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## SAVINGS DEPOSITORS IN U. S.

### SAVINGS DEPOSITORS

Last week we presented a table which ranked the states according to their bank savings per capita. This week we are showing the number of savings depositors per 1,000 population. We have added to the number of bank savings depositors, postal savings depositors, and members of building and loan associations. In the case of building and loan associations the membership for 1925 had to be used; in all other cases the number of depositors is that reported on or about June 30, 1926.

In the United States as a whole there are 496 depositors in one or another of these savings institutions for each 1,000 people. Of course those people who have deposits in more than one institution are counted more than once. Since the average American family contains 4.3 persons the number of savings depositors averages 2.13 per family. This is evidence that there is a wide diffusion of prosperity in the United States and widespread habits of thrift.

### Unevenly Distributed

When the states are ranked we find that the New England and Middle Atlantic states have relatively more depositors than the United States as a whole. Massachusetts, the highest-ranking state, has more depositors than it has population. This is explained by the fact that a person may have deposits in two or more institutions. It is also likely that the savings institutions of Massachusetts have patrons living outside the state. The same is undoubtedly true of New York, Pennsylvania, Maryland, and other states containing large cities with strong savings banks.

The Southern states rank low—West Virginia, Louisiana, Virginia, and Florida being the only Southern states with as much as one depositor per family. Eight of the ten lowest-ranking states are Southern states, the other two being New Mexico and Idaho. New Mexico ranks lowest of all, with only 64 depositors per thousand people. This low rank is due, perhaps, to the fact that New Mexico is a young state, still in the frontier stage, with little surplus capital. The general low rank of the South can hardly be attributed solely to lack of thrift on the part of its people. There are thousands of negroes and thousands of white folks who may be characterized as thriftless, but much of the poverty in the South is found among tenant farmers who are poor through no fault of their own.

### Poverty in N. C.

North Carolina has 199 savings depositors for each 1,000 of its population. This is about one depositor per family and our families average 5.0 persons compared with 4.3 for the United States. Thirty-three states, including several Southern states, make a better showing. North Carolina boasts of its healthful climate, its varied crops and resources, its pure native stock, and its magnificent opportunities. It is represented as a land where nature has done everything possible to make living easy; and so it has. There are no congested slum sections; there are no foreign quarters; there are no huge cities whose multitudes obscure the individual; there is no severity of climate to bring suffering. Yet there is a vast amount of poverty and distress in the state. Perhaps there is more real want in the country than in the cities, for the reason that charity is less satisfactorily organized. There are thousands of families in North Carolina living on the land, enjoying fresh air and sunshine in abundance, yet living on a bare subsistence level. In a state like North Carolina the restoration of such families ought to be easy, but it will not be accomplished unless there is an agency to approach the task scientifically and continue indefinitely in its supervision. Yet certain counties count it economy to employ no welfare officer.

The nation as a whole is rich. The average family is saving money. The savings available each year for investment reach a huge total. There is perhaps less poverty than ever before; nevertheless there is too much. People of means are generous, but indiscriminate charity never rehabilitates a family; poor relief must be replaced

by social engineering. The increasing complexity of life means that there are more and more people who need direction, and that is a job for the social technician.—Paul W. Wager.

### A FARM SAVINGS BANK

By following a system of selective cutting, taking only trees of good size, one good farmer of Moore county has been able to cut an average of 50,000 board feet of lumber each year for 25 years from his farm of 350 acres.

"W. T. Brown of Spies, in Moore county, is handling his farm woodlot as it should be handled and is using it as a savings bank," says R. W. Graeber, extension forester at State College. "When he took over his father's farm of 350 acres some 25 years ago, he determined to follow his father's plan of cutting out the mature timber each year during the winter months. Since most of the mature trees had been cut, Mr. Brown was forced to mill the smaller, second growth, but by carefully selecting only the best trees he has cut over 50,000 board feet of lumber each year for the time he has had the farm in charge. Some sections of the woodlot have been cut over each five years."

Mr. Graeber states that Mr. Brown uses the whole tree. The lops and crippled trees are used for wood and the better stock for lumber. With 275 acres of his land now growing timber, Mr. Brown expects to make a timber harvest each year during his lifetime and to leave more timber on the place than when he began to cut. He harvests the timber during the winter, using his own labor and operating his mill with a little water power on the farm.

This is one excellent example of good timber farming, according to Mr. Graeber. It is a method that other landowners in North Carolina should follow because using timber as a farm crop gives employment to labor during idle seasons, enables the owner to use the whole tree and also brings in a steady income year after year. It is a much better method than selling all the timber to a saw mill operator and letting him go through the property at one time cutting the best and wasting the remainder.—Vass Pilot.

