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PRESENTATION ADDRESS

OF

^{Alton}
ANGUS W. MCLEAN

Former Governor of North Carolina

UPON THE OCCASION

OF THE


Ceremonies Attending the Presentation and Unveiling of the North Carolina Memorial on the Battlefield of Gettysburg



WEDNESDAY, JULY 3RD, 1929



NORTH CAROLINA'S MEMORIAL TO HER SOLDIERS
IN THE BATTLE OF GETTYSBURG



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Presentation Address

Sixty-six years ago upon this field was fought one of the most important battles of all history, a battle in which one hundred and sixty thousand Americans participated. Of these, one hundred thousand were clad in blue, while sixty thousand wore the grey. Here titanic forces struggled for mastery, with such heroism and grim determination that the very word "Gettysburg" has come to symbolize courage and carnage. Indeed, Gettysburg vies with Waterloo as being the most famous battle in the annals of warfare. Here the tide of the Confederacy swept to its crest, paused and receded. Here confidence was born in the Union Army which enabled it to endure the terrific punishment of the Wilderness Campaigns, Cold Harbor and Spottsylvania, and which carried it to ultimate victory at Appomattox.

Although the war was to continue its bloody course for nearly two weary years thereafter, here was sprung the arch upon which the Confederate cause rested. Here was fought a battle the effect of which upon the history of the world was destined to be as far reaching as Marathon or Chalons.

It is useless at this time to search out and to attempt to relate the causes leading up to this martial array of the manhood of America in the greatest death struggle ever staged upon this continent. Over the fateful controversy not only time, but the experience of re-union and a common patriotism have spread a veil through which there shines a light of common glory imperishable.

The people of New York, of Pennsylvania, of Virginia and of North Carolina can now regard the field of Gettysburg as a joint and precious heritage, for it was here, that in the fiery furnace of war was fused into a new metal,

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the amalgam which symbolizes our American character and destiny. Here was written a new amendment to our Constitution—an amendment which although fiercely debated for fifty years could not be agreed upon, but which was here destined to be written into the Constitution in the crimson of the best blood of the land.

What is and will ever be an inspiration to all who ponder these fields, whose fertility is enhanced by the effusion of their blood, is the quality of the men who engaged here in a battle, the immediate strategic result of which was not apparent at the time, but which was, nevertheless, in its final results, one of the most decisive in history. It is inspiring to reflect that those who in the famous charge carried the assault at the point of the bayonet, and those who received the shock, equally shed immortal lustre and renown upon the name of America. The infantry of Lee that could march through the valley of death almost with the precision of a dress parade were men who, a short while before, had come from the farms and villages of the rural South. Their ways and their lives had been those of peace. They were without martial training or ambition. Yet the horsemen of Stuart, the famous foot-cavalry of Jackson, Lee's "incomparable infantry," had performed miracles in battle greater than those which Napoleon called forth from the professional soldiers composing his "old guard," and the men who, behind the stone walls of Cemetery Ridge could watch without wavering the oncoming hosts of Pickett's and Pettigrew's immortal divisions; who could endure for hours what was till then the greatest artillery duel ever staged, and bear it unflinchingly, also possessed those qualities of intrepid courage which have characterized the American soldier from the days of the Revolution to the days of the World War.

Whence came the power inherent in these unschooled troops to perform brilliant marches, to carry out deadly charges, to interpose the stubborn and courageous defences

that illumine the records of both sides in this epochal struggle? Surely from nothing less than the morale which springs from a deep conviction of the righteousness and justice of their cause; which is concerned not so much with the quarrel as with the principle; and which follows a belief and sanctifies a faith to the final sacrifice. To such men handicaps became an incentive; courage became their creed, and death their accolade. It was at once the pity and the glory of those days of exaltation that there flamed impartially in the breast of the Southern and Northern soldier—Americans all—a sense of duty that could not be reconciled except on such a field as this of Gettysburg. Such, my countrymen, were the men who struggled and died here.

It is the advantage of an occasion like this, when we are met to commemorate a great record of valour, that we can renew and refresh our faith in our common ancestry, whose devotion to their cause brought them into this fierce combat. This idea was well expressed by that great and impartial journal, the *London Spectator*, a few years ago, when it said:

It is now over half a century since the last shot was fired in the most desperate war in the history of the Anglo-Saxon race. Nowadays we see that great struggle in clearer perspective, and we can judge the causes for which the combatants fought with some reasonable perception of their value to mankind. But the chief interest of the war lies in the fact that it was a genuine conflict of idealisms, fervently held and loyally followed by both sides. No struggle has been grimmer and yet none has been less stained by the darkest passions of war.

So, sixty-six years ago, this great battle came to pass, much in the manner of a thunderstorm, beginning with intermittent flashes of lightning and the rumble of distant thunder.

From Bethel to Gettysburg the fight raged on—even from Sumter to fateful Appomattox, which marked the end.

Viewing the four years' struggle from any standpoint, Gettysburg attracts and holds our attention. It was here

that the high hand of destiny intervened and overruled the aspirations of the South.

Following Chancellorsville, where that great military genius, Stonewall Jackson, was stricken down, Lee decided to abandon defensive warfare and to take the offensive, hoping that a victory on enemy soil would gain foreign recognition for the Confederacy, with consequent material support for the Southern cause. He therefore crossed the Potomac and invaded Pennsylvania, watched by Meade, who carefully kept his army between that of Lee and the city of Washington. Gettysburg, destined to become the nation's shrine, was not then in the picture. Heth's division of Lee's army approached Gettysburg, where he unexpectedly came in contact with brigades of Buford's Federal cavalry. Skirmishing followed; both sides hurriedly called for reinforcements, and thus what finally became the great battle unexpectedly developed. The fight, having thus started on July 1st, steadily augmented until the final *crescendo* of July 3rd.

Ewell's corps arrived during the first day. Of his divisions Rhodes' arrived first, including Iverson's North Carolina brigade, and the brigades of Daniels, Ramseur and Hoke. In Hill's division was Pettigrew's brigade, and under Pender were Lane and Scales. In Davis' brigade was the 55th North Carolina under Connally. Of the sixteen brigades engaged the first day on the Confederate side, seven were from North Carolina.

Pettigrew's brigade, composed of the 11th, 26th, 47th and 52nd regiments was, with other Confederate troops, thrown against the famous "Iron Brigade" of the Federal army, whose boast it was that it had never known defeat.

Here was the grim setting for a duel—two veteran brigades, one in blue, the other in grey, with both of whom victory had become an established habit.

Through the wheatfield, tumbling and pitching on death, ranks closing to fill the horrible gaps cut by the

Federal artillery, these fearless Southerners moved steadily forward against the heights fronting them which soon were sheeted with flame. The rebel yell shrills out, there is a surge forward, and the "Iron Brigade," for the first time in its history, breaks and falls back to Seminary Ridge. Once more the charge is sounded. Once more the regiments in grey press forward, and Seminary Ridge has been captured for General Lee.

It is the ground upon which two days later the Confederates are to take their stand and against overwhelming odds make their bid for final victory. Of the three thousand who marched through the wheatfield on this parade with death, less than two thousand remained to consolidate their position. The 26th North Carolina alone lost in this engagement 28 officers and 468 men, including its gallant Colonel Harry K. Burgwyn.

Iverson's brigade on that first day also fought a magnificent fight. Single handed it was thrown against a Federal division posted in a railroad cut. Here, without faltering, it charged almost up to the very wall itself, and the dead lay so thick that one could walk from one end of the line to the other upon the bodies of the slain. The brigades of Iverson and Scales were almost destroyed, Iverson reporting the loss of over 500 men in his brigade alone.

All seven North Carolina brigades engaged that day fought desperately and sustained severe losses.

On the second day Lee proposed to assault both flanks of the Federals and gain possession of the commanding eminences known as Culp's Hill and Roundtop. Among other assaults Hoke's North Carolina brigade (temporarily commanded by the valiant Avery) and Hayes' Louisiana brigade are directed to take Cemetery Hill, the commanding eminence on the right flank of the Federal position. On this sector they repeat the triumph of the first day, reach the hill which is considered the key to the Federal position, and occupy it. Unfortunately Avery is killed at the mo-

ment of temporary triumph. Ewell, however, fails to realize the importance of the position thus won with so much of sacrifice, and that night Hoke's brigade unwillingly obeys the order to retire. Elsewhere the Southerners had suffered reverses on that day. It was here that the gallant Pender, the Christian soldier, who, in the estimation of competent military men, ranked among the highest, received the wound from which he died.

During the night which followed the second day's battle, reinforcements reached both armies, and Lee, encouraged by the success of the previous fighting, and by the arrival of Pickett's division and Stuart's cavalry, decided to renew the battle and force a final decision. Meade's council of war reached the same conclusion, and so the morning of the third day found the preliminary plans fully developed and both armies confronting each other in battle array. Volumes have been written of this day's engagement, but all that can be said beyond any controversy, is that there was here staged a deathless pageant of battle, till then unequalled in the history of warfare.

Lee ordered Longstreet to make a direct frontal attack upon the Federal forces massed on Cemetery Hill, the assault to be preceded and covered by the fire of all the artillery which the Confederate Army possessed. At one o'clock in the afternoon a signal gun gave warning, and immediately Seminary Ridge shook with the roar of one hundred and fifty Confederate guns pouring a terrific fire upon the Federal forces occupying the opposite heights. Finally Alexander, chief of Confederate artillery, sent word to Longstreet that if the assault was to be made at all, it must be made then as the artillery ammunition was almost exhausted. When this message was delivered, Pickett saluted Longstreet and said: "Sir, I shall lead my division forward," and Longstreet bowed assent.

Forward was the command, and as the bugles to right and left signalled announcement, the magnificent divisions

of Pickett and Pettigrew, with the supporting troops, moved forward into the valley of death. What chance and overwhelming odds had confused, valour endeavored now to redeem. As the guns ceased their roar the shock troops of the South put the issue to the test, and fifteen thousand men marched forward in the hope of achieving the miracle of victory.

In the front line marched thirteen Virginia and five North Carolina regiments; in the second line marched five Virginia and ten North Carolina regiments. The North Carolina brigades of Pettigrew, Scales and Lane were in these advancing lines, as were also other troops from other Southern States.

As the Confederates debouch on this last high offensive venture, the Union guns, silent till then, suddenly come to life. Their fire has been withheld to meet this very assault. All the Federal artillery is turned on the Confederates who, in the pattern of ancient chivalry, advance in the open. Their muskets are at right shoulder shift. Killed and wounded mark their path, but still the ranks close and still on they come. Behind stone walls, along the fences of a transverse road the Union infantry lurks and attacks the brave Southerners. Still on they come! Fire pours in upon them from the front and from the flanks. On, and the cannon now fire at point blank range upon them. Great gaps are cut into the living ranks! They close up, and move steadily forward! Finally, at the double quick, the heights are reached, and here and there a huddled handful reach and surmount the stone walls. Armistead, of New Bern, waving his cap upon the point of his sword, falls dead within the wall. Guns are spiked; soldiers fight fiercely hand to hand; clubbed muskets are used, standards are planted. The heights have been carried and the Confederacy is at the crest of its high tide. But Federal reinforcements come thronging up, the Confederates are caught on all sides by enfilading fire in

a very trap of death. No *reinforcements* reach *them*; there had been *delays* that have *never* been *satisfactorily* explained. The high tide ebbs; the effort failed; and the broken fragments of the Southern columns drift sullenly back down the slopes whence they came. Here they were met by Lee, who, with tears in his eyes, magnanimously took upon himself responsibility for the failure.

But Lee did not really fail. He was never more triumphant than at this moment fraught as it undoubtedly was with even greater peril to his stricken army. The military critic of the *London Spectator*, after describing Gettysburg, says of him: "He was probably the greatest soldier since Napoleon, the embodiment of every gift of mind and character. . . . Every day his power grew and his last campaign is a flawless example of how a great force may be baffled with slender resources. And with it all he remained the ideal of a Christian soldier, humble, courteous, gentle, so that with Sir John Moore he may stand as the true type of the Happy Warrior."

In this connection let me say that we have been highly honored in the selection of a site for this memorial in such close proximity to the magnificent equestrian statue of General Lee, the gift of our sister state of Virginia. The devotion to this matchless leader displayed by North Carolinians, who followed him to the end, was surpassed by none—not even by the valorous sons of his native state.

While we are met here especially to honor the North Carolina heroes of this momentous conflict, I cannot let the occasion pass without expressing admiration for and paying tribute to the valour here displayed by the soldiers of Virginia, with whom North Carolinians have stood, shoulder to shoulder, in every struggle from the fight for American Independence to this hour.

Our past failure to erect a suitable memorial on this battlefield has not been due to any lack of appreciation of the part North Carolina troops took in this battle, but it

was entirely due to a proud poverty now proudly overcome. Throughout the years, that devoted band of women, the United Daughters of the Confederacy, never ceased to call the attention of those in authority to the State's responsibility to those who died upon this field.

