is not impossible that some of these were also reshipped to Singapore. It might be noted here that formerly China was importing but small quantities of Philippine logs, but due to the dumping of Japanese, manufactured lumber from Philippine logs in that market, Shanghai lumber concerns were forced into the importation of logs from the islands in order to meet Japanese competition.

As had been repeatedly mentioned in previous lumber reviews, the exportation of round logs to Japan is detrimental to the sawmilling industry and to local labor. The situation of the lumber industry in this respect is exactly the same as that of the local hat industry. A bill is now under consideration by the National Assembly to prevent the exportation of buri fiber in order to save the hat industry. It is believed that the National Assembly should on the same principle take a similar action with regard to the lumber industry before it is too late.

Shipments to the United States during the month under review registered a slight decrease compared with the same period last year. Out of the total amount, of 2,366,768 board feet exported to that market, 45,792 board feet were round logs or squared timber for veneer purposes, and the rest were sawn lumber.

As usual consumption by Great Britain and British Africa were in the form of sawn lumber. A decrease was registered in the consumption of the former country as compared with the corresponding period last year. This decrease, however, was more than offset by an increase of shipments to the latter market.

Mill production for May totalled 20,748,583

board feet as against 20,469,692 board feet for the same month last year, or an increase of 1%. Lumber deliveries exceeded production by 4%. A slight slump is noticeable in the local markets, which is, however, to be expected at this time of the year due to lessened activities in construction as a result of the rainy season. It is believed, however, that the situation of the local markets at present is better than last year for the same period.

The following statements show the lumber and timber exports, by countries, and the mill production and lumber inventories for the month of May, 1936, as compared with the corresponding month of the previous year.

## Lumber and Timber Exports for the month of May

Destination	1936	
	Board Feet	Customs-Declared Value
Japan	9,633,704	P172,684
United States	2,366,768	176,430
China	2,293,840	65,883
Great Britain	429,936	41,024
British Africa	207,336	12,646
Australia	89,040	8,001
Denmark	19,504	2,401
Other British East		
Indies	14,416	1,175
Greece	12,720	1,113
Spain	12,720	788
Hawaii	5,512	776
Portuguese Africa	5,088	256
Netherlands	5,088	650
Singapore	848	173
Ireland	—	—
Hongkong	—	—
Sweden	—	—
<b>Total</b>	<b>15,096,520</b>	<b>P484,002</b>

Destination	1935	
	Board Feet	Customs-Declared Value
Japan	7,300,856	P119,038
United States	2,596,152	150,903
China	434,176	19,914
Great Britain	630,064	61,782
British Africa	126,352	8,683
Australia	251,008	18,361
Denmark	848	117
Other British East		
Indies	—	—
Greece	—	—
Spain	—	—
Hawaii	19,504	2,605
Portuguese Africa	53,000	2,715
Netherlands	—	—
Singapore	—	—
Ireland	21,624	1,848
Hongkong	6,784	613
Sweden	5,936	636
<b>Total</b>	<b>11,446,304</b>	<b>P387,805</b>

NOTE: \*This represents mostly solid log scale, that is, 424 board feet to a cubic meter.

## For 50 Mills for the month of May

Month	Lumber Deliveries from Mills	
	1936	1935
May	21,649,939	19,992,548
	Lumber Inventory	
	1936	1935
May	33,501,818	31,728,477
	Mill Production	
	1936	1935
May	20,748,583	20,469,692

NOTE: Board Feet should be used.

## TOBACCO REVIEW

By P. A. MEYER



RAWLEAF: No developments in the local market during July but prices continued firm. The two typhoons that passed Isabela and Cagayan did very little damage to the tobacco, all of it being stored in farmers' houses. Buying of the 1936 crop is expected to begin some time in

August. About 93% of the total July exports was consigned to the Spanish Monopoly. Comparative figures are as follows:

	Rawleaf, Stripped Tobacco and Serapa Kilos	
	1936	1935
Belgium and Holland	6,742	1,766
China	6,940	214
Hongkong	15,403	1,008,504
Japan	708	46,104
North Africa	1,086,381	813,898
Spain	1,242,818	8,929,790
Straits Settlements	11,239,773	12,045,129
United States	13,780,365	16,530,659
July, 1936	93,726,623	118,458,256
June, 1936	813,898	1,242,818
July, 1935	8,929,790	11,239,773
January-July, 1936	12,045,129	13,780,365
January-July, 1935	93,726,623	118,458,256

CIGARS: Shipments to the United States compare as follows:

	Cigars
July, 1936	12,045,129
June, 1936	13,780,365
July, 1935	16,530,659
January-July, 1936	93,726,623
January-July, 1935	118,458,256

## Land Revenue Small

Public lands yield little revenue, the government keeping the charges for their use purposely small to encourage settlement. The lands bureau reports only P54,227 from Davao lands last year: From leases P29,068; from sales P17,598; from fees P7,543, of which P6,066 was homestead fees and P1,477 permit fees. The products of the land yield revenue under various taxes, primarily the sales tax, upon entering into commerce.

**MANILA HEMP**

By H. P. STRICKLER  
Manila Cordage Company

During the month under review, there was better demand in the U. K. and Continental markets; prices advanced slowly but steadily, and a substantial business was reported.

The New York market remained quiet and steady during the entire month. Buyers rarely showed any interest in buying, and the few quotations given in that market were on the whole 1 4 cent below the parity of the local market.

Locally, all markets continued firm with sellers asking prices considerably higher than the parities of London and New York. Sales were frequently made in Manila and Cebu at prices substantially above what could be obtained in foreign markets. No doubt the high prices paid were in anticipation of better foreign demand during August and September.