### NEGRO SAVINGS

According to tentative estimates based on a survey of North Carolina building and loan associations and Negro shareholders in such associations, investigators, working with a local committee of the "Durham conference," find that Negro shareholders have at least \$6,000,000 invested in the white building and loan associations of the state, and nearly \$700,000 in Negro associations.

The 1926 annual report of the insurance commissioner of North Carolina is the source of the information upon which the estimates are based. According to this report there are seven Negro building and loan associations in North Carolina, with 1,380 shareholders. The total assets of these associations are \$655,667.11, an average per capita investment for each shareholder of \$500 and over. The report further reveals that 12,451 Negroes are shareholders in white associations. Assuming, as a conservative basis for their estimate, that Negro shareholders in white associations have a per capita investment not less than that shown in Negro associations, the committee estimates that the Negro shareholders in white associations have a total investment of more than \$6,000,000.

The striking fact is revealed by the survey that two Negro building and loan associations of Durham, which have combined assets of close to \$372,000, have well over one-third of the total assets of all Negro associations of the state. They have over 400 shareholders, or close to one-third the membership of Negro associations in the state. The Mutual, of Durham, is the largest Negro association in the state.—Durham Herald.

### N. C. PAUPERS

Pauperism in North Carolina, as far as one can judge by the reports of counties on outdoor poor relief and county

### TEACH THRIFT

The paramount challenge to education in America today calls for the effective teaching of personal economics—for education in the management of personal incomes so that they will give every individual a good living during his productive years and provide certain security for the non-productive years of his old age.

Our children today are passing through our educational systems practically without instruction for placing their lives on a sound economic basis, virtually without direction in the elementary principles of financial success. Economics has been pitched above the average mind. What we need above all is an economic philosophy gauged for the work-a-day requirements of plain people, with instruction in it started in time to help school students get a right beginning in the management of their personal affairs.

When public education teaches students to manage their personal affairs prudently and gives them an understanding of the value and proper use of money then we will attack economic folly at the source and begin to save our people from the tragedy of financial dependency.—William E. Knox, President of American Bankers Association.

homes for the aged and infirm, is not decreasing, declared Roy E. Brown, head of the division of institutions of the state board of charities and public welfare before the second annual meeting of the fourth district of welfare workers.

Mr. Brown said that in 1921 it cost North Carolina in cash, exclusive of farm produce, \$583,000 to care for 1,600 inmates in 93 counties. In the year ending June 30, 1927, it cost 89 counties \$700,000 to care for 1,900 inmates. Add to this an estimated total of \$200,000 spent for outdoor poor relief in the counties of the state; and it is easily seen that North Carolina counties are spending close to a million a year for relief of poverty.

Pointing out the necessity of careful supervision of county homes in order to obtain more adequate and economical care, Mr. Brown revealed the fact that out of 400 paupers in the county homes of the Fourth district, 265 were unable to do any kind of work and of these 145 were in constant need of medical attention.

The great need is for better hospital facilities, he commented, giving the work in Vance county as an example, where a county hospital is providing in an unusual way for the indigent sick of the county, as well as giving constant care to six inmates.

The average per capita costs for the counties in the fourth district were given: Caswell, \$26.74; Durham \$39.64; Franklin \$28.12; Halifax \$57.82; Harnett \$35.24; Johnston \$13.13; Moore \$39.22; Nash \$39.09; Orange \$19.24; Person \$25.59; Wake \$30.00; and Warren \$22.34. The average for the whole state is \$26.84.—Durham Herald.

### CALIFORNIA COUNTIES

A law placing all counties in California under a budget system was signed by the Governor on May 12, and goes into effect on January 1, 1928.

One provision reads as follows: "Expenditures made, liabilities incurred, or warrants issued in excess of any of the budget appropriations as originally determined, or as thereafter revised by transfer, as herein provided, shall not be a liability of the county, but the official making or incurring such expenditure shall be liable therefor personally, and upon his official bond."

After a budget has been approved, transfers are not permitted, even by a four-fifths vote or upon the petition of every taxpayer within the county, between the general classes of 'capital outlay' and 'maintenance and support.'—Adapted from the American City.

### THE ROAD TO TENANTRY

During the last year the Southern Pacific lines in Texas and Louisiana have been sending out through H. M. Madison, agricultural agent, Texas and New Orleans Railroad, Houston, a large number of "Live-at-Home" letters to the people in the territory served by that railroad. The October letter discusses the road to farm ownership versus the road to tenancy, and contains, in part, the following:

"The other day some men were talking about the rapid growth of tenantry. One remarked that 'the road to tenantry was paved with bought supplies.'

"The road to tenantry is paved with buying corn, buying bacon, buying lard, buying molasses, buying potatoes, buying pork, buying yams, buying oats, buying hay, buying horse, chicken, cow and hog feed. These buyings lead straight to involuntary sales of mortgaged crops; involuntary sales of cotton; involuntary sales of farm tools, and at last to involuntary sales of land. When the last involuntary sale has been made, the farmer loads his personal effects into the wagon; his wife and children climb in, and they drive down the lane to the gate that opens on—tenantry. That man was right. The road to tenantry is paved with bought supplies.