It was largely due to the urgent insistence of the Committee of the Daughters of the Confederacy, of which Mrs. Marshall Williams was chairman, that in 1927, while Governor of the State, I included in my message, an appeal to the General Assembly to provide the necessary funds for this memorial.

Hon. Walter Murphy and Judge N. A. Townsend rendered distinguished service in the presentation of the matter in the Committees; and on the floor of the assembly their superb management resulted in an unanimous vote.

It afforded me distinct pleasure, as the son of a Confederate soldier, to throw the weight of my official influence into this movement. Pursuant to the act authorizing the appropriation, I appointed the following on the part of the State, as members of the North Carolina Gettysburg Memorial Commission: Mrs. Marshall Williams, Mrs. J. Dolph Long, Mrs. Felix Harvey, Sr., Mrs. L. B. Nowell, Mrs. Glen Long, Capt. Dougald Stewart, Capt. Samuel S. Nash, H. C. McQueen, Col. Virgil S. Lusk, General Albert L. Cox, William A. Erwin, Pollock Burgwyn, A. L. Brooks, Major W. C. Heath, and Col. A. H. Boyden, who recently passed to his reward, after devoting much of his life first to service in the Confederate army itself, and second in caring for the widows and orphans of his former comrades in arms. He was to have taken official part in these exercises, and his presence is sorely missed by those of us who came under his benign influence.

An advisory commission was appointed to serve with the Memorial Commission, in choosing a design, composed of W. W. Fuller, of New York; Major Bruce Cotten, of

Baltimore; Major Daniel M. Barringer, of Philadelphia, and George Gordon Battle, of New York—all native sons of North Carolina. To the work of the Commission and Advisory Commission I would pay deserved tribute. They performed well the difficult task laid upon them, and are assured of the sincere gratitude of those who cherish the memory of the gallant soldiers whose heroic deeds are represented in the fine effigy we now behold.

Having aided so materially in securing an appropriation for the State Memorial, the North Carolina Division, United Daughters of the Confederacy, determined to erect, by their own efforts and with their own funds, handsome markers which complete the beauty of the State Memorial, and which will also be presented today.

A great poet has said that "battles are fought by the mothers of men"; and that "back of every brave soldier is a brave woman." Peculiarly was this true of the old South. Our soldiers who fought here had back of them a great gallery of Spartan womanhood. They fought with the consciousness that their conduct was applauded by their loved ones at home. Those who survived came back to a comradeship and fealty that preserved for them the benevolent illusion that in spite of everything they had been victorious.

It is true that all this is of the past, but it is not buried. It is neither dead nor forgotten. It lives and grows and contributes to the spirit, the hope and the aspirations of this great nation we call *America*. We cannot forget, our Daughters of the Confederacy will not let us forget the record of imperishable valour and devotion to duty, stamped, by our fathers, upon this historic field.

The Memorial now presented is the work of the noted sculptor, Gutzon Borglum, who is with us today. He has, in a masterly way, interpreted in bronze the spirit and purpose of the North Carolinians who took part in this great battle. The heroic group represents five typical

North Carolina soldiers. Four of the group have just emerged from a small wooded area. As they come out of it into the open, they suddenly see the awful struggle in front of them. The Federals are just across a small ravine, both sides of which are covered with fighting men, many of them wounded and dying. The field has been torn with shot and shell. The leader of the group pushes forward determined on his grim task; the younger man just behind him is stunned momentarily at the awful sight; the bearded soldier to his left, realizing what is taking place in the youth's mind, draws close to him and whispers confidence. The color bearer in the rear presses forward, holding the flag aloft and well to the front of the group. At their right, one knee on the ground, is an officer encouraging his men, his presence and wounds indicating that the struggle has been in progress sometime. Each of them knows that he is rushing into the very jaws of death, never to return, and yet he does not falter. The whole group discloses spirited action and typifies North Carolina troops as they charge up the heights of Cemetery Hill.

In presenting this Memorial on behalf of the North Carolina Gettysburg Memorial Commission, I am moved with admiration as I behold a beautiful work of art, but a deeper sense of pride wells up in my heart as I contemplate the spirit it typifies—not a spirit of partisanship, nor of envy of another section, but a spirit of supreme devotion to our common country, its traditions and its aspirations. We no longer think in terms of physical combat, but in terms of peaceful progress. Towards our national government, into whose keeping this Memorial is this day given, no State feels or manifests a more loyal spirit than North Carolina. We may disagree with other states or sections upon some public questions, we may exercise a wholesome independence in the pursuit of our tasks, but to defend the flag of our beloved country we

would give our all. This attitude has been fully demonstrated since the battle fought here.

When the war with Spain came, we were not only ready and anxious to defend our country, but the blood of a North Carolina naval officer was the first to be shed in that struggle.

Sacrifices in that war were not so great as those we had theretofore undergone, or those we were destined to undergo in later years, when in defence of democracy the United States entered the World War. North Carolina then blazed with patriotic fervor from one end to the other, and our people contributed most liberally in men and money.

It became the high privilege of troops from our State, shoulder to shoulder with their comrades from New York, to break the most stubborn line ever flung across a battlefield. The same American spirit that moved those who made the gallant charge at Gettysburg under the "Stars and Bars" was regnant in those who broke the Hindenburg line under the Stars and Stripes. And that same spirit exists today and will continue to exist until the flood gates of life close in eternal rest.

And so, my friends, in a golden mist of American valour lies Gettysburg. Sectional lines no longer mar its peaceful slopes. No longer do we recognize in its clouds of imperishable glory the devices of its flags. Yonder dying sun reflects from this field one flag and one alone—the glorious emblem of our common country.

With a feeling of pride inspired by the valour of our fathers who here offered upon the altar of their country "the last full measure of devotion"; with tender sentiments for the cause they represented, and with unreserved love for the reunited Nation in which we live and strive today, I give this Memorial into the keeping of the United States of America.

When in the years to come, it shall catch the morning's first gleam and reflect the last rays of the setting sun, my prayer is that it shall inspire all who behold it to emulate the glorious valour and patriotic devotion to duty, which characterized those brave North Carolinians, who under the leadership of the immortal Lee fought and died upon this field.

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Angus H. McLeary

PUBLIC PAPERS AND LETTERS

of

ANGUS WILTON McLEAN

GOVERNOR OF NORTH CAROLINA
1925-1929

EDITED BY
DAVID LEROY CORBITT
CHIEF LIBRARY ASSISTANT
NORTH CAROLINA HISTORICAL COMMISSION

RALEIGH
COUNCIL OF STATE
STATE OF NORTH CAROLINA
1931

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FOREWORD

The material in this volume was compiled under the direction of Governor McLean, and after the termination of his administration was turned over to the North Carolina Historical Commission for preservation.

In printing this book the procedure used in the publication of Governor Bickett's and Governor Morrison's letter-books has been adopted. The Council of State authorized its publication, and the Printing Commission provided the funds.

The biographical sketch, Angus Wilton McLean, was written by Mr. William H. Richardson at the request of Governor McLean.

The list of appointments was compiled from the Appointment Book in the governor's office by Miss Mamie C. Turner, executive clerk.

My services were authorized by the North Carolina Historical Commission for the purpose of arranging the papers, preparing the table of contents, writing the headings, compiling the index, and seeing the material through the press.

D. L. CORBITT.

RALEIGH, N. C.
March 2, 1931

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ANGUS WILTON McLEAN

By WILLIAM H. RICHARDSON

I wish to carry to the office of governor sound business experience that will render an efficient, profitable administration; keen analytical judgment of the trend of wholesome social and political forces in the State; and an earnest desire to be of personal service to every one of the State's citizens. It is a great task, and one fraught with grave responsibility. But the testimony of personal confidence shown by the people is too fine and noble to be disregarded. I am proud of the testimonial and sensible of the trust. I shall try accurately to appraise the hopes and desires of the average citizen, the normal capacity of our industrial organizations. I shall try always to remember that the real greatness of any commonwealth, like that of any individual, rests upon two inherent forces, the one material, the other spiritual. But I do not want to forget, nor do I want you to let me forget, that the greater of these is spiritual.

With these words, Angus Wilton McLean, on January 14, 1925, concluded his inaugural address and immediately became governor of North Carolina. Four years later, after serving faithfully in the high office to which the people of the State had elected him, he retired to private life.

What of the man and his solemn resolve? What service did he render his State, and what powerful, subtle forces—social and economic—seemed to prosper most under his direction?

It is idle to say that this governor or that one was a "good business governor," as if to imply that he merely served his time, taking little thought of his tomorrow, and in a perfunctory, dull sort of way passed into history. A renewal of our existence by economic means is such an everyday necessity that we are prone to think of this supreme need as a commonplace and dismiss it with a polite but careless gesture. Ideas born, nurtured, and developed must have economic sustenance. Similarly

any civilization must be predicated upon a firm industrial structure; yet any civilization with this alone, with no inspiring ideals, soon, like the body, weakens and disintegrates. The two, the material and the spiritual, are somehow blessedly dependent one on the other.

To appraise Governor McLean's administration then, we must look at the man—his ancestral roots; his words—as contained in this volume; and his works—as briefly outlined in this sketch.

First, as to the man. What were his inherent qualifications for the highest office in the State? Governor McLean came from pioneer Scotch stock. He grew up on a farm, tasted of adversity in its harsher aspect and developed human sympathies; knew hard work and formed a strong character and a sturdy physique. His family was one of the oldest and most highly respected in the entire Highland Scotch settlement; but though heritage could give him pride and courage, it could offer him nothing in the grim struggle for economic independence. When the war ended in 1865, his forbears, weakened financially as were all the other old Southern families, had to start over again. Young McLean had to begin at the bottom. Whatever material success he has achieved has come largely from his own efforts. In this very real and very admirable sense, Governor McLean is a self-made man.

Governor McLean was born in Robeson County, April 20, 1870. His father, Archibald Alexander McLean, was a native of the same county, a planter, Confederate soldier, and for many years treasurer of the county. His paternal grandfather, Dr. Angus D. McLean, was a physician and planter in Robeson County and married Mary Jane McEachin, daughter of Colonel Archibald and Sallie (MacQueen) McEachin, the latter being a daughter of Colonel James MacQueen, who came to North Carolina in 1765, and the former a son of Patrick McEachin, who came from the highlands of Scotland the same year. Governor McLean's great grandfather was John McLean, who came from the Isle of Mull, Scotland, in 1792.

Prior to her marriage, Governor McLean's mother was Caroline A. Purcell. She was a daughter of Alexander Torrey and Harriet (MacIntyre) Purcell, the former a son of John Purcell and grandson of Malcolm Purcell, who came from

County Ulster, Ireland, to North Carolina about 1750 and was shot to death by the Tories in the Cape Fear River, just below Cross Creek, now Fayetteville, in 1775, because of his active support of the cause of the colonists. Harriet Purcell was a daughter of the Reverend John MacIntyre, a native of Argyleshire, Scotland, and one of the most distinguished among the early Presbyterian preachers in North Carolina.

As he inherited that form of culture which has always distinguished North Carolina's best stock, young McLean was given a thorough academic education. He attended the McMullan Military School from which he was graduated in 1884. From 1885 to 1889 he attended high school and a few years later entered the University of North Carolina from which institution he was graduated in law receiving the degree of B.L. in 1892. While he was governor his alma mater conferred upon him the degree of LL.D.

Although an attorney of marked ability as shown by his election to the presidency of the State Bar Association in 1917, Governor McLean has devoted much time to business pursuits. After his graduation in the law, he returned to Lumberton. For a time he was associated in practice with Judge Thomas A. McNeill and Colonel Neill Archibald McLean, later becoming senior member of the law firm of McLean, Varser, and McLean.

At the age of twenty-six he organized the Bank of Lumberton and served as its president from 1897 to 1914. He then became president of its successor, The National Bank of Lumberton. He also built and was for several years president of the Virginia and Carolina Southern Railway, the Robeson Development Company and the McLean Trust Company; and vice president of the Lumberton Cotton Mills, the Dresden Cotton Mills, and the Jennings Cotton Mills. He is a large landowner and farmer and is well versed in practical agriculture.

While business and politics have claimed much of his time, Angus Wilton McLean has never made his home life second to anything. On April 14, 1904, he was married to Miss Margaret French, of Lumberton, who graced the Executive Mansion at Raleigh as the First Lady of the State during the four years he served as governor. There, as everywhere, she displayed those fine qualities which mark noble womanhood, radiating a spirit

of true North Carolina hospitality. In the family group, besides the parents, there are three children: Angus Wilton, Jr., Margaret French, and Hector. One of the most conspicuous facts that impressed itself upon the visitor to the Executive Mansion was the governor's devotion to the members of his family. Even when given over entirely to the consideration of serious matters of state, he was never too busy to acknowledge tokens of affection from his children, to hear them relate their childish experiences, or to minister to their wants. He maintained an office at the mansion, in addition to that at the capitol, but the fact that he was busy was never a barrier between him and any member of the family group.