The local markets closed with business done at the following prices:—

June 24th		July 31st	
	P21.50		P22.00
CD	19.75	E	19.50
F	18.25	F	17.75
I	17.00	I	16.50
J1	15.00	J1	14.50
G	12.25	G	12.50
H	10.25	H	10.75
J2	12.25	J2	12.50
K	8.75	K	9.25
L1	8.00	L1	8.50
L2	6.50	L2	6.75

**"Flying Dutchman" Airway to Europe**

Immemorially Bagdad was a depot for great caravans freighted by cameltrain the treasures of the East to the West. Now it is a depot for 5 intercontinental air services. Among these 5 rivals, Holland and the Dutch East Indies are proud of the "Flying Dutchman" service with its Fokker-Douglas machines flying Amsterdam to Batavia in 5-1 2 days, a trip combining eastern calm with western speed. Planes start from Amsterdam and Batavia on Wednesdays and Saturdays; they arrive at Amsterdam and Batavia Mondays and Thursdays. These are the weekly schedules.

The trips are like flights by magic carpet. The traveler sees the sun rise over the Western Tower at Amsterdam, and he will behold it setting from the Parthenon at Athens. Today breakfast is at the Carlton at Amsterdam, and day after tomorrow luncheon will be at Jask on the Persian gulf. That evening a stroll may be enjoyed in the gardens of the State Hotel of His Highness of Jodhpur, 3 days after leaving home. The next night the beautiful Burmese women near the Golden Pagoda of Rangoon may be admired, and thence, Singapore and Batavia are but a cock-stride away.

This remarkable service based on the prize Douglas plane is represented in Manila by Eastern & Philippine Shipping, on the Escolta at the foot of the Jones bridge.

**REAL ESTATE**

By P. D. CARMAN  
Addison Hills



July sales for the past five years were as follows:

1932	P 700,395
1933	797,175
1934	683,129
1935	3,710,335
1936	1,217,026

Two exceptionally large transactions in July of last year abnormally swelled that total. Last month's sales indicate a definitely favorable increase in normal business.

Sales City of Manila  
June July

	P 111,081	P 188,961
Sta. Cruz	86,496	72,764
Sanpalooc	99,694	437,672
Tondo	382,166	78,550
Binondo	18,016	60,753
San Nicolas	82,458	5,000
Ermita	120,329	94,567
Malate	20,649	80,716
Paco	33,782	24,709
Sta. Ana	4,671	700
Quiapo	6,000	154,175
San Miguel	104,000	10,818
Intramuros	7,236	1,594
Pandacan	5,456	6,047
Sta. Mesa		

P1,082,034 P1,217,026



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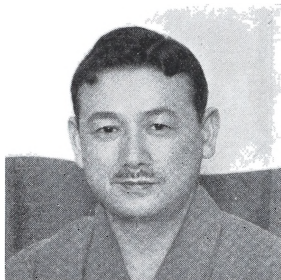
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## Consuls In Manila:—K. UCHIYAMA

By BETTY SIMPSON



CONSUL-GENERAL K. UCHIYAMA

Japan's Consul General has been in diplomatic service for some 30 years, starting when 17 years old. His birthdays have been celebrated in traditional Japanese fashion no matter where duty called him. But, as he recounts with a chuckle, not until assigned to the Philippines was his natal day one of high celebration. For he was born the same day (though not the identical year) as Commonwealth President Manuel L. Quezon.

Totalling 16 years in China, speaking Mandarin, Mr. Uchiyama indulged a youthful ambition for authorship by writing a number of books based on his studies there. When 22, he wrote in English a guidebook of Nanking. Later, a similar work on Shanghai came from his pen. More extensive was his volume on Chinese customs and their relationship to commerce, which took 8 years of research and writing.

Poems and articles, too, have occupied him, in

contrast to diplomatic documents which his career demands. These have appeared in numerous magazines. However, the clippings were destroyed in the great earthquake at Yokohama, where the Uchiyama home is.

"I am not brave enough to publish a collection of poems," Mr. Uchiyama replied when queried. "Everyone in Japan writes poetry."

Another hobby of the Consul General's is that world-wide indulgence of technically-curious men in mechanisms and artisan products. Whether in joke or not hard to discern, Mr. Uchiyama said that in choosing foreign-office service he necessarily had to forego a career as technician. At his Manila residence he enjoys doing a bit of carpentering; he also intimates that the interiors of watches have great fascination for him.

A mercantile career was the logical outcome of his preparation at Yokohama Commercial College, but this too was waived for diplomacy. Nanking, Fuehow, Shanghai, Chifu and then Mukden in Manchuria were his Chinese posts. In 1918 he first served at Washington, D.C. in the Japanese embassy. His chief was K. Hirota, then first secretary, now Premier of Japan.

New York saw him as Consul, later acting Consul General in the absence of K. Saito who is now Ambassador at Washington. The years 1926-1929, in the United States, Mr. Uchiyama remarked, were crammed with commercial well-being.

Specially commissioned, he spent a subsequent 8 months reopening the Japanese consulate in Cuba. Afterward, Seattle was his home for 4 years, and his 3 daughters attended public high school at the time. They had finished high school courses in Japan, thus they received two separate types of education, sharing an experience ordinary to Japanese residents in Pacific coast cities. Married, one daughter resides in Korea; another in Manila. The third died in

Seattle. Death is part of life to the Japanese.