"Look at the other road—the road to ownership. It is paved with home-grown crops—table supplies, feeds, livestock. There are sales of surplus corn, oats, eggs, livestock, bacon, lards, fruit, vegetables and surplus sales of almost everything that can be grown on the farm. These surplus sales bring surplus savings. When enough of them have been made, the farmer buys a car; his wife and children get in with him and they drive down the highway till they come to a gate. It opens inwardly, and they drive up to—ownership.

"The road paved with bought supplies is traveled by the one-crop farmer; he is on the way to tenantry. The road paved with voluntary sales of home-grown crops is traveled by the Live-At-Home farmer; he is on the road to

ownership. Both of these roads start from a place called the Beginning; a few years out, at a place called Youth, there is a fork. Absentee landlords, town-dwelling landowners and those who loan money on crop mortgages are likely to say the one-crop road is the best. But it leads to what they want, tenants. Is that the road you want to travel? The other road is open, paved with voluntary sales of surplus crops and leads to ownership."—Manufacturers Record.

### UNSELFISH SERVICE

About thirty years ago, Stephen M. Babcock, agricultural chemist at the Wisconsin Experiment Station, invented the Babcock test, which has revolutionized the dairy industry. The invention would have made him a millionaire had he cared to commercialize it. Instead, he refused to accept a cent, choosing rather to give it free as his contribution to humanity.

Now another agricultural chemist at the Wisconsin station has made even a greater contribution to human welfare and has chosen to follow the example of Mr. Babcock in refusing to turn it to pecuniary profit for himself. He is Dr. Harry Steenbock, a slender, shy, 40-year-old scientist, who has discovered a way to treat ordinary foods with ultra-violet rays so they will be a cure for rickets.

Food manufacturers immediately became interested, and one concern offered him a royalty guarantee of \$900,000 for only a part of the rights. Dr. Steenbock did not accept. With two deans of the Wisconsin institution, he formed the Wisconsin Research Foundation, to which he turned over all his rights. He never has received a penny of the profit from his discovery and he never will.

America likes the spirit of the two scientists of Wisconsin's agricultural college. It takes moral stamina to turn down a million dollars.—Capper's Farmer.

### SAVINGS DEPOSITORS PER 1,000 POPULATION, 1926 In Banks, Building and Loan Associations, and Post Offices

In the following table the states are ranked according to the number of people per 1,000 population who are depositors in the savings departments of banks and trust companies, mutual savings banks, building and loan associations, and postal savings depositories. In the case of building and loan associations the figures are for 1925, in all other cases for 1926. The table is based on information contained in the Statistical Abstract of the United States for 1926. In a few states the number of building and loan members could only be approximated.

In the United States as a whole there are 496 depositors in one or another of these savings institutions for each 1,000 people. Of course some people have more than one savings account and are thus counted more than once.

Massachusetts leads with 1,065 depositors for each 1,000 of its population. This would not be possible were not some people depositors in more than one institution. Fifteen states rank above the average for the United States. This group includes all the New England states, all the Middle Atlantic states, Michigan, Illinois, Iowa, and California. None of the Southern states except West Virginia, Louisiana, Florida, and Virginia have as many as 200 savings depositors per 1,000 population.

North Carolina ranks thirty-fourth among the states with 199 depositors per 1,000 population, which is practically equivalent to one depositor per family.

Paul W. Wager  
Department of Rural Social-Economics, University of North Carolina

Rank	State	Depositors per 1,000 population	Rank	State	Depositors per 1,000 population
1	Massachusetts	1,065	25	Louisiana	293
2	New Jersey	932	26	Kansas	288
3	Connecticut	894	27	Florida	284
4	Vermont	893	28	Virginia	248
5	New Hampshire	857	28	Wyoming	248
6	Maine	843	30	South Dakota	236
7	Pennsylvania	786	31	Colorado	228
8	New York	778	32	Montana	214
9	Michigan	752	33	Indiana	210
10	Illinois	739	34	North Carolina	199
11	Maryland	732	35	Kentucky	195
12	California	698	36	Arizona	144
13	Iowa	670	36	North Dakota	144
14	Rhode Island	593	38	Missouri	132
15	Delaware	523	39	South Carolina	126
16	Utah	481	40	Georgia	122
17	Washington	479	41	Oklahoma	118
18	Wisconsin	463	42	Alabama	114
19	Nebraska	448	43	Arkansas	105
20	Ohio	428	44	Idaho	90
21	Oregon	382	45	Mississippi	79
22	Nevada	330	46	Texas	73
23	Minnesota	320	47	Tennessee	72
24	West Virginia	304	48	New Mexico	64