A lifelong Presbyterian, Governor McLean is active in the affairs of that denomination. His wife is a Baptist. Because of this and the fact that he has always been a frequent attendant upon Baptist services, he has continued to maintain a very friendly relationship with members of this as well as other communions. He has served as president of the board of trustees of Flora Macdonald College and has been a member of the board of trustees of the Union Theological Seminary, Richmond, since 1920. In 1912 he was elected a member of the board of trustees of the University of North Carolina. Becoming governor automatically made him chairman, but he was reelected a member of the board upon the expiration of his term. These and numerous other affiliations have marked his long career of public usefulness. He is also a member of the Cape Fear Club at Wilmington; the Carolina Country Club at Raleigh; Chevy Chase, and the National Press and Racquet Clubs at Washington.

His political career began in 1892, the year in which he took up the practice of law in his native county, when he was made chairman of the Robeson County Democratic Executive Committee. In 1904 he was delegate-at-large to the National Democratic Convention, being assigned to membership on the committee on rules. In 1912 he became a member of the committee on permanent organization. He was State chairman of the presidential campaign committee of his party in 1912 and in 1916, and a member of the National Democratic Executive Committee from 1916 to 1924, when his people called him to the

governorship by the largest majority ever given a candidate up to that time.

During the World War Governor McLean rendered such conspicuous service that it was personally and officially acknowledged by Woodrow Wilson. He stood squarely behind the President in the conduct of the war and rendered every possible assistance. From 1918 to 1922 he was a director of the War Finance Corporation, and from 1920 to 1921 he was its managing director, being at the same time an Assistant Secretary of the Treasury and chairman of the Railway Loan Advisory Commission. At the outbreak of the war he was made a member of the Selective Service Advisory Commission and general counsel in North Carolina for the Alien Property Custodian. He was chairman of the Robeson County Liberty Loan Association and organizer of the Robeson County Chapter of the American Red Cross.

On January 14, 1925, before an audience that filled the old Raleigh auditorium, Angus Wilton McLean became governor of North Carolina. With the pledge which serves as a fitting introduction to this sketch, he became successor to a long line of distinguished North Carolinians who had occupied the governor's chair. In his public papers, published in this volume, one finds a summary of the things he sought to accomplish. They speak better than any person can of what he did and what he sought to do. The history of his administration, when fully written and appraised, will show that many of the hopes he expressed in these papers became living realities during the years that followed.

So much for the man and his qualifications—his ancestral roots, his training, and his predilections. What of his four years in office?

Governor McLean, to use his own words, began the task of bringing about what he conceived to be needed changes in the State's policies with no thought of reflection on his predecessors. He made this entirely clear and emphasized the fact that he was not seeking *reformation* but *readjustment* to meet new and changing conditions. His chief aim was to coördinate and conserve past gains, to carry on the fight for progressive measures and so

to shape the State's fiscal affairs that North Carolina could always make an accurate appraisal of its revenues and its liabilities. Former general assemblies had made liberal appropriations for permanent improvements and other needs. Governor McLean felt it his duty so to organize the State's fiscal structure as to guarantee a dollar's return for every dollar spent. He was happy in the knowledge that the money appropriated had been honestly and wisely spent, and it was to insure a perpetuation of this record that he set in motion the processes of fiscal control and operation which could not fail to meet the ends for which they were designed.

One of the most effective steps in this direction was the inauguration of the executive budget system, at the emphatic request of the governor. This paved the way for and made effective subsequent legislation designed to strengthen North Carolina's fiscal structure. Its operation proved so highly satisfactory that his successor gave it his endorsement and secured legislation strengthening its provisions. Its establishment meant that each department and each agency of the state government, as well as the State as a whole, must set up a working plan, directed toward a definite goal—living within its income. The executive budget system, as inaugurated by Governor McLean, brought all state agencies together under executive supervision and correlated their efforts as is done in any large and successful business enterprise.

Another fiscal reform, closely allied with the executive budget system, was the enactment of legislation centralizing responsibility for the collection of state funds in the State Department of Revenue. This was done upon the recommendation of Governor McLean, who also secured the passage of what is known as the daily deposit act, calling for the daily depositing of all state funds to the credit of the state treasurer. This was done to eliminate the necessity of borrowing money in anticipation of revenue and effected a considerable saving in interest. Supplementing the executive budget act, this legislation brought about a complete system of fiscal administration and control. The legislation calling for the collection of all funds by the Department of Revenue not only centralized responsibility but eliminated duplication of effort. The daily deposit act provided

means whereby the treasurer could give an accurate account of the State's financial standing upon short notice.

The establishment of a State Sinking Fund Commission may also be termed auxiliary or supplementary legislation, closely associated with the executive budget act, as this commission's duty is to keep the sinking fund inviolate. It is composed of the governor, the state auditor, and the state treasurer.

For the purpose of correcting certain inequalities in the pay and classification of state employes, Governor McLean, in a special message to the General Assembly of 1925, requested the passage of a bill providing for the appointment of a Salary and Wage Commission. This was done, and the commission subsequently named by the governor made a comprehensive survey and adopted rules and regulations governing state employees' classification, pay, and hours of work, reestablishing also the schedule of holidays.

The General Assembly of 1925, at Governor McLean's request, enacted thirty measures designed to improve methods of government administration. The new executive's chief ambition was that the state government should be brought to the point where it could operate on a sound business basis. Not only did this General Assembly react favorably to the governor's requests but also the next assembly which sat in 1927. County government acts constituted some of the outstanding measures enacted at this latter session. Through them machinery was set up which was designed to bring about more economical and business-like administration of county affairs. While all the details of the new system were not put into effect during the McLean administration, a marked improvement could be noted at the time he retired from office. Closer attention had also been given the management of state institutions, including the state prison, where a rapidly increasing population had brought about new conditions. During the four-year period the State's prison not only became self-supporting but showed a profit, being one of only five in the country showing this positive result.

Governor McLean's administration was marked by the creation of the State Department of Conservation and Development, which was an outgrowth and enlargement of the old Geological and Economic Survey. For the first time a state-wide game law

was passed and its operation placed with this department, as well as the interests and care of the fisheries of the State. Manufacturers, sportsmen, and the public generally have rallied to the support of this administrative branch of government, which now functions with a personnel of specialists designed to carry out the purposes for which it was established. One of the aims of Governor McLean was the further development of the State's natural and industrial resources and the adoption of laws designed to promote a proper conservation of the assets of the State. This led him to recommend the new department which was created in 1925. Protection of both game and fish was deemed necessary, and this has been brought about in a most satisfactory manner.

Continuous study of the State's needs was in progress during Governor McLean's administration. Much attention was given the taxing system as well as the capacity of taxable sources to pay. Freight rates were made a subject of special investigation, with a view of working out much-needed reforms; and legislation was enacted to safeguard citizens against the sale of fraudulent securities.

With the sanction of Governor McLean, North Carolina provided an exhibit at the sesquicentennial held in Philadelphia in 1926.

With the help of the State's representatives in Congress, he was also able to consummate a settlement of old claims whereby North Carolina received a balance of \$118,000 from the national government.

Included in the public improvements fostered by Governor McLean was the adoption of complete plans calling for the enlarging and beautifying the grounds around the state capitol at Raleigh. A part of this work has already been done, and ultimately it is hoped to have the entire scheme completed.

Legislation enacted at Governor McLean's request lightened to a marked degree much of the perplexing work that had hitherto fallen upon the chief executive's shoulders, taking his time from other and equally important duties. At his request, the General Assembly of 1925 created the office of Pardon Commissioner, whose duty it is to pass upon all applications for pardons, make thorough investigations, and report the findings to the governor for final action. Later, under Governor McLean's successor,

the duties of this office were enlarged and a law passed providing for an executive counselor. Another notable reform was the passage of legislation making it no longer necessary for the governor to fix the death dates of capital felons who had lost their appeals in the Supreme Court. Under the terms of this bill the date is automatically fixed by statute, following final judgment.

The foregoing acts were, in the main, the more tangible and material achievements of Governor McLean's administration. They form, however, merely the ground work for the intangible but no less real movements that sweep an individual or a state to higher distinction and to permanent service. As the newly-elected governor said in his inaugural (quoted in the beginning of this article) he did not want to forget that with sound economic strength came finer spiritual living and thinking. It can be said in all sincerity and emphasis that Governor McLean strove for this higher aim. Although he carried out his announced determination to practice rigid economy, he did not do this at the expense of the State's progressive development. During his term of office North Carolina not only provided \$50,000,000 additional funds to expand its highway system, but more than \$11,000,000 was voted for educational, charitable, correctional institutions, public buildings, and other permanent improvements—all with the approval of the governor. During the first biennium of his administration \$5,125,000 was spent in this manner, and during the second biennium \$5,707,000. Of this total amount \$6,550,000 went to the State's educational institutions, \$2,675,000 to charitable and correctional institutions, and \$1,607,000 for various permanent improvements.

With Governor McLean's full endorsement, an industrial farm colony for women was established; and it was largely through his constructive effort that North Carolina passed in 1927 legislation necessary to the establishment of the Great Smoky Mountains National Park. He also secured an appropriation of \$50,000 for the erection of a monument to commemorate the deeds of North Carolinians on the battlefield at Gettysburg, the dedication of which monument he made to the national government some time after his term of governor had expired.

In addition to his interest in education, public welfare, and other matters tending to bring the State to a fuller development

of its humanitarian and aesthetic development, he pledged himself to the task of combatting lawlessness at the beginning of his administration. When he became governor, he declared that there should not be a lynching in North Carolina during his term if he could prevent it. He fulfilled this pledge to the people who were solidly behind him in this matter. It was his policy to see that any situation which threatened violence should be taken in hand at once in order that there be no blight on the State's good name. On several occasions he dispatched troops to localities where it appeared as though trouble were brewing; and there were instances when it was necessary for prisoners charged with grave offenses to be tried under military guard. As drastic as was this course, he did not let it influence him in extending clemency when he believed justice demanded it. This was notably true in the case of a Negro who was tried at Asheville, convicted, and sentenced to electrocution. Later he was apprised of facts which created serious doubt in his mind as to the prisoner's guilt and, as a result, he commuted the sentence to life imprisonment. Several years later, this prisoner was given a full pardon by Governor Gardner who was thoroughly convinced of his innocence.

Although Governor McLean went into office pledged to a business administration, the foregoing facts show that he did not neglect the higher calling of Christian statesmanship. Back of a disposition that may have appeared austere at times lay the rockbed of sympathy and human kindness. That was a part of his heredity and his early life. Back of his training as a business man was an unflinching desire to give the State not only a good business administration but to make it his business to see to it that citizens became healthier, happier, and more intelligent. That was after all his genuine growing and permanent repayment to the faithful citizenry who made him governor. A careful reading of the pages that follow will bear out this statement better than dull facts or fulsome praise.

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MESSAGES TO THE GENERAL ASSEMBLY

INAUGURAL ADDRESS OF GOVERNOR
ANGUS W. McLEAN

DELIVERED AT RALEIGH AUDITORIUM

JANUARY 14, 1925

Mr. President, Mr. Speaker, and Members of the General Assembly:

I can say in all sincerity that I feel a very unaffected sense of personal responsibility when I contemplate the solemn duties and obligations I am about to assume.

The splendid majority the citizens of North Carolina gave me and the other candidates of the Democratic Party in the late elections bore unmistakable testimony to the confidence in which our great party is still held by the people of North Carolina. While it is cause for deep personal gratification, I assure you, that the people should give such generous expression of their confidence and approval, I know that I speak for myself, and I believe I speak for my colleagues, when I say that we do not view this overwhelming manifestation of the popular will as a mere personal tribute, but rather as a triumph of the principles of that great party of which we are the chosen representatives.

We come, therefore, in a spirit, not of exultation, but of unreserved dedication, as we are about to assume the official positions to which the people of North Carolina have called us.

At a time when other parts of the nation seem insensible to the high idealism and worth of the Democratic Party, it is refreshing to know that the forward-looking men and women of our State have been unmoved by prejudice or by appeals to the utilitarian spirit in choosing the party through which to express their will in respect to government. They have shown in no uncertain fashion, by the verdict they rendered at the polls in November, their faith in our great party and its leadership in North Carolina.

Appreciation of your confidence in me, personally, and as the chosen head of the government of our State is the dominant feeling that lies deep in my heart at this moment.

Any feeling of personal gratification I may have, however, is soon overcome by a deeper, richer conviction—that I have been

elevated to the highest office in the gift of the people, not so much because they hold my fitness for the position in such high regard, but because they believe that I shall endeavor to correctly interpret their aspirations and carry out their will.