The differing ways of Nippon have intrigued countless distinguished visitors, and an endless stream of tourists, to the island empire. For them, many a magazine in English is published, artistically embellished with photographs. Interesting is the table of contents, *Travel in Japan*, summer number, 1936: *Summer in Japan*, by Frank H. Hodges; *My Japanese Lady in Summer*, Andrew F. Thomas; *Angling in Japan*, Seiran Nagata; *Japanese Fishing Tackle*, Feodor Chaliapin; *In Praise of Fireflies*, Mikinosuke Miyajima; *Iwakoe*, George Caiger; *Charlie Chaplin Talks of Japan*. Illustrations, as always, are first rate.

Travellers report courteous treatment of late in Japan. The official tourist bureau offers assistance, is building new headquarters in Tokyo.

The third student educational trip, Manila to Japan, is being organized for 1937, is advertised as a 50-day trip of visits to educational, historical, industrial and agricultural centers.

Japanese organizations in Manila are few but well-organized. The Nippon Club is under the presidency of S. Dazai of Yokohama Specie Bank, is a social center. Commercial in nature is, naturally, the Japanese Chamber of Commerce, also the Japanese Association.

A school of Japanese Language has been opened in Manila under Rev. Hideo Yamanouchi of Hongwanji Mission, which also sponsors the Philippine-Japan library. The student who obtains the highest honors during the school year will be given the privilege of joining the above-mentioned tour free of charge. A Tagalog dialect course is offered to Japanese students.

An addition to Consul General K. Uchiyama, Japan is represented in the Philippines by J. Kihara, Vice-Consul, who was long in Manila, then transferred to New York for 6 years, and is again stationed here; by Consul I. Shibata in Davao; and a competent office staff.

## Men Downtown

Bustling tourist business followed the arrival of many a tour party in the last month. You remember suddenly that July is summertime at home. For some fifteen minutes one Sunday morning, 5 major boats were tied up in Manila harbor, either embarking or debarking vacationists from the United States, Australia, and Europe. Almost a record conclave was this of the Hoover, Russia, Victoria, Grisenan, and not last, Tanda of Australia.

Professor E. B. Conant headed a group of 30, auspices of American Express. Another party of 30 was led by Dr. F. E. Emmons. Eleanor K. Scott managed the annual Lebernan tour of 20. The Japanese Parliament mission of 14, arriving on the Maetan from Davao, was headed by S. Koyama.

The Orient Jade tour, 25 members, was conducted by Mrs. S. H. Cuen for American Express. Guests of the exclusive Desert Inn, Palm Springs, California, arrived under the genial guidance of J. C. Giegie.

Two tours were booked by Mrs. C. G. Brownell, herself heading the party going 'round the world de luxe, and Norma Sante managing the Orient tour. Next year, 4 or 5 such groups will

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be assembled by Mrs. Brownell.

Pacific Northwest interest in the Orient was shown by Orr Noble's group of 20. Maude May Babcock's gathering brought 25 more.

An educational tour headed by Dr. Emory Bogardus, sociology department dean, University of Southern California, found much of interest in visiting Manila. Dr. Bogardus was guest speaker at University of Philippines.

Almost a saga of home-town boy making good is the story of T. J. Flynn, who with his wife and daughter arrived in Manila for three weeks' visiting. As a lad he was signal boy for Admiral Dewey, saw the battle of Manila Bay. Now retired from the mining game, he nevertheless made inquiry about Philippine gold mining.

Elisha Lee left for Washington, D.C., after more than two years with the sugar administration in Manila, where his many friends wished him equal success in a new administrative position.

Returning from an extended American trip, John H. Murphy was feted in Manila and resumed his management of Houston Rubber Co.

From Shanghai to take the place of Ed. Pimley, C. Seitz joins the American International Underwriters.

The newspaper fraternity shouted farewells to comrade Dinty Moore who with his family sailed for the United States to stay. The despedidas were many and mighty. Dinty's departure breaks up the old gang, consolation is the arrival of Dick Wilson as new United Press representative.

S. S. Taylor, of the P.C.C. at Cebu, spent a few days in Manila before sailing over the bounding main.

On a 6 months' trip to Chicago and way points, John McCord of Blue Bar Coconut will order many a coconut macaroon for memory's sake.

W. E. Griffith joins the gold miners in a special capacity, that of operating the first Marion Diesel shovel used in place; its capacity 7 8ths of a cubic yard.

Deputy High Commissioner Weldon C. Jones spent a week in Manila, then returned to Baguio.

Dean Dimick's family arrived, was met by him, and all sojourned to San Mauricio.

Tom M. Powell and folks came from Iloilo for a week's gadding in Manila, then the family left for a San Francisco vacation.

Dr. R. H. Walker arrived from Baguio, greeted his many friends.

Before leaving for America via Europe, Leonard Self of the Texas Co. at Cebu spent a busy week at the metropolises.

Coming from Portland, Oregon, to visit his brother, George Start saw a Manila sunset through the tracery of palms and is considering a permanent stay. Retired from the cement business, he spends most of his time playing a favorite violin.

Francis Lloyd, comptroller of Notre Dame University, was a Manila visitor, no doubt missed the football atmosphere of South Bend and mayhap was amazed to find schools getting along without touchdown incomes.

This far-flung outpost of Yankee ways is always a delight to tourists. So are they to Manilans, who great-heartedly enjoy the visitors' wonderment, sometimes their gullibility and awe at a tall story. Welcome, and come again!

## THE RICE INDUSTRY

By PERCY A. HILL  
of Manila, Nueva Ecija  
Director, Rice Producer's Association



Rice and paddy prices remain about what they were at date of July's report. Luxury rice grades are quoted at P7.10 to P7.80 per sack of 57 kilos, macans P6.60 to P6.75, with practically no fluctuation. Prime paddy is P3.40 to P3.45 per cavan of 44 kilos, macan paddy P3.20 to P3.35. Arrivals have been far below those of last year, and these dwindling supplies are due in part to disinclination to lower stocks too much

when they will be needed later for local subsistence.