To me, the most reassuring and heartening thought of all is that the people have faith that I shall try earnestly to carry out the promise I made during the campaign; and what was that promise? Simply this: that if elected I would use all the energy and ability I possessed, and all my accumulated experience, in giving the State an administration characterized by efficiency, economy, and rational progress. I expressed then and still entertain the desire and determination to do my utmost to apply sound business principles and methods to the conduct of government. I need not remind you, I am sure, that in such an administration, while materialism must not be the controlling factor, there must be an effort to blend and unite sound, economic principles with sane, progressive ideas, so as to bring to all our citizens a larger measure of civic advancement and material prosperity.

There is nothing, in my opinion, prosaic or commonplace about such a measure of service. Obviously it calls for a very high degree of firm resolve, sympathetic interest, and extensive experience. I have a full realization of the fact that it means, on my part, the most unreserved dedication of whatever ability I possess to the untiring and whole-hearted service of my State, and that it will require the patience and coöperation of all our people to assist me in translating those resolves into action.

As far as I am personally concerned, I promise that I shall be influenced by no other motive than the ardent desire to serve the people of North Carolina, and I entreat all those who believe that our State should go forward steadily and, at the same time, safely, to give me unstintedly of their aid and active coöperation.

It is manifestly impossible to discuss here and now every measure of public concern which should receive the consideration of the General Assembly. I shall, therefore, leave for future discussion a number of matters which should command your earnest attention, but custom requires, and the necessities of the situation demand, that I should submit for your consideration

my views in respect to some of the more important and pressing problems which confront the State at the present time.

EDUCATION

I favor progress in public education, because it is the foundation stone of our civilization. The classic utterance of a great North Carolinian, "A democracy cannot be built on the backs of ignorant men," sounded an everlasting truth.

We have long taken to heart this great lesson, so that today our system of public education is the delight of our citizenship and the glorious hope of our future progress. We should carry on this program, because it means advancement, development, democracy.

In the rate of progress made in public education in the past twenty-five years North Carolina has outstripped every state in the country; yet we are forced to admit that education is still the most pressing need of our Commonwealth.

The fundamental factor in our system of education is the public school system, because every process of educational development must begin at the bottom. Therefore, we need to stress more and more the work of our elementary and high schools.

If I should be asked to say what I found to be the outstanding needs in North Carolina, as I visualized them during my travels covering some forty thousand miles in ninety-eight counties in the past twelve months, I would unhesitatingly reply: agricultural improvement and rural betterment. If I should then be asked to suggest what I considered the prime remedy for supplying this need, I would say: more education, both academic and vocational. When I refer to vocational education in this connection I mean training in scientific and practical agriculture.

The principal requisite in our present educational system is to equalize the school facilities of the rural children, particularly those who live in the less wealthy counties, so that we may provide equality of opportunity in educational advantages for all children in the rural districts as fast as it is possible to do so. I hope the day will soon come when every boy and girl in the most remote rural sections of the State will have the opportunity for at least a high school education. We must constantly strive to reach this goal.

With the public school system giving thorough training to the boys and girls on the farm, and a chain of higher educational institutions supplying the needs of those who seek wider fields and higher education, we shall have in time a system of secondary and collegiate education that will be commensurate with the needs of the young womanhood and young manhood of our rural communities.

AGRICULTURAL IMPROVEMENT AND RURAL BETTERMENT

Closely associated with any successful scheme of rural education must come plans for agricultural improvement and rural betterment generally.

I believe it would be possible and desirable to make the high schools in the rural sections community centers from which the agricultural extension work and agricultural education generally can be made to reach more completely, not only the children who attend these schools, but the adult farmers and farmers' wives as well.

I have tried to discuss better methods in rural education, because I feel, as no doubt you feel, that the strength and sustenance of a great agricultural state like ours lies in the happiness and productivity of our farmers. There can be no permanent or well balanced progress along any line, material or social, until our farm dwellers are brought up to a higher level in education, in culture, and in material prosperity. The two great agencies for rural betterment are the church and the school. Working coöperatively in the communities, they produce an invincible duo.

ECONOMY IN GOVERNMENT

Considered from an economic standpoint, North Carolina is today in the relative position of a great business enterprise which has made very large outlays in the expansion of its plant facilities, including an extensive system of transportation, for the purpose of contributing more fully to the general well-being of the people of the State.

To understand the many problems involved, one must visualize the tremendous investment which the State now has in its various agencies of government, some seventy-five in number, including administrative departments, education and charitable institu-

tions, the judiciary, the fiscal and highway departments, penal institutions and other commissions and bureaus which are engaged in carrying on the various activities of government. All of these constitute a great business machine with probably a greater number of varied and complex problems than many of the greatest business concerns in the United States. It is needless to remind you that the problem of supervising this great organization is becoming more complicated and difficult all the time.

There seems to have been in the past a general impression that sound business principles and methods cannot, and indeed should not, be applied to the conduct of government. I deny that there is any real basis for such an impression. On the contrary, there is no reason whatever why we should not apply the same principles and practices to the operation of government that have produced efficiency in the conduct of private business affairs. There are many conspicuous examples which support this contention.

The ultimate goal for which we should constantly strive is to see that the government is administered honestly, wisely, efficiently, and economically.

One other important factor that should be taken into consideration in connection with every effort to reach this goal is that the indebtedness, as well as the cost of government, in the United States has increased at a tremendous rate in the last decade. North Carolina presents no exception to the rule in this respect.

The total indebtedness of all counties, cities and other local subdivisions in North Carolina on June 30, 1924, was approximately one hundred and eighty-five million dollars, and it is estimated that this sum has increased in the past six months to approximately two hundred and ten million dollars. Perhaps nine-tenths of this large sum was incurred in providing school-houses, streets, electric lights, sewerage and other public improvements. The total indebtedness of the State itself at the present time, including bonds, short-term notes and overdrafts representing the accumulated deficit in operating revenues, is approximately one hundred and ten million dollars. The greater part of this debt has been incurred in the past four years for highway construction and permanent improvements at our educational

and charitable institutions. It will be seen, therefore, that the total debt of the State and all of its subdivisions is now more than three hundred million dollars.

Our county and municipal debt is not above the average of that in the various states of the Union. It is only in our state debt that we rank near the top—only two states, New York and Massachusetts, having a larger debt than ours. The bulk of the state debt has been incurred in the building of the State Highway System, which is usually termed self-supporting, because sufficient revenue is produced from the operation of motor vehicles to maintain the system, pay the interest on the principal debt, and provide a sinking fund for its retirement at maturity.

While this may be true, it is obvious to every intelligent person that North Carolina has, within the last few years, increased her bonded debt at an unprecedented rate. Approximately ninety million dollars of indebtedness has been incurred by the State for permanent improvements within the last three and a half years. The bonds representing these expenditures have been put on the market with a degree of rapidity which is unparalleled in the history of state financing. This is a prime factor which should not be overlooked when we come to determine upon a fiscal policy for the immediate future.

Naturally, any program of expenditures for government should be predicated upon the theory that the industrial resources of the State justify such expenditures. It is an economic principle as old as taxation itself that taxes must be levied according to the economic ability of the citizen to pay. If taxes are too heavy, the efficacy of government is destroyed. Public service becomes first a handicap and then an intolerable burden. Confidence is weakened and coöperation made impossible.

A BREATHING SPELL NECESSARY

It is evident to the most optimistic among us that the State cannot continue to issue long-term bonds for permanent improvements upon anything like the scale that has been practiced in the last four years.

So it seems to me we have come to the threshold of a new period in which we should spend less money and give closer

attention to economy in government administration. This will give us time to get our true bearings, contemplating the whole State as a unit; to consolidate the gains we have accomplished, and to capitalize and put upon a sound operating basis the permanent investment we have made. In my opinion this can best be done by improving the operating efficiency of each branch of the government so as to produce maximum service at minimum cost.

The wise traveler tarries for a little while at the inn which stands by the wayside to refresh himself and conserve his strength for the next day's journey. Let us follow this example by resting for a little while on our journey for the purpose of refreshing ourselves and starting again with a fresh impulse and renewed strength in the form of increased wealth and taxpaying power, in order that we may reach the end of the journey in safety.

HIGHWAY SYSTEM

The value and popularity of our state highway system have been fully demonstrated. The highways constructed under this system have contributed in a major degree to the wonderful development of our State. Nothing would be more gratifying to me than to be able to urge, at this time, a continuation of the policy of rapid construction of State highways, to the end that the system, now far from complete, may be quickly finished.

I entertain a very ardent desire that this should be done, even though it would require further large expenditures; but with such knowledge as I have been able to obtain in regard to the fiscal affairs of the State, I do not believe such a course either wise or safe. The solemn duty I owe to the people requires that I should state frankly the policy I believe should now be pursued. It is this:

As soon as we shall have made a complete survey of the State's financial condition and have determined the amount of additional bonds that can be safely issued at the present time for all permanent improvements, including the construction of state highways, we should apportion the aggregate amount thus determined among the various causes, keeping ever in mind the most pressing needs of the moment. Under such a plan the highway system, no doubt, will receive the bulk of this apportionment, because

the applicable current income will be ample to serve the bonds and maintain the highways.

It has been suggested that there are other ways than bond issues whereby additional funds may be obtained for highway construction. For example, current revenues derived from present sources of taxation, after providing for maintenance, interest, and sinking fund requirements, may be used to supplement the amount available from federal appropriations and state bond issues.

Most of the states are providing all their funds for highway construction in this way.

There is one point upon which there can be no division of opinion. We must provide a way to duplicate the federal appropriations. Furthermore, I am hopeful that we can arrange to defray the cost of constructing such additional highways as will round out and bring the present system into a better balance.

I have never had any patience with either a retrogressive or a standstill policy, and those associated with me for more than thirty years will, I am sure, bear me out when I say that if I have any peculiar genius it is for progress—in planning and building for larger and better things.

But, in view of the existing situation, no man who sincerely loves his state will deny that sound business judgment now requires the exercise of great caution in making further expenditures financed through long-term bonds.

Some additional expenditures will have to be made to round out the present highway system, to complete necessary improvements at some state institutions, to finance the Soldiers' Loan scheme, and probably short-term bonds must be issued to refund the accumulated deficit in the operating account.

I am unable now to make specific recommendations in respect to this matter, because I have not yet had full opportunity to consider what can and should be done within the bounds of business prudence and safety to the delicate structure of the State's credit. It is my purpose to make a most careful study of the report of the Budget Commission, the needs of all the State's institutions, the general fiscal condition of the State, as I have indicated, and then to present definite recommendations to the General Assembly, as to what further program of financing

permanent improvements, including highways, the State can afford to undertake at the present time.

TAXATION

The tax burden in North Carolina has increased rapidly, which, of course, was inevitable with the State, the counties, and all other subdivisions engaged in a program of expansion and development.

The present system whereby land and personal property are taxed by the local authorities for local purposes only, and the State's revenue derived from taxes on incomes, inheritances, licenses and franchises, is the declared fiscal policy of our State, and has been generally approved by our people.

Although the average tax rate in North Carolina is lower than in other states, taxes on both land and personal property are too high in many counties and municipalities in the State. This is true because the average in wealth in North Carolina is below the average for the other states of the Union, the lack of uniformity in the valuation of land for taxation, the failure to list for taxation much intangible property, and the unequal distribution of wealth by counties.

To remedy the situation the General Assembly should make a survey of the present system of local taxation and enact general legislation for the purpose of eliminating, as far as possible, these defects.

MORE REVENUE NECESSARY

It must be manifest to those familiar with existing conditions that additional funds must be provided to furnish sufficient operating income, and this will require the present General Assembly to give earnest and thoughtful attention to the revision of the revenue laws for the purpose of providing necessary additional revenue.

The need for more revenue is due to several causes, among which may be mentioned: first, the expansion of our educational and charitable institutions through bond issues requiring large additional revenue to meet interest charges on the bonds and provide a proper sinking fund; second, to the consequent and large increase in the number of students in our educational

institutions, as well as the number of inmates in our charitable institutions, thereby proportionately increasing the operating expenses of these institutions; third, to the deficit which has accumulated on account of the failure to provide sufficient funds for current operating expenses during the past few years.

I desire to say in this connection that I am opposed to levying any tax for State purposes upon real or personal property. It must be apparent to every thinking man that real estate, especially farm lands, is already bearing a heavy burden in many counties, a burden none the less heavy because incurred for local taxation and local schools.

Diligent effort should be made to devise some plan in coöperation with the local authorities to reduce excessive tax rates now prevailing in the less wealthy counties. An increase in the equalization fund distributed by the State to aid such counties in maintaining their public schools would help materially, but reduction in the cost of county and municipal government is most important.

There is one elementary principle that should obtain with even greater force in the business of government than in private affairs which shall not be violated during my term of office if my influence can prevent it: current expenditures must not exceed current revenues applicable to such expenditures.