Planting in the central Luzon plain is progressing normally, under normal conditions, with the advent of the rains. Moisture however is 50% below that of last year. There is hope that this will remedy itself, but unless timely rains are heavy enough to supply the irrigation systems these will be of no use at all. Irrigation benefits about 1 4 of the plain; that is, the permanent systems do. The remainder, 3 4 of the rice areas of the plain, depends on rainfall.

Some danger from locusts, cutworms and drought has been reported in restricted districts, but so far the root-rot diseases have not been observed—a condition due no doubt to the lack of rain. Root-rot will probably make its appearance later, the season for it is early as yet.

There is little need for food campaigns in the rice areas. The people do that themselves, and have always done so. Anybody can take the credit for it if he desires. Just that the scarcity of rice may be hard to arrive at. The periodical reports show little supply and no reserves, and the supply is largely in the hands of small producers; hence the difficulty of any compilation, for most reports of this nature are useless even before they are recorded.

Manila is likely to pay for the sunny weather it has been enjoying in July and August with a very seriously depleted rice crop in the central Luzon plain. There are many indications that the crop will suffer quite widely both from drought and pests.—Ed.

## Can You Use Him?

An American 52 years old and saying he is good health, writes that he is unable to find work although he has approached every company he could think of. His name is Charles E. Keeler, and his address 2432 Leonor Rivera, Sta. Cruz, Manila. He says he knows about electrical mechanisms on agricultural machinery, radios, refrigerators, stoves, ranges, etc., and he should be able to furnish references in this line. His letter indicates a very sincere desire for work. He can help install machinery, and repair it. He has had some experience in managing plantations in Bulakan and Rizal.

This notice is printed without charge in hope that it may find Mr. Keeler temporary employment at least. He has lived in the Islands 32 years.

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# Manufacture of Highgrade Cellulose Starts Soon

*Bobo bamboo brakes on Talisay river in Bataan offer permanent supplies of raw material on 5-year rotation basis*

Under leadership of Colonel F. Hodson, head of Warner, Barnes & Company, a syndicate has been organized for manufacture of bobo bamboo pulp for making paper of fine quality. The capital exceeds \$2,000,000 and the plant will be built at Tanoto on the Talisay river in Bataan where the bamboo can cheaply be brought, mainly by rafts on the river's tributaries. The mill will soon be installed.

The site is in the midst of the largest stand of bobo known in the Philippines. The thin bark of this bamboo is a primary factor in its economical manufacture into cellulose, or pulp. The world uses 17 million tons of cellulose a year and the demand is growing while the ordinary source, forests of spruce, fir and other soft woods, decreases fast enough to make all forest experts sound a general alarm. Though paper exhibits the major use of cellulose, rayon uses much of the refined product and no small quantity finds uses in the nitrocellulose explosives.

That even America has a failing supply of cellulose for paper is attested by the presence of pulp in her tariff free list, an advantage to any pulp industry established here since it may look to a free American market after independence.

The pioneer work on bobo bamboo for paper pulp was done in the Philippines many years ago, and was taken advantage of long ago by the French in Indochina. England's attention was also attracted, in India, and there the government spent \$300,000 at Dehra Dun working out the problems involved at a station including a complete experimental factory that at last turned up a successful bleaching process making bamboo pulp, always otherwise fit, suitable for fine white papers.

It is with all this knowledge that the Philippine enterprise begins. Moreover, it has the

information of the forestry bureau about bobo, its growth, regrowth after cutting, etc., showing that the rotation will be one of 5 years. After 5 years a brake once cut over will be ready for cutting again, assuring a permanent cheap supply of the raw material.

The syndicate's expert, William Raitt, verified the forestry bureau's assertions before making his report recommending the Bataan region as the right site for the factory. The Talisay brakes will yield, he estimates, 103,000 tons green weight a year, 62,000 tons dry weight, 28,000 tons cellulose. Nearly another supply is estimated at 24,000 tons cellulose a year, promising the possibility of plant expansion.

Expert Raitt finds bobo superior, from the reduction viewpoint, to Indian bamboo at Dehra Dun. The culms yield an average of 5 kilos trimmed dry weight, and the yearly production of new culms is 33% as against 20% in India. This indicates a rotation of 3 years, but 2 years are added as a margin of safety.

Bambo yields 45% cellulose, wood 33%. Expert Raitt estimates his raw cellulose will cost \$13.90 per ton, against even Sweden's cost of at least \$25 per ton for raw wood cellulose. He says it is generally recognized that bamboo is the only alternative to the coniferous woods, for cellulose, and that eventually it will supplant them. Figuring an average price of \$110 for the output he leaves an attractive margin above the total estimated cost. America is not the sole market, nor probably the first.

The prime prospective market is among the esparto papermakers of the United Kingdom. They are the exclusive makers of this fine paper, partly because of hereditary skill among them, more essentially because they get the raw material at less than it costs others. Esparto grass is a product of North Africa; there are no pulp-

ing factories there, and the grass is baled and sent to England. Mediterranean tramps pick it up on their homeward voyages at low rates, since for want of cargo they are generally in ballast. Yet this does not serve to increase the supply, that stands at 300,000 tons a year and has had to be supplemented with wood-pulp and cottonrag cellulose during late years.

Rag cellulose is limited in quantity, wood cellulose too coarse for esparto paper, and bamboo is reported to be just right—quite indistinguishable from that of esparto grass itself. The makers have been buying bamboo pulp from India, so they know what it is. It makes a silky closely compacted paper suitable for high-class printing, lithograph, chromo, and art printing, and this paper is an import of the United States.

The forestry bureau reports that bobo could be widely propagated in the Philippines and a very large supply assured.

## Soy Culture Lacking Here

There are about 11,000 plant species in the Philippines, therefore it is found that the plants grow here that yield many of the manufactured foods that are important Philippine imports. The plants grow here, but there is no commercial exploitation of their products beyond their sale in the natural state in local markets. This is true of soybeans, whose history in Batangas runs beyond written records; soybeans may have been introduced into the Islands by Chinese or Japanese, or it may be that they are indigenous here and have only been transplanted to other countries.

It would now be possible to do something with Philippine soybeans commercially. Imports are large, indicating a steady market; in 5 years from 1929 to 1933, no less than 24,631,293 kilos of dry soybeans valued at \$2,296,480 were imported into the Islands, and value of soy sauce imported ran above \$130,000 a year. Because soy is a legume, it fixes nitrogen in the soil and works valuably into schemes of crop rotation; it makes a good cover crop and a valuable one to plow under as a natural soil fertilizer.

So long as the Philippines neglect soy cultivation, they will more than simply lag behind the world at large, for they will lack a vital constituent of a balanced diet whose cost is within the reach of the masses of their poor. The fact content is only about 20%, but the protein content resembling that of lean meat runs about 35%. Soy foods are easily made, founding soy manufacturing here involves no great problem of skill or capital. It is unnecessary now to grow soybeans for making the varied industrial products chemists have derived from them, but these would eventually be turned out if the supply ever became adequate. As America imports soybeans, they are a crop that would give no offense to American industry if they were grown here.

Director Silayan of the plant-industry bureau is bending his head to this problem. He hopes to breed high-yielding varieties from the hardy Batangas varieties now grown as far north as Ilokos. The advantages are so obvious that it may be feared he will fail; though the very milk soy produces is needed here, very often the thing a farmer ought to do is precisely what he will not do. Soy in the Philippines is a classic example of this, which might be ended by trying large fields on the plantation scale.

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### Davao Tales . . .

(Continued from page 48)

park. Frankie Iguana meets Johnnie Iguana there, and up and down they go, the planter says, with much hauteur. They don't croon, but each moves its long graceful tail in croonish manner. Each tries to outstrut the other, and they take turns; one is audience while the other is Fred Astaire or Ginger Rogers, dependent on whether it is Frankie or Johnnie.

At last, quite suddenly, faster than the eye follows, Johnnie improvises a new routine and closes the show with it. Frankie's nestful of eggs is cuddled under the edge of the log in the warm sand, and when her children come they are fatherless and must shift for themselves; for they are also motherless.

As the evening wears on and the Scotch in the bottle falls low, the planter leaves Frankie and Johnnie winded and happy and turns to the tabon. He says this stocky woodshen digs a nest 4 feet deep in the ground and fills it with 19 to 31 eggs; and he says her mate takes turns at helping dig this nest, and then at standing guard over it. He says they work together for days, at 5-minute spells, perfecting the nest. When the eggs are in it, and humus has been put into it to keep them warm, the hen and her mate fill it up and mound it over, 2 feet high.

Out of this nest, he says, the chicks, once hatched, worm their way one at a time. The incubation, you see, has begun at once; and so from the first egg the first chick emerges and begins digging his way out. He is the pioneer, the others following in due course and having a much easier time of it. Once out, no chick seeks its mother. It just shrugs its shoulders and goes out into the woods on its own. Have the hardy and able Davao planters imitated the tabon unconsciously? This at least is true: out in the woods, entirely on their own, every home tie broken irreparably, the planters have done, and are now doing, excellently for themselves.

You would say, on summing up, even their careful truthfulness is more than exceptional.

### Current Data on Mindanao's Lumber Industry

Thirty-nine mills pay yearly salaries and wages exceeding P2,250,000 and forest charges exceeding P600,000.

During 1935 there were 39 sawmills operating in Mindanao. They hired 6,718 workmen, cut 712,216.34 cubic meters of timber, and paid in forest charges P600,334 to the Philippine government. The bureau of forestry, furnishing this data, adds an estimate of P2,276,429 paid out by the companies in salaries and wages; taken with the forest charges this totals an outlay of P2,876,763. One of the patrons of this issue of our magazine is Joseph S. Johnston, operating 3 sawmills, sometimes 4, in the Zamboanga vicinity and having a groups of lumber yards in the Bisayas through which much of his lumber is sold.

The largest of the Mindanao mills is that of Findlay Millar Timber Company at Kolambagan, also in Cotabato, their main office in Manila; all the great mills are particularly interested in the export trade, and the Japanese companies limit themselves mainly to sale of logs to Japanese mills in Japan.

Mindanao timber is of prime quality and comprises all the classification common to the Islands.

Mindanao has 6,458,625 hectares of commercial forest, a permanent property of the Philippine government ably administered by the forestry bureau charged with the classification of all public lands in the Islands and with the protection and preservation of the forests as well as the leasing of them for logging and lumbering purposes. The legacy the Philippine people have in Mindanao's forests alone is a veritable treasure; it is not only inexhaustible, but a source of increasing public revenue.

The 6,458,625 hectares of Mindanao commercial forests are about the equivalent of 17,000,000 acres or roughly some 26,565 square miles in a total area of about 39,000 square miles. Such figures show graphically the very limited exploitation of Mindanao's natural resources. Anyone interested in vast supplies of prime timber should give these data attention.