Another principle of sound finance which should always be adhered to is that bonds should not be issued except for necessary permanent improvements, and then provision should always be made for the payment of the interest and amortizing the principal, either by the issuance of serial bonds or by providing a sinking fund. I most earnestly urge upon the members of the General Assembly the necessity of following these simple yet fundamental rules of sound fiscal policy.

The General Assembly, under the constitution, has the sole power to enact legislation and provide for raising and expending all public revenues, and in this State the executive has no power or control over these matters, either by veto or otherwise. I shall be glad, however, to coöperate with the General Assembly in effecting every economy possible by the application of sound business principles and methods in the conduct of state affairs.

OTHER ECONOMIC AND WELFARE MEASURES

I expect to discuss other subjects of public concern in later messages to the General Assembly. Among the subjects which I have in mind are the executive budget; administrative reform; the banking laws; the issuance and sale of stocks and other securities; conservation and development; freight rates and water transportation; reform in judicial procedure; the regulation of commercial traffic on the highways; regulating the holding of primaries and elections; the treatment of labor; increase of crime; law enforcement; and other measures which may contribute to the sensible and more effective solution of our economic and welfare problems generally.

CONCLUSION

I like to think that we are all engaged in making more equal any inequality of opportunity that exists, and in the great work of wiping out any injustice we may see around us. We often speak of abolishing injustice before the law as one of the great passions of every public-spirited citizen; but, after all, injustice before the law is not different from moral injustice or social injustice. I am quite convinced that any man who desires to better the lot of others must have this great passion for abolishing injustice wherever it may be found. It is not necessary to offer drastic measures or institute revolutionary means to bring it about. In fact, the judgment of history is all on the side of the men who have succeeded by peaceful and steady methods to raise the lot of the common majority. The quiet, sincere, and consecrated workers have always been the ones who have contributed most to the welfare and happiness, as well as to the substantial progress of the world. The heart of the citizenry will respond to these methods, because it is rhythmic, healthy, and honest.

Frankly, my earnest desire is to give to the State an efficient business administration. But let me tell you what I think is the business of government and what I mean by business administration.

A business administration must save money for the taxpayer. The first principle must be economy in government. Overhead

expense must be watched carefully, needless waste of the State's revenue checked, and a maximum service rendered at minimum cost. The sound principles of economy that private business follows, in order to prosper and to serve, are just as applicable to the business of government.

There are, to be sure, two kinds of economy—one of present-day profits and limitless use of the State's resources, including the taxing power, which I should call false and disastrous, and an economy of husbanding our resources to the end that they may gradually reach their fullest development. I favor the latter kind of economy, because I believe it is wise and durable.

Any policies, however, designed to render service to the State and save the taxpayer money must take two fruitful channels, an economy of natural resources and an economy in industrial affairs.

By economy of natural resources I mean economy in safeguarding and improving human life. I conceive it to be the highest duty of government to see that the citizenry is healthy, happy, intelligent, and productive. Hence, a representative system of public education, an efficient program of health betterment, rural improvement, care of the afflicted, adequate law protection, and the creation of sound public sentiment toward all matters touching the citizen and the State are all affairs of first concern in government. They are matters of economy and not sentiment, because they conserve the State's greatest assets, the manhood and womanhood—the real producers—and the health and happiness of all the citizens. To see that measures designed for such improvement of the life of the citizenry as a whole are adequately met out of the State's finances is not extravagance; it is the only kind of sensible, cumulative economy.

I conceive it to be my duty as the head of government to strive to coördinate the two great forces in our life, the spiritual values of education, freedom and democracy, with the material values of agriculture, manufacturing and other normal pursuits. If I can bring to such a task a sympathetic regard for the need of the individual and a sound business experience useful in the continuation of our prosperity, I shall have accomplished the purpose that impelled me to seek the office.

With the support of every forward-looking citizen, this result

is possible. It must come if the State fulfills its highest mission.

I wish to carry to the office of governor sound business experience that will render an efficient, profitable administration; keen analytical judgment of the trend of wholesome social and political forces in the State; and an earnest desire to be of personal service to every one of the State's citizens. It is a great task, and one fraught with grave responsibility. But the testimony of personal confidence shown by the people is too fine and noble to be disregarded. I am proud of the testimonial and sensible of the trust. I shall try accurately to appraise the hopes and desires of the average citizen, the normal capacity of our industrial organizations. I shall try always to remember that the real greatness of any commonwealth, like that of any individual, rests upon two inherent forces, the one material, the other spiritual. But I do not want to forget, nor do I want you to let me forget, that the greater of these is spiritual.

ECONOMIC ADMINISTRATION OF GOVERNMENT; EXECUTIVE BUDGET NECESSARY

SPECIAL MESSAGE

JANUARY 21, 1925

Mr. President, Mr. Speaker and Members of the General Assembly:

It is not only a genuine pleasure but a high privilege to have this opportunity of again addressing this General Assembly, composed as it is of unusually able and experienced representatives of the people of North Carolina.

You are at the beginning of a most important session, the result of which will have much to do with the life, the health, the happiness and material prosperity of the citizenry of this Commonwealth.

The constitution requires that I inform you of the affairs of the State and recommend for your consideration measures which appear to me necessary and expedient. I shall not attempt now to present all of the recommendations which I shall lay before you at this session, because there are other matters of public

concern to claim your earnest attention, but these matters must be postponed until I shall have had time to give them sufficient consideration to enable me to express a well considered opinion in respect thereto.

A newly inaugurated governor is at a disadvantage, in that he is plunged into the midst of a legislative session without having had opportunity to inform himself thoroughly as to conditions and to determine many details relating to governmental matters.

As stated in my inaugural, I shall not attempt to present recommendations with respect to appropriations, either for permanent improvements, including the construction of highways, or for the maintenance of state departments and institutions, until the Budget Commission completes its investigation and files its report. At that time I intend to send a special message, making specific recommendations as to revenues, expenditures and the fiscal affairs of the State generally.

Before passing from this matter of fiscal affairs, however, I desire to emphasize, if possible, what I tried to stress in my inaugural: that we should keep in the foreground the necessity of transacting the business of the session in such a way that the methods of sound efficiency will be blended and united with those of sensible and constructive economy. The policy of raising sufficient revenue to meet the expenditures must be kept constantly in mind. We must provide for the administration of the various departments, institutions and other agencies of government in such a way that they will serve the purpose for which they were created, but without losing sight of the necessity for economic administration. The condition of the state treasury makes this course imperative, if we are to conduct our government upon a prudent and businesslike basis.

The deficit which has arisen on account of the failure in the past to provide sufficient revenue to meet expenditures must be provided for, and, at the same time, adequate steps must be taken to prevent any possible recurrence of a deficit in the future. The cardinal principle of our fiscal policy should be that our budget must be balanced for each operating period. This fundamental principle should never be violated, because its violation is certain to rise up and plague us on every future occasion, and, moreover, if such violation is persisted in, it will

sooner or later create chaos in the fiscal affairs of our great State.

It should not be necessary for me to remind you that it is most important that the appropriations to be made by you should be considered as a whole, in order that there shall be no failure to provide sufficient revenue to balance these with the total expenditures finally authorized.

The progress achieved by North Carolina in the past twenty-four years is enough to inspire in us a feeling of pardonable pride, and also to encourage us to go steadily forward with renewed hope and strong endeavor.

With the beginning of this session of the General Assembly I believe our State is entering upon a less spectacular period, because necessarily less money must be spent upon expansion and permanent improvements. This is not surprising, for the reason that the need is not so acute, and besides our capacity to borrow money, secured by long time bonds, should not be used to the straining point. Notwithstanding these limitations the new period should be just as inspiring and just as enduring, so far as beneficial results are concerned, because it will be characterized, I hope, by constructive administrative work and continuous striving to apply to government those principles and methods of thrift and broad economy which the successful business man applies to his own affairs. In this day, when the necessity for applying modern business methods to government is so imperative, it will be very heartening to us all if North Carolina should come to be recognized as a model among the states, not only in her material resources and general policies, but in her system and administration of government as well.

THE PUBLIC SCHOOLS

We should have a just pride in our State's educational program. Although our constitution requires only a six months' term, our people within the past five years have raised the average from a five months' term to seven months. Many counties have a minimum of eight months, and many of our towns and cities have a nine months' term. The fact that this high level has been reached voluntarily and without any compulsion beyond the six months' term is a fine tribute to the spirit of educational progress among our people. If the present progress is maintained

it will be only a few years until every county will have a unified system and our rural schools, coöperating with the departments of research and extension, will become the centers of educational progress and community betterment. The fact that this is being brought to pass through the voluntary effort of our people, stimulated by a general awakening, gives them both an opportunity and a fine incentive to appraise their own resources and measure their financial possibilities. This is the safest basis on which to build an enduring public school system and one in which the people will have a genuine pride. Therefore, the State, in administering its public school funds, should seek to keep alive this enthusiasm and to distribute the burden of public school support so that the desired goal may be attained without placing an excessive hardship on any county.

This can be done by gradually increasing the equalization fund distributed by the State to the less wealthy counties, to enable them to support their public schools. Whatever curtailment there must be in the general activities of the State on account of lack of revenue, education, and particularly the public schools, must not be neglected.

I commend the public schools, the University, State College of Agriculture and Engineering, State College for Women, and our other institutions for higher learning, which now constitute our general system of education, to your most favorable consideration.

In carrying out our scheme of education we cannot afford to neglect the educational welfare of the colored race. On account of their peculiar social and political status they must be regarded as special objects of our care and solicitude. Certain Indians in our State, who are not the wards of the federal government, have demonstrated that the recent facilities for higher education afforded them are being used with commendable enthusiasm and gratifying results. We must encourage and foster the educational interests of every group of our citizens, because education after all is the foundation stone of all progress, and the only cure for our ills.

TRAINING IN AGRICULTURE

Because it is our basic industry, affording a livelihood to sixty per cent of our people, agriculture should receive preferential consideration in our system of education.

Research and experiment are fundamental needs in any well balanced system of agricultural education and, in my opinion, we need to devote more attention to this branch of agricultural work. Efforts to control the boll weevil, which has wrought such serious damage, better methods of distribution in marketing, the application of better business methods in the conduct of our farms, are all necessary if our farmers are to become more prosperous and contented.

I have long urged the establishment, in the coastal plain section of the State, where the need is greatest, of a research laboratory for experimental work in boll weevil control. I also favor the establishment of an experiment station in the sand hill region for the purpose of experimentation in the agricultural and horticultural problems peculiar to that region. Another most important consideration, in connection with any effort to improve the condition of our farm dwellers, is the matter of better credit facilities. Definite steps should also be taken to mitigate and reduce the evil of farm tenancy.

If I have any peculiar interest in any one problem over another it is agriculture. I expect to cooperate actively with the Department of Agriculture and with the State College of Agriculture and Engineering in devising special means, during the next four years, to promote the agricultural industry of our State.

HEALTH

Good health is more than the concern of the individual; it is an important requisite of good citizenship, and, therefore, it is the duty of the State to do its part in preserving and protecting the health of the individual citizen and the communities also. An intellectual and industrial competency, as well as civic efficiency, is of little avail if there is any serious impairment of the health of the citizenry. Good health is not only essential to the progressive development of the State, but is now generally admitted to be one of the most important aspects of modern conservation. No state in the Union has made greater progress in public health service than has North Carolina.

We must not rest upon what we have achieved, but push onward. Greater efforts must be made to render the children in our public schools physically fit to benefit from the more abundant advantages offered them.

In my opinion you can make no more profitable expenditure than to continue and gradually increase this branch of our public service.

ECONOMICAL ADMINISTRATION OF GOVERNMENT

I shall not repeat here the effort I made in my inaugural to stress the importance of applying business principles and methods to government. You should give, and I am sure you will give, the most careful consideration to the report of the Budget Commission when it is received. What I present for your consideration now is the necessity for enacting legislation to put all appropriations upon a sounder and more businesslike basis. The main difficulty is that each institution is inclined to view the situation in terms of its institution alone, instead of trying to visualize all the departments and institutions of the State as one great operating unit. The Legislative Budget Commission has been of great service since it has been in operation, and I am sure the able and public spirited members of that commission will agree that it has been impossible for them to give continuous attention and executive direction to all of the numerous state departments and institutions. I have conferred freely with the members of that commission, and I believe I am correct when I say they heartily concur in the recommendation I am about to make.

EXECUTIVE BUDGET NECESSARY

As a means of bringing about immediately, and without the necessity of constitutional changes, a more economical administration of the state government, I favored during the campaign, and I now urge the General Assembly to enact a law converting the present Legislative Budget Commission into an Executive Budget Commission and to give it enlarged and more effective powers of supervision over the fiscal affairs of the State. The budget system would thus become, for all practical purposes, a supervising department of economy and finance, functioning continuously and not for a short period only, as is now the case with the Legislative Budget Commission.