Mindanao also has 1,639,060 hectares, or about 2-1/2 times that many acres, of noncommercial forest on lands suitable

for farming, in the main, after the forests are cleared off. On some of this area, the forest has some commercial value and will repay the cost of clearing. As elsewhere in the Philippines, the forest administration in Mindanao assures the farmer protection of the watersheds affecting rainfall, floods and drouth.

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I ENCLOSE 30 CENTAVOS IN STAMPS FOR WHICH PLEASE SEND  
ME A SAMPLE TIN OF "MILO" FORTIFIED TONIC FOOD.

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ADDRESS \_\_\_\_\_

A. C. C. I.

### DRINK MILO FOR HEALTH





PRINCIPAL EXPORTS

Commodities	June, 1936			June, 1935			Monthly average for 12 months previous to June, 1936		
	Quantity	Value	%	Quantity	Value	%	Quantity	Value	%
	Canton (Low Grade Cordage Fiber).....	274,379	\$ 20,045	56.925	3,343	378,225	23.905	0	1
Cigars (Number).....	1,702,969	406,962	1.7	19,073,378	587,698	4.0	17,194,444	524,064	3.3
Cocoa Oil.....	7,503,177	7,503,177	210.000	0	0	0.0	13,915,572	2,133,572	13.3
Copra.....	28,382,824	2,555,744	8.0	17,839,736	1,991,852	13.6	24,032,161	2,155,876	15.0
Copra, Shell.....	185,822	0	0.0	8,472,688	257,181	1.7	9,400,222	288,259	1.4
Cordage.....	503,947	204,215	0.7	6,345,449	167,115	1.1	512,492	163,181	0.8
Decomated and Shredded Coconuts.....	3,004,437	769,347	2.7	3,273,191	775,104	5.3	2,950,595	719,901	3.4
Embroideries.....									
Hats (Number).....	46,288	70,128	0.2	16,069	23,135	0.1	40,333	68,286	0.3
United States Products.....	11,841,819	2,254,540	8.1	15,500,416	1,533,938	10.3	14,641,246	2,463,918	11.7
Knotted Hemp.....	3,908	5,808	0.0	2,176	2,880	0.0	6,236	6,236	0.0
Lint Tobacco.....	720,510	342,040	1.2	707,595	249,521	1.7	1,386,432	417,140	2.0
Latex (Cable Material).....	379,869	1,710,178	4.9	8,719	263,907	1.8	8,719	263,907	1.8
Macaw.....	1,618,993	139,422	0.5	1,204,292	95,707	0.4	15,870,853	134,748	0.7
Manila (Green).....	30,519	30,519	0.1	30,519	30,519	0.1	30,519	30,519	0.1
Sugar.....	123,220,564	18,047,975	63.2	41,200,732	5,500,680	38.1	70,624,936	9,485,622	46.0
All Other Products.....	1,220,483	4,3	0.0	1,068,788	7.3	0.0	941,835	4.5	0.0
Total Domestic Products.....		\$28,488,011	99.7		\$14,671,054	97.4		\$20,642,213	99.1
United States Products.....		87,029	0.3		333,994	2.4		164,365	0.8
Foreign Countries Products.....		14,968	0.0		36,716	0.2		18,288	0.1
Grand Total.....		\$28,590,611			\$15,061,764			\$20,825,966	

Note:—All quantities are in kilos except where otherwise indicated.

PRINCIPAL IMPORTS

Articles	June, 1936			June, 1935			Monthly average for 12 months previous to June, 1936		
	Value	%	Value	%	Value	%	Value	%	
	Automobiles.....	\$ 707,039	3.7	\$ 559,043	4.0	\$ 561,729	3.6		
Automobile Accessories.....	138,067	0.8	75,871	0.5	145,760	0.9			
Automobile Tires.....	239,571	1.2	185,262	1.3	181,614	1.1			
Books and Other Printed Matters.....	294,544	1.5	780,189	5.6	189,419	1.2			
Manufacture of Wheat Flour.....	100,598	0.5	73,213	0.5	102,672	0.6			
Cocoa Manufacturers Exports.....	73,923	0.4	45,178	0.3	71,858	0.4			
Cars and Carriages.....	184,215	0.9	71,993	0.5	118,171	0.5			
Chemicals, Dyes, Drugs, Etc.....	514,952	2.7	478,881	3.4	463,217	3.0			
Coffee.....	170,841	0.9	361,077	2.6	125,641	0.8			
Coffee Raw and Prepared.....	106,918	0.6	137,183	1.0	113,012	0.7			
Cotton Cloths.....	1,784,011	9.2	1,286,338	9.2	1,618,616	10.5			
Cotton Goods, Other.....	1,213,062	6.3	759,271	5.4	932,147	6.0			
Dairy Products.....	9,581,411	5.0	992,204	4.3	408,944	3.1			
Diamond and Other Precious Stones Used.....	23,660	0.1	16,656	0.1	41,292	0.3			
Earthen Stones and China-ware.....	93,442	0.5	75,036	0.5	76,749	0.5			
Eggs and Preparations of.....	14,354	0.1	16,900	0.1	24,918	0.2			
Electrical Machinery.....	600,423	3.1	426,327	3.1	426,327	3.1			
Explosives.....	112,715	0.6	81,960	0.6	130,943	0.8			
Fertilizers.....	44,824	0.2	219,632	1.6	300,043	1.9			
Fish and Fish Products.....	206,532	1.4	201,532	1.4	232,454	1.6			
Fruits and Nuts.....	302,332	1.6	264,724	1.9	224,119	1.5			
Gasoline.....	1,301,084	6.8	278,553	2.0	278,553	2.0			
Glass and Glassware.....	156,223	0.8	116,153	0.8	125,713	0.8			
India Rubber Goods.....	130,340	0.7	95,193	0.7	118,572	0.8			
Instrument and Apparatus Not Electrical.....	65,398	0.3	54,042	0.4	51,164	0.3			
Iron and Steel Except Machinery.....	2,117,231	11.5	999,159	7.2	1,334,966	8.6			
Leather Goods.....	192,138	1.0	221,912	1.6	181,564	1.2			
Machinery and Parts.....	904,266	4.1	765,372	5.5	835,923	5.4			
Matches.....	5,354	0.0	26,308	0.2	18,813	0.1			
Meat Products.....	296,532	1.5	265,904	1.9	235,897	1.6			
Motion Picture Films.....	31,859	0.3	17,974	0.1	49,404	0.3			
Oil, Crude.....	412,900	2.1	382,283	2.8	376,041	2.4			
Oil, Kerosine.....	1,313,662	6.8	774,679	5.6	828,489	5.4			
Oil, Lubricating.....	173,192	0.9	34,108	0.2	112,391	0.7			
Oil, Not Separately Listed.....	111,807	0.6	105,992	0.8	88,528	0.6			
Paints, Pigments, Varnishes, Etc.....	181,264	0.9	132,419	0.9	137,111	0.9			
Paper Goods Except Books, Etc.....	448,983	2.3	406,853	2.9	368,245	2.4			
Perfumes and Other Toilet Goods.....	181,705	0.9	133,724	0.9	127,147	0.8			
Photographic Equipment and Supplies.....	28,198	0.1	37,199	0.2	47,820	0.3			
Rice.....	99,131	0.5	29,325	0.1	114,693	0.7			
Silk.....	43,345	0.2	61,179	0.4	31,118	0.2			
Silk Goods.....	1,531,045	7.9	310,443	2.2	499,971	3.2			
Sops.....	128,907	0.7	97,384	0.7	71,608	0.5			
Textiles and Materials.....	40,414	0.2	18,166	0.1	27,342	0.2			
Tobacco and Manufactures of.....	700,346	3.6	690,946	5.0	636,346	4.2			
Vegetables.....	1,231,244	6.2	276,870	2.0	288,369	1.9			
Vegetable Fibre and Manufactures of.....	191,224	1.0	303,232	2.2	265,912	1.7			
Wheat Flour.....	727,512	3.8	544,048	3.9	517,574	3.5			
Wood, Reed, Bamboo and Rattan.....	72,339	0.4	60,034	0.4	78,445	0.5			
Woolen Goods.....	195,105	0.9	65,223	0.5	77,340	0.5			
Other Imports.....	1,213,062	6.3	774,679	5.6	828,489	5.4			
Grand Total.....	\$19,184,426		\$13,923,670		\$15,465,711				

CARRYING TRADE

Nationality of Vessels	June, 1936			June, 1935			Monthly average for 12 months previous to June, 1936		
	Value	%	Value	%	Value	%	Value	%	
	American.....	\$7,096,665	37.4	\$3,932,529	42.9	\$5,391,219	35.6		
British.....	5,769,786	30.5	4,082,397	29.5	4,703,947	31.0			
Chinese.....	37,022	0.2	36,107	0.3	55,294	0.4			
Danish.....	435,387	2.3	336,337	2.8	336,337	2.8			
Dutch.....	985,062	5.2	545,107	3.9	710,578	5.1			
German.....	863,627	4.5	600,568	4.3	809,385	5.3			
Greek.....	981	0.0	981	0.0	17,150	0.1			
Italian.....	1,434,370	7.6	583,303	7.1	1,460,998	9.6			
Japanese.....	1,093,271	5.8	1,093,271	8.0	1,093,271	8.0			
Panama.....	486,775	2.6	684,671	4.9	353,155	2.3			
Philippines.....	1,692	0.0	1,692	0.0	87,796	0.6			
Swedish.....	1,228	0.0	51,632	0.4	88,296	0.6			
By Freight.....	\$18,928,587	98.7	\$13,844,150	99.4	\$15,148,774	98.0			
By Mail.....	256,839	1.3	79,520	0.6	316,937	2.0			
Total.....	\$19,184,426		\$13,923,670		\$15,465,711				

EXPORTS

Nationality of Vessels	June, 1936			June, 1935			Monthly average for 12 months previous to June, 1936		
	Value	%	Value	%	Value	%	Value	%	
	American.....	\$4,692,314	16.4	\$3,690,587	37.9	\$7,417,867	35.9		
United Kingdom.....	1,197,688	39.2	3,146,717	21.0	0	0.0			
Chinese.....	72,208	0.3	30,000	0.2	11,532	0.1			
Danish.....	1,772,627	6.2	483,155	3.2	818,949	3.9			
Dutch.....	415,721	1.5	744,225	4.9	741,365	3.6			
French.....	253,114	0.9	126,587	0.8	325,133	1.6			
Greek.....	270,461	0.9	60,000	0.4	198,154	0.9			
Italian.....	6,823,265	24.0	2,823,221	18.9	4,337,281	21.0			
Japanese.....	2,052,644	7.2	1,789,460	11.9	2,119,623	10.3			
Panama.....	734,784	2.7	734,784	2.7	291,616	1.4			
Philippines.....	34,831	0.2	2,896	0.0	3,438	0.0			
Swedish.....	144,791	0.5	28,730	0.4	172,825	0.8			
By Freight.....	\$28,363,948	99.7	\$14,953,623	99.3	\$20,711,399	99.5			
By Mail.....	86,763	0.3	106,173	0.7	114,657	0.5			
Total.....	\$28,590,611		\$15,061,764		\$20,825,966				