The governor, who is, under the present legislative system, nominally chairman, should be made the real executive head of the commission, constantly directing its affairs, very much in the

same way that the president or other chief executive of a large business concern supervises the affairs of its various departments. The commission, through the governor as its executive head, should perform some or all of the following functions: (a) awaken a spirit of economy and efficiency in the public service; (b) scrutinize and subject to the test of necessity and public welfare all items of proposed expenditures; (c) eliminate waste and extravagance, if any exist; (d) prevent duplication of effort and outlay by the various agencies; (e) constantly supervise the fiscal operations of the State in respect to both revenues and expenditures; (f) formulate and recommend plans for the better coördination, organization and administration of the various institutions; (g) prepare and submit, for action by the General Assembly, a budget of estimated receipts and expenditures for the State as a whole, after receiving, examining and passing upon the reports and estimates of the various departments and institutions, to the end that current operating expenses shall, at no time, exceed current income applicable thereto.

The budget should be initiated by the governor so that the responsibility for balancing it in the first instance can be fixed. The financial condition of the State should be disclosed in its entirety. Receipts and expenditures, for both the preceding and succeeding fiscal periods, should be shown in such a simple way that the people may know whether there is a surplus or a deficit from current operations.

The executive budget system, as I have outlined it, is one definite method, in the absence of constitutional changes, of applying in some degree, at least, sound business methods and prudent business management to the fiscal affairs of the government. The system has brought about many economies in the federal government and in the government of more than twenty-four of the progressive states of the Union.

I urge you to create an effective executive budget system as one of the most important acts of this General Assembly.

OUR SYSTEM DEFECTIVE

An antiquated system is largely responsible for many aspects of the ever increasing cost of government. It is stated that there are approximately seventy-five departments, commissions, bu-

reaus and other agencies comprising the state administration. Many of these have been given overlapping duties and responsibilities, so that there is much duplication of effort and waste of time and money—generally due to the system itself, without fault upon the part of the officials in charge.

We have no central organization and no adequate control is lodged anywhere under our present system. An impression exists in some quarters that the governor controls the administration of the state government, but you know this idea is wholly erroneous. The encyclopedias and other authorities usually single out North Carolina as a state that possesses an anomalous system, in that the whole effort seems to have been to create diffusion and lack of responsibility, rather than executive authority and accountability.

Practically all progressive states except North Carolina have long since realized that the number of elective officers must be reduced if democracy is to produce efficiency and sound economy. It is generally conceded by students of government that responsible executive authority should be reposed somewhere, that the people may know who to hold responsible for any shortcomings. Democracy is the best form of government, only when machinery is provided, whereby the people can effectively exercise the sovereignty vested in them.

The remedy for these defects is a shorter ballot, and the need therefor was never more apparent than today, especially under the system of nominating all candidates in a state-wide primary.

The sole objection urged against the short ballot is that it lodges too much power in the hands of the governor. If this be true, then our national democracy is a failure, for under the federal system all executive power is lodged in the president. The effective answer to the objection is that in case of abuse of power, the people have a prompt and effective remedy in the power to remove.

Our system of county government is just as unadapted to present day needs as our system of state government. For example, we have had several instances in the past where county officers have been short in their accounts. This condition, sometimes involving large sums, is a constant menace to well-

ordered government. In many cases the officials in default are not entirely to blame. Often they are inexperienced in accounting and in handling large sums of money. It seems to me the main trouble is the lack of a proper system of county government, due to the failure of the State to provide by general law some simple standards of accounting and administration whereby the people and the officials in the various counties may adopt more up-to-date and efficient methods.

There are instances in some of the counties and towns where the principles of thrift and sound economy have been disregarded.

For example, there are cases where public buildings, including schoolhouses, have been built upon too extravagant a scale, with the result that they have cost a great deal more than was necessary to afford substantial, commodious and durable structures. In some districts schoolhouses have been erected upon too elaborate a scale, with the result that some of these districts have to bear too heavy a burden of taxation for the construction of such buildings.

I am strongly in favor of substantial, comfortable and commodious schoolhouses, but that does not mean that districts should engage in contests with each other for the purpose of seeing which can build the most artistic and elaborate school building without regard to the actual need.

Another example of the lack of thrift and business economy in local affairs occurs where small towns undertake to pave, at great expense, the full width of streets in residential sections. Business thrift and economy should dictate that such streets be paved for a width of perhaps thirty feet, thereby providing an ample roadway, saving a large part of the cost of paving and, at the same time, supplying every reasonable need, besides providing parkways for planting trees and grass.

These examples afford an explanation of what I mean by thrift in the conduct of public business.

It should be remembered that the system of county government now in force is the same our forefathers brought to this country three hundred years ago.

I mention the matter now in order to call it pointedly to the attention of the General Assembly and the people generally.

LAW ENFORCEMENT

One of the most pressing problems confronting America today is to find some adequate remedy to prevent the astounding increase in crime, and the general disrespect for law that seems to exist.

It is evident that there is a growing tendency to disregard that class of laws usually referred to as general welfare or police regulations. Unless this tendency is eradicated, it will have the effect of gradually destroying the law-abiding morale of the people and thus do injury to our whole governmental structure. It must be remembered that ours is essentially a government of laws; that all sovereignty resides in the people themselves; and that they can assert their sovereignty through the laws alone. The laws, therefore, should be regarded as sacred by all the people.

More serious still is the undeniable fact that in the last few years there has been an unmistakable increase in the number of major crimes, particularly homicide. Lawmaking America is acquiring the unwholesome reputation of being among the most lawless countries in the world, notwithstanding the ever increasing volume of new laws that are being enacted by Congress, the forty-eight states and the many subdivisions of our government.

It is an appalling fact, that in this country property and human life are less secure from the acts of the criminal than in most of the civilized countries. For example, North Carolina unfortunately has one of the highest homicide rates to be found in the world.

While the opinions expressed by those who have attempted to assign the true causes for the deplorable crime record of America differ very widely, the most reliable school of thought holds that the controlling factor in the whole situation is our defective system of administering the criminal law, particularly in respect to the delay in punishment of offenders. It is interesting in this connection to observe that our system of criminal laws, and the basis upon which they are administered, are the same as existed in 1776.

REFORM IN JUDICIAL PROCEDURE

The opinion has long prevailed in North Carolina, especially among our business men and other laymen, that there is too much delay in the trial of both criminal and civil cases. It is said that the civil dockets in many of our most populous counties are congested to such an extent that trials are sometimes delayed for months and even years, and that trials in criminal cases are frequently delayed for many months. There is on all sides an insistent demand that there should be a simpler, less technical and more effective system of procedure that will enable the courts to administer, not only an even handed, but a speedy justice.

“To none will we deny, to none will we delay right or justice,” runs the Magna Charta. Very few matters now calling for a remedy are more important than that of simplifying and expediting judicial procedure and thus making it less expensive. The interest of a rapidly developing and otherwise progressive state demands that this be done.

I know it has been claimed by some that the only remedy is to increase the number of judges and the terms of court, but I do not believe that this is the sole or fundamental remedy. In my opinion, experience has shown very clearly that unless there is coördination and unified administration of the court system as a whole, an increase in the number of judges will not bring relief. No part of our governmental system, relating to the judicial or administrative branch, can function effectively unless there is coöperation and concert of purpose and action on the part of those charged with its administration. The only practical way to achieve these results in our judicial system is to create some permanent machinery through which all the judges may meet periodically in common council, discuss the problems involved and agree upon the best methods of expediting trials and generally improving the administration of justice. My own experience in business and other activities convinces me that free discussion in conference will materially contribute to the solution of any problem, no matter how difficult.

Upon full consideration, I recommend that you provide for the creation of a standing Judicial Conference, to be composed of the judges of the Supreme and Superior courts, the attorney-

general, and at least one member of the bar from each judicial district. The Chief Justice of the Supreme Court should preside over the conference and regular meetings should be held at least twice a year, and oftener if necessary.

At such meetings the members of the conference should exchange views, receive recommendations, study the conditions of the court dockets, formulate methods of relief and recommend such action in respect to expediting the business of the courts as may be deemed advisable.

Such a conference will accomplish much good if the judges and lawyers will enter wholeheartedly upon the task of bringing about coöperation in this important matter. It is obvious that the responsibility rests upon the judges and the lawyers to remove the causes of complaint that seem to be so prevalent, and I desire to appeal especially to the lawyers of this body to lend their aid in having enacted into law the important measure I have just proposed.

No one can deny that the present state of affairs in respect of the administration of justice in the courts calls for relief, when it is remembered that about seventy-five per cent of the cases carried to appellate courts involve matters of practice and procedure only. We have, therefore, this anomalous condition: machinery set up to carry on a most important work is engaged seventy-five per cent of the time in an effort to repair defects inherent in the machinery itself.

I shall be glad to explain the plan I have in mind more in detail to your committees and other members.

FREIGHT RATES

During the campaign, in referring to the matter of freight rate discrimination, I said: "I favor just freight rates for North Carolina shippers. I am in favor of invoking every legal resource at our command in proceedings before the Interstate Commerce Commission and elsewhere to remove every unjust discrimination in respect to both intra- and inter-state rates and to place the state of North Carolina upon a parity with neighboring states."

The Democratic party is pledged to this course of action by its platform and by the repeated campaign declarations of its

candidate for governor. The pledge must be faithfully kept. A pledge made by a political party in its platform should be regarded as a solemn covenant, made with those who supported the party at the polls, because no political party can be made the responsible and responsive instrument of government if platform promises are disregarded.

DEVELOPMENT OF WATER TRANSPORTATION

The Democratic party is likewise committed to the policy of the State's encouraging and fostering the development of our water transportation, so far as this can be done without violating sound business principles.

As I stated in the campaign, I believe one of the most important considerations in connection with our freight rate situation is to do whatever we reasonably can towards establishing rate basing ports and developing a system of water transportation.

I expressed the belief, to which I still adhere, that the rapid completion by the federal government of the inter-coastal canal from Beaufort to the Cape Fear Basin, and deepening the channel of the Cape Fear River, are prime factors in accomplishing such a result.

There seems to exist among our business men and shippers generally, a wide difference of opinion, not only as to the character and extent of freight rate discrimination but also as to what means should be adopted to remove such discrimination.

There is also difference of opinion as to what, if anything, the State can safely and properly do to aid in the development of water transportation. The extensive discussion in the recent campaign in connection with the ports and terminal referendum did not result in settling these differences of opinion.

It is obvious that no comprehensive measures may be undertaken to eliminate the inequalities and discriminations which exist unless some plan can be devised whereby common counsel and concert of action can be had, and a definite course of action, formulated with respect to what the State itself can and should do to effectuate the result our people have so much at heart.

For the purpose of bringing about that unity of effort so necessary to final success in this important business, I have in mind the creation of an Advisory Commission, to be appointed

by the governor, composed of twelve business men and shippers from various sections of the State to be charged with the duty of making a complete survey and investigation of the entire rate situation in North Carolina and reporting to the governor, as speedily as possible, the facts which they may find to exist with respect to existing discrimination in rates, the probable causes thereof, the action—which in the judgment of the commission—will afford a remedy; and what action, if any, the State can safely and properly take, by coöperation with the federal government, or otherwise, to aid in the development of water transportation to and from North Carolina ports.

If the Advisory Commission should recommend the institution of proceedings before the Interstate Commerce Commission, the Shipping Board or the courts, in respect to freight rates, the act creating the commission should provide that the governor and Corporation Commission should forthwith institute and prosecute by and with the advice and assistance of the Advisory Commission, such actions and proceedings as may be deemed necessary or advisable to effectuate the purpose in view.

In the event the Advisory Commission recommends that the State assume any financial burden, involving the appropriation of money or pledging the faith and credit of the State (other than the necessary expense of conducting the investigation and prosecuting actions and proceedings) the governor shall lay the recommendations before the General Assembly for its action, indicating at the same time, his own opinion concerning the recommendations so made.

The plan I propose need not, and should not, interfere with or postpone, any action which particular individuals or organizations, including the Corporation Commission, have taken, or may hereafter take, with respect to either rail or water rates.

The Corporation Commission is prosecuting several important suits before the Interstate Commerce Commission at the present time. I shall give them every aid and assistance in my power to successfully prosecute the undertakings.

I am firmly convinced that every consideration of justice and public policy require that you take the action recommended, or some similar action.

As governor, I pledge in advance my wholehearted coöperation

in bringing about a just and true determination of these matters, if the necessary means are provided by you.

HIGHWAYS

As stated in my inaugural, I favor the continuation of highway construction until the entire system is completed. I am convinced that our highways are such a necessity that we cannot afford to withhold reasonable annual appropriations therefor. The only serious question now presented is what funds for additional construction can be provided by long term bonds, and this depends, under the conditions now existing, on our ability to market such bonds upon a reasonable and safe basis. I shall, within a very short time, give this phase of the situation the most careful consideration and make such recommendations as in my judgment will be for the best interests of the State. My natural inclination is to be as liberal as the general credit situation of the State will justify.

TREATMENT OF THE AFFLICTED

It is not necessary to discuss at length the necessity of adequately caring for the State's afflicted. North Carolina has been most mindful of her duty in this respect. It remains for us only to continue the noble work on as progressive a scale as available revenues will permit. Work of this kind must be carried on, not only because we are a democratic state, but because we are a Christian state. The State's duty is often synonymous with that of the church in matters of this kind. They must work in harmony to obey the precepts of the Higher Law.

THE PARDONING POWER

Our constitution, adopted more than fifty years ago, confers upon the governor exclusive power to grant pardons, reprieves and commutations. At the time the constitution was adopted the work thus imposed upon the governor was not burdensome. In recent years, however, there has been a large increase in the population and in the industrial and social activities of our people, and hence there has been a tremendous increase in the number of criminal cases tried and disposed of in the courts.

The large number of applications for clemency arising out of

these numerous cases imposes upon the governor duties which have become well-nigh unbearable. To say the least, they consume so much of the governor's time and attention, if he undertakes to give each case proper consideration, that he is prevented from giving needed attention to other important duties of his office, particularly the general oversight of the various and greatly multiplied activities of the state government. It must be remembered that the work of the governor, if he undertakes to faithfully perform all of the duties imposed upon him, is very burdensome. The conditions I have described are believed by many to be the real cause for the unusual fatality that has befallen those who have served as governor in late years.

If our people are brought to understand the situation as it now exists, I believe they will not only favor but demand that some remedy be found to relieve the governor of a part of this work.

I have given most serious consideration to this matter, not from a personal or selfish standpoint, but from the standpoint of the general interest of the people of the State, and have reached the conclusion that North Carolina should follow the example of other states and provide a Pardon Board, and thus finally relieve the governor of the burden now involved in hearing applications for pardon, commutation and reprieve. This reform cannot be inaugurated, however, without an amendment to the constitution.

Whether this change is favored or not, I earnestly urge the General Assembly to enact immediately a law providing for the appointment by the governor of some suitable and competent person to act in the capacity of Commissioner of Pardons, whose duty it shall be to consider, as the governor may require, all applications for pardon, commutation and reprieve; to see that the application and other papers are in accordance with the rules; to make necessary investigations and to present the case to the governor, under rules prescribed by him. The plan suggested is substantially the same now in use by the president of the United States.

Of course, the final responsibility for granting or withholding clemency must rest with the governor himself, until he is relieved by constitutional amendment.

BLUE SKY LAW

The present law regulating the issuance and sale of stocks and bonds, usually referred to as the "Blue Sky Law," should be materially strengthened and adequate provision made for its strict enforcement. The sale of fraudulent and worthless stocks and securities to our people must be prevented, as far as the State is able to do so. I realize fully the difficulties involved in such an undertaking, but the evil is so prevalent and serious in the State that drastic remedies must be applied. I have in mind amendments to the present law which will materially strengthen it.

CONSERVATION AND DEVELOPMENT

It has been repeatedly said that one of North Carolina's greatest needs in this day of her development and progress is an efficient press agent to properly advertise her wonderful resources. I heartily concur in this statement, provided the advertising is done by means of proper methods. It is most important that the variety and value of our resources be made known, not only to the outside world, but to our own people as well.

OUR NATURAL RESOURCES

Arising out of long experience in both agriculture and industry, as well as from a close personal study, I have entertained for years a deep-seated conviction that North Carolina is not conserving her natural resources to the best advantage. Conservation in this connection does not exclude the idea of development, if the latter process is conducted along sound and practical lines.

North Carolina is rich in natural resources and among these may be mentioned climate, scenery, lands, water-power, forests, minerals, game, fish and oysters.

Our forests are being rapidly destroyed through lack of a proper conservation policy. Commercial exploitation in the past, has meant destruction instead of conservation. For example, I call attention to the plight of the once magnificent long-leaf pine forests, which for a long time were one of the most attractive and valuable natural resources of our eastern sections. No one can contemplate the progressive destruction of our forests for the past fifty years without experiencing a feeling of deep

discouragement. It seems to me that there should be no further delay in providing a more effective policy of forest protection and reforestation.

I have had considerable experience in handling timber and forest problems, and based upon this experience I am of the opinion that one of the greatest, if not the greatest, potential assets of Eastern North Carolina is the uncleared or wild lands. There are many hundreds of thousands of acres of such land in that section of the State not suitable for agricultural purposes.

There is a great deal of land in cultivation in North Carolina today that would produce a greater net profit over a period of twenty-five or thirty years if devoted to forestry than to agriculture.

The pressing needs are: first, to educate our people as to the value of these forest lands and, second, to lead them into correct methods of forest protection and reforestation.

I feel sure that if the Department of Conservation and Development, which I suppose, can be made to function in the manner I have indicated, a successful plan of forest protection and reforestation can be worked out.

Our undeveloped water-power is a potential asset of increasing importance. While other states may boast of the value of their black coal, North Carolina may well boast that in the years to come the black coal of commerce cannot compare with the "White Coal" of North Carolina streams.

Our sounds, bays, rivers and other waters are capable of yielding annually many millions of dollars in fish and oysters. The continued development of these natural resources must not be neglected.

Our wonderful climate, our unsurpassed natural scenery, and our splendid highway system should make North Carolina the premier recreational and resort section of Eastern America.

OUR INDUSTRIAL DEVELOPMENT

North Carolina has developed into one of the great industrial states of the Union. Its ability to spend large sums in expanding its various institutions and to provide the large amount of revenue necessary to maintain the institutions and other activities,

without imposing any taxes upon land or personal property, is due almost entirely to the remarkable development of our manufacturing industries.

The unparalleled growth in manufacturing has enabled the State in the last decade to quadruple its producing, as well as its purchasing power. It has enabled North Carolina to take her place among the first five states in the payment of federal taxes.

It is imperative, therefore, that we should encourage and foster the continued development of our manufacturing industries, and every motive of self-interest and public welfare should influence us to see to it that no unjust or inequitable burden in the way of excessive taxes or ill-advised legislation should hamper the growth of these great industries.

DEVELOPMENT OF COASTAL PLAIN

The manufacturing industry, now largely confined to the Piedmont section, has given that section a great advantage. I should like to see Eastern North Carolina become a great manufacturing section. While conditions there may not be so favorable to the development of the textile industry, there is no good reason why the Coastal Plain section should not develop into a great manufacturing section if it could only be led into methods that will not only produce larger quantities of farm products, fruits, vegetables and dairy products, but also manufacture them into forms suitable for final consumption, just as California, Iowa and New York are doing at the present time. What is needed most to bring about such results, it seems to me, is constructive and thoughtful leadership.

If the State can contribute to this need, it should do so, and I believe it can do so. In contemplating all the splendid possibilities that lie before us, involving as they do every form of conservation and development, I have reached the conclusion that there is need for a department of our state government to foster and promote these activities.

A department such as I propose should be made both a storehouse and a clearing house for reliable information as to our natural and artificial resources, including statistics of production and consumption.

Such information could be used to advertise our resources beyond the borders of the State, and also to acquaint the people of our own State with its possibilities.

There is already in existence in the various bureaus and departments of our government, a vast amount of information which is not now readily available, but which can be made to serve our people in a most important way, if it should be collected and put together in convenient form. Another important function which such a department could perform successfully would be that of preparing and issuing periodically a year book, containing a brief summary of all the resources of the State, together with reliable statistics in regard thereto. Such a department, when properly organized, would work in close coöperation with the University, State College, the Department of Labor and Printing, the Department of Agriculture, all of which agencies should contribute to the Department of Conservation and Development a trained staff and other facilities.

A rather careful examination and survey of the present conditions and future possibilities convince me that the purpose I have in mind can be accomplished without creating a new agency, by reorganizing and expanding the present Geological and Economic Survey into a Department of Conservation and Development. The scheme can be put into effect with very little expense over and above the appropriations now available for the present agency.

I am constrained to believe that the saving in expenses, which will result directly and indirectly by the reorganization of the old department will, in a short time, exceed the entire cost of the new department. I strongly urge the General Assembly to enact a statute carrying into effect this plan and I promise to exert my best efforts to the end that it may bring definite results of a permanent and constructive nature.

TREATMENT OF LABOR

No state in the Union has been so free from conflict between employer and employee than has North Carolina. This harmonious relationship is due in a large measure to the homogeneity of our people, their sturdy Anglo-Saxon qualities, good common sense and the inherent spirit of justice and fair play generally

displayed by both the employer and employee in dealing with each other.

The State has always maintained a just attitude towards labor, including the recognition of the right to organize. Our people realize that industry is essential to the strength and prosperity of the State, and it should be our constant purpose to stimulate natural respect for the rights of both labor and capital. The State can do nothing better than to urge that a spirit of fairness, justice and right should prevail in all labor controversies. North Carolina, already a great manufacturing state will, no doubt, continue to make rapid progress in her industrial development and, therefore, she should do everything reasonably possible to encourage and conserve that greatest of all resources—a contented and prosperous labor supply.

WORKMAN'S COMPENSATION LAW

The serious consequences to a wage earner's family of industrial accidents resulting in the death or maiming of the worker who frequently is the main support of a family is of increasing concern, not only to the workers and the employers themselves but to the State as a whole. The present uncertain position of both employer and employee growing out of the danger of industrial accidents is unsatisfactory. Experience has demonstrated the desirability of replacing the uncertainties of the present situation with some form of a Workman's Compensation Law which will be fair to both the employer and employee. The proper regard for those humane principles which would place the burden of injury, in the more hazardous occupations, upon the industry itself, instead of upon the injured workman or his family, I believe would justify very serious consideration of this matter. What form this law should take, what classes it should include, how the insurance feature of such a plan may be arranged, and what compensation should be provided, need not be discussed at this time. It is sufficient perhaps, for the moment, to point out that North Carolina is one of the six remaining states and I believe, the only great industrial state, that has not adopted a Workman's Compensation Law as a governmental policy.

Experience in other states bears witness to the salutary results and the dictates of conscience require that an effort be made to

place upon our statute books a law that will meet the peculiar needs of our State, and, at the same time, be fair and just to all concerned.

I trust that you will give this matter the serious consideration its importance deserves.

TREATMENT OF PRISONERS

Ours is a Christian state and the dictates of both Christianity and humanity require that our prisons be so conducted that proper care and treatment be accorded at all times to those who are confined therein. Our policy in regard to these matters should be characterized by justice, tempered with mercy.

The convict camps in the various counties should be carefully inspected at frequent intervals in order that proper conditions may be maintained. The State cannot avoid its responsibilities in respect to the supervision of prisoners in county camps. It must be remembered that they are confined there by the sovereign power of the State for the infraction of laws enacted by the State. The mistreatment of prisoners, no matter where it may occur, cannot be too severely condemned.

THE STATE'S PRISON

I know only in a general way about the condition of the State's prison. I intend, however, to give it my personal attention as soon as possible in an effort to aid the able and conscientious business men who comprise the management to solve the difficult problems with which they are constantly confronted. I believe generally in the state-use system, whereby the convicts are used in appropriate industries for the benefit of the State, including work on the state farms and the state highways. The plan, in my opinion, is generally sound and will enable the prison authorities to devise for prisoners work in accordance with their individual capacity, and at the same time, assure them some compensation, so that when released they may have a chance to take their places as law-abiding, producing members of society.

Idleness, for those able to work, should be guarded against, as it is neither conducive to their own health nor in accord with the purpose of the penal law. I will have definite recommendations to make upon this matter as soon as the report of the special

commission has been considered, and I have had time to learn what the real needs are.

REGULATION OF COMMERCIAL TRAFFIC ON THE HIGHWAYS

In my opinion the enactment of effective laws for the regulation of busses and other commercial traffic on the highways is imperative. The number of accidents of daily occurrence, to say nothing of the ever increasing menace to life and property in the operation of heavy motor vehicles upon the state highways, is nothing less than appalling. The serious conditions now prevailing demand particularly laws for the protection of the public and to prevent damage to the highways themselves.

I have not had time to give intelligent and definite consideration to the report of the committee upon this subject. There are many important questions involved which will require very deliberate and serious consideration before any law is enacted. I should like to have the opportunity to discuss it with the committees which will have the proposed bills in charge, if they desire to do so.

FISH AND OYSTERS

Our sea food is a valuable asset at present and its potential value is greater still. I am in favor of continued effort to replenish the depleted oyster beds and to conserve and cultivate the fish and oyster industry, as far as the results to be obtained will justify.

I also favor the continued maintenance of fish hatcheries and, if experience justifies it, the establishment of hatcheries in other sections of the State. I believe that the water industries of the State should soon be put upon a self-sustaining basis and that they will eventually prove a most valuable industry.