TRADE WITH THE UNITED STATES AND FOREIGN COUNTRIES

Countries	June, 1936			June, 1935			Monthly average for 12 months previous to June, 1936		
	Value	%	Value	%	Value	%	Value	%	
	United States.....	\$37,078,888	77.6	\$21,861,706	75.7	\$26,310,434	75.9		
British.....	1,161,143	2.4	2,663,035	8.1	1,919,809	5.3			
Australia.....	386,176	0.8	310,133	1.1	393,692	1.1			
Canada.....	11,469	0.0	11,469	0.0	11,469	0.0			
Austria.....	272,337	0.6	177,990	0.6	231,611	0.6			
Belgium.....	264,724	0.5	376,840	1.3	349,099	0.9			
British East Indies.....	265,042	0.6	265,042	0.9	271,820	0.8			
Canada.....	609,907	1.3	506,963	1.8	591,336	1.6			
Denmark.....	161,590	0.3	161,590	0.5	161,590	0.5			
Dutch East Indies.....	211,092	0.4	209,295	0.7	367,900	1.0			

## RAIL COMMODITY MOVEMENTS

By LEON M. LAZAGA

Traffic Manager, Manila Railroad Company



The volume of commodities received in Manila during the month of July 1936, via the Manila Railroad Company, are as follows:

Rice, cavanes.....	64,712
Sugar, piculs.....	43,211
Copra, piculs.....	83,141
Desiccated Coconuts, cases.....	25,732
Tobacco, bales.....	735
Lumber, board feet.....	560,239
Timber, kilos.....	589,000

The freight revenue car loading statistics for four weeks ending July 25, 1936, as compared with the same period of 1935 are given below:

## FREIGHT REVENUE CAR LOADING

COMMODITIES	NUMBER OF FREIGHT CARS		FREIGHT REVENUE		Increase or Decrease	
	1936	1935	1936	1935	Cars	Tonnage
Rice.....	535	837	6,208	10,229	(302)	(4,321)
Palm.....	69	94	786	1,036	(14)	(250)
Sugar.....	59	213	1,875	6,441	(134)	(4,566)
Sugar Cane.....	—	—	—	—	—	—
Copra.....	388	386	2,886	2,478	2	330
Coconut.....	155	111	2,216	1,176	4	1,040
Molasses.....	8	9	174	269	(3)	(95)
Hemp.....	—	—	—	—	—	—
Tobacco.....	40	4	154	43	36	411
Livestock.....	13	1	48	6	12	42
Mineral Products.....	211	181	2,481	2,075	59	331
Lumber and Timber.....	110	135	3,352	3,375	(25)	(723)
Other Forest Products.....	15	8	101	67	7	34
Manufactures.....	9	129	1,96	1,626	36	272
All others including L.C.L.....	2,568	2,452	16,361	14,374	56	1,987
<b>TOTAL</b> .....	<b>4,238</b>	<b>4,523</b>	<b>37,983</b>	<b>43,491</b>	<b>(283)</b>	<b>(5,508)</b>

## SUMMARY

Week ending July 4.....	1,052	1,129	9,242	11,063	(77)	(1,821)
Week ending July 11.....	1,056	1,193	9,999	12,316	(137)	(2,317)
Week ending July 18.....	1,047	1,015	8,646	8,617	32	29
Week ending July 25.....	1,083	1,186	10,096	11,495	(103)	(1,399)
<b>TOTAL</b> .....	<b>4,238</b>	<b>4,523</b>	<b>37,983</b>	<b>43,491</b>	<b>(283)</b>	<b>(5,508)</b>

Note.—Figures in parenthesis indicate decrease.

## Cagayan de Oro

(Continued from page 50)

towns and provinces. Bukidnon has no seacoast and all its produce is brought down to Cagayan. Hemp, coffee, bananas, cattle, maize, corn, rice, and hundreds of other produce are bought by the merchants of Cagayan from Bukidnon and they, in turn, sell all necessities and requirements of the inhabitants of the Province of Bukidnon. All shipments to and from Bukidnon must pass the port of Cagayan. With the exception of Iligan and Misamis Cagayan is the only port of northern Mindanao that has a direct boat from Manila and naturally its merchants have an advantage over those of the nearby towns, and business therefore tends to

flow from Cagayan to these neighboring towns and vice-versa. Besides the old established commercial houses in Cagayan, large business enterprises in Manila have branches or agencies in Cagayan. Firms like Smith, Bell & Co., Ltd., Manila Trading & Supply Co., Compania General de Tabacos de Filipinas, International Harvester Co., Libbey, McNeill & Libbey, Inc., Philippine Manufacturing Co., and many others, have direct branches or permanent representatives or distributors.

Four mining companies, the Rio Verde, Inc., Cagayan de Oro, Inc., Bukidnon Mining Association, and the United Mindanao Venture, have their headquarters in Cagayan. The Philippine Packing Corporation have main offices as well as one of the most modern can-

neries situated about 14 kilometers from Cagayan. Their Del Monte Camp is fast becoming a vacationing resort for many Cebu residents who are desirous of escaping the oppressive heat of that city during the hot season. It only takes one hour and ten minutes by airplane from Cebu to Del Monte, or an overnight trip by boat and forty-five minutes by automobile.

In conclusion the visitor should be informed that there are no Moros or wild tribes within a radius of 90 miles of Cagayan and in spite of the prevalence of the belief that all Mindanao is hostile country, the visitor may rest assured that he can go to sleep in Cagayan on any night of the year and his slumbers will not be disturbed by harrowing dreams of running into a juramentado.

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STORES AND OFFICES

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