I intend to give these matters most careful personal attention, because I am intensely interested in trying to do something to aid in building up industries in the eastern part of our State, where the need is so great.

CONCLUSION

Finally, I conceive it to be our duty to give the State an administration that will have as its cardinal virtues maximum efficiency, rigid economy and steady moral and material progress.

How well we shall succeed will depend, not so much upon our material resources, but upon a greater and nobler virtue—the spirit of genuine coöperation. For example, I believe that economy in the administration of our government can only be effected when there is thorough coöperation and concert of action upon the part of the General Assembly and the executive before any general appropriations are actually made or any important measures relating to the administration of government enacted into law. I repeat, for the purpose of trying to emphasize it, if possible, what I said in my inaugural: I desire above everything else coöperation and sympathetic team work on the part of the members of the General Assembly of both political parties.

It is a great honor and privilege to have a part in the advancement and preservation of the great principles and institutions of government we inherited from our patriotic forefathers.

I covet the opportunity of being a co-worker with you, but you must render the real service. I can only come to your aid when you call upon me to do so.

And so I am happy in the thought that I will receive from you, and those who serve with me in the administrative positions, sympathetic and wholehearted coöperation, and from the people generally, toleration and spiritual encouragement.

And now, I trust, it will not be considered indelicate if I should say a few words of a purely personal nature.

In my campaign for the nomination I promised the people that if elected governor I would lay all personal considerations aside and give my ability, my best efforts and my experience unreservedly to the upbuilding of our great Commonwealth. Today I renew that pledge; and I am sure that I have a much more serious realization of what the pledge means and the sacrifices and difficulties that it entails than when I made it last March.

No man can go through what seems necessary in North Carolina, to reach the high office of governor, without being impressed with the element of danger to one's health, and without feeling the full weight of the grave responsibilities which he must undergo these next four years, if the tasks are done in such a way as to reflect credit upon himself and lasting benefit upon the State.

North Carolina has grown powerful and occupies a conspicuous place among the great states of the Union. She has come of age in the society of commonwealths, because she is developing in wondrous measures her superb material resources, but her only claim to immortality lies in the enduring qualities which characterize her people—the simple kindness of her farmer folk, the innate honesty of her business men and the deep religious character of her average citizen, constitute the real wealth of the State. They are the virtues that give us character; they are the spiritual currency that constitute our inexhaustible riches. Everything else—all material glory—is secondary.

FISCAL POLICY AND HIGHWAY APPROPRIATIONS

SPECIAL MESSAGE

JANUARY 30, 1925

Mr. President, Mr. Speaker and Members of the General Assembly:

As promised in my message of January 21, I now lay before you, as briefly as possible, some recommendations in respect to our future fiscal policy and our highway program for the next two years.

FISCAL POLICY

The report of the Budget Commission, filed today, will give you information in considerable detail as to the fiscal affairs of the State. I am sure you will examine it carefully and give it the serious consideration which its importance deserves. I have not had an opportunity as yet to examine it.

It was impossible for me to attend the meetings of the commission, but I have consulted with the members of the commission.

It appears that the General Assembly, in providing the present budget act, did not expect the incoming governor to either attend the meetings or sign the report of the Budget Commission, realizing, no doubt, that this would be impossible, in view of the

fact that the report is required to be filed within five days after the convening of the General Assembly.

I shall not attempt to discuss the question as to why we have not had a balanced budget in the past. The thing that we are now most interested in is not what has occurred in the past, but what course we should pursue in the future.

As stated in my last message, I believe that the difficulties which we have experienced in the past can be removed by an effective executive budget system.

The present legislative budget act applies only to a limited number of state agencies and institutions. About sixteen departments, besides many commissions and other agencies, have not been budgeted, but have been operating under general authorizations.

While expenditures of these departments for the last two biennial periods have been estimated by the Budget Commission no limits could be fixed, for the reason that the heads of the departments had power to spend whatever, in their judgment, was necessary.

Approximately nineteen departments and boards, one institution, and two departmental units, making a total of twenty-two state agencies, have operated upon their own revenues, and for that reason there was no definite statement of receipts or expenditures.

The general assemblies in the past have not followed entirely the recommendations of the Budget Commission in respect to those of the spending agencies that were included in the budget estimates. This omission was manifested in two ways: (1) through the increase of appropriations recommended over the estimates made by the Budget Commission, and (2) in enacting supplementary appropriation bills carrying general appropriations.

I have been informed that at the present time about sixty acts of the General Assembly carry appropriations. In 1923 the General Assembly enacted twenty-three laws carrying special appropriations in addition to the general appropriation act.

The present budget law permits continuing appropriations, that is, appropriations which are carried over from year to year. There are about fifteen specific appropriations covered under as

many laws, some of which have been operative for a number of years. In many cases the authorizations for appropriations are contained in some obscure section of a law, the main purpose of which was not to provide an appropriation.

As an outstanding example of this, I cite the case of a continuing special appropriation annually for the support of a Sunday school in the State's prison, notwithstanding the fact that the State's prison has not been operated in the past on an appropriation basis, but has spent its own revenues for operating expenses.

The remedy which I have proposed, and which I again urge you to enact, is an executive budget system.

I will have prepared, and submitted to you for your consideration a bill embodying the provisions which I think an effective executive budget law should contain.

The bill I propose will not reduce the power of the General Assembly. On the contrary, it will give all members of the General Assembly an opportunity to act intelligently upon all appropriations. Under such an act the governor cannot usurp the powers of the General Assembly, for the reason that his action is wholly recommendatory. Under the proposed system the governor may, and should, submit a vigorous, constructive financial program, or budget plan, on which the General Assembly may act.

The federal government, and twenty-six progressive states in the Union, have adopted an executive budget system similar to the one I propose. Pennsylvania and Tennessee are the latest states to adopt the system. One of the most important things in connection with the executive budget system is that it provides continuous supervision of all the institutions and agencies of this State, to the end that the appropriations made by the General Assembly may be expended as directed.

If the proposed budget law which I recommended is enacted at this session, the new budget system will go into effect on July 1, 1925, and will cover the fiscal year beginning July 1, 1925, and ending June 30, 1926, and all subsequent years.

The new Executive Budget Bureau will begin to function upon the ratification of the act in connection with the investigation and supervision of the departments.

In the fall of 1926, under the direction of the governor, the

commission will prepare for submission to the General Assembly which convenes in January, 1927, a new budget covering all appropriations, which will become effective July 1, 1927, and this will be complete and in the hands of the Assembly as soon as it convenes.

FISCAL PERIOD

In order that the new budget system may be made operative, the fiscal year must begin on July 1 and end on June 30 in each succeeding year.

Under this plan all revenues and other income actually collected from July 1 in any year, up to and including June 30 in the succeeding year, will be applicable to that fiscal year, and all appropriations or other expenditures actually disbursed during the same period will be applicable to that period only. The uniform fiscal year, therefore, for the collection of revenues and the disbursing of appropriations, will cover the fiscal year beginning July 1 and ending June 30.

In order to place all the appropriations on a budgetary basis, and to prepare the way for the effective operation of the executive budget system, it will be necessary, on June 30, 1925, to ascertain the condition of the general fund on that date, after taking into account the actual revenue collected up to that time, and all cash disbursements made up to that time. It will also be necessary to issue obligations for whatever account is found to be the cash deficit of the general fund up to and including June 30, 1925, and to provide for the payment of these obligations out of revenues in future years.

BONDS TO BE AUTHORIZED

The educational and charitable institutions of the State, in their first estimates given the Budget Commission, asked for bonds for permanent improvements in the total sum of \$17,400,000 over the period of the next two years.

Upon notice from the Budget Commission these institutions reduced their former requests to a total of \$10,500,000. The Budget Commission, I am advised, has gone over these estimates very carefully and have reduced them to what they considered to be the minimum, and have recommended that the sum of

\$3,600,000 be issued in long-term bonds for permanent improvements for the various institutions. Of this amount \$3,000,000 is to take care of a commitment that appears to have been made at the 1921 and 1923 sessions of the General Assembly, at which times it seems to have been agreed that the balance of \$3,000,000 would be given at this session of the General Assembly to complete a \$20,000,000 program.

It appears to me that several of the institutions involved have projected their improvements with the understanding that this \$3,000,000 would be available, and I feel now that it would not be good business policy to withhold this sum. The other \$600,000 I am advised by the Budget Commission, is to take care of imperative needs at certain other institutions for the purpose of finishing incompleting structures and buying equipment, or to erect new structures and purchase equipment necessary to round out a former building program. I recommend that these be approved.

Pursuant to the action of the people upon the referendum submitted at the last general election, it will be necessary to provide at once for the issuance of \$2,000,000 for the purpose of serving the World War Veterans' Loan Fund. I recommend that this be done.

I have not had an opportunity to examine the appropriations recommended for maintenance of the departments, institutions, and other agencies of the state government, as recommended by the Budget Commission, but I commend their recommendations to your most careful consideration.

If after giving them such consideration, you feel that any of these recommendations, in the light of the present condition of the state finances, can be curtailed without injury to the public service, I trust you will not hesitate to curtail them.

Not one dollar of money, not reasonably necessary for the public good, should be appropriated at this time.

I feel that I cannot pass over this subject of our finances without repeating again what I said in both my inaugural address and my former message; that whatever you do about appropriations you should provide sufficient cash receipts to meet them within each fiscal year during the biennial period beginning July 1, 1925, because in no other way can you balance the budget and prevent the State from running behind in its operating account.

I also earnestly approve the recommendation of the Budget Commission, that you consider the repeal of all statutes carrying special appropriations, and particularly those carrying general appropriations, and that you include all appropriations in a general appropriation bill.

I again earnestly urge you to give me the authority, without undue limitation, to put into operation the executive budget machinery indicated in my former message.

I promise, if given this piece of machinery in the form in which I request it, that I will at once inaugurate the most thorough inquiry into the operation of every institution and agency which depends upon state appropriations for its expenses, and whatever economies can be effected, without injury to the conduct of these agencies, will be made effective.

HIGHWAYS

In my message of January 21 I declared myself unequivocally in favor of the policy of continuing the construction of highways until the entire system is completed as originally planned, and said that the only serious question which confronted me was as to what funds for additional construction could be provided by long-term bonds. I said that this depended upon our ability to market such bonds upon a safe basis and without imposing the burden of too great an interest charge. I promised to give this whole matter my most serious consideration, and to make such recommendations to you as in my judgment would be for the best interests of the State.

After considering the State's financial condition as a whole, and taking into account as the most important factor the necessity of continuing the policy of financing our requirements by long-term bonds in such a way as to preserve the general credit structure of the State, I recommend that we issue, within the period up to January 1, 1927, \$20,000,000 of highway bonds, maturing \$1,000,000 annually, beginning four years from date and continuing for twenty-four years from date, \$10,000,000 only to be issued during the year 1925, and \$10,000,000 to be issued during the year 1926.

I also recommend that short-term notes be issued to provide temporary financing within the limits mentioned.

I have consulted freely with the chairman of the State Highway Commission and the members of that commission, and have told them frankly what the situation is.

From information received from the chairman of the Highway Commission it appears that the program for issuing highway bonds, which I have just outlined, will enable the Highway Commission to expend for construction, during the years 1925 and 1926 the following funds:

FOR THE YEAR 1925

Available from state bonds to be sold.....	\$10,000,000
Available from federal aid at once.....	1,338,364
Available from federal aid on July 1, 1925.....	1,697,246
Available from county donations to meet state expenditures.....	241,500
Available from road revenues after providing for service of the bonds and necessary maintenance.....	500,000

Making the total amount available for construction purposes during the year 1925.....	\$13,777,110
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FOR THE YEAR 1926

Available from state bonds to be sold in January, 1926....	\$10,000,000
Available from federal aid July 1, 1926.....	1,697,246
Available from highway revenues, after providing for serving the bonds and necessary maintenance, provided 1c additional gasoline tax is made effective by this General Assembly.....	3,500,000

Total available for expenditures during the year 1926 on construction.....	\$15,197,246
Total amount available during years 1925 and 1926.....	28,974,356

It is estimated that funds now available for construction work, from revenues already in hand, will probably keep the highway forces busy until about the last of May, and that it will not be practicable to use the new funds until about the first of May. It will be seen, therefore, that there will be a total of practically \$29,000,000 to be spent over a period of nineteen months to January 1, 1927.

I have in mind some sources from which additional income may be available. Therefore, I believe I can safely say that the additional amount will be at least \$2,000,000 within the next two years. Under this plan it appears that the total sum available for construction during the nineteen months, beginning May 1, 1925, will approximate \$31,000,000.

Discussions which I have had with the chairman of the State Highway Commission develop the following facts: during 1921-22, and part of the year 1923, it was very easy to secure a large number of contractors, particularly paving contractors, to bid on North Carolina highway work, for the reason that there was no other large road construction program in progress in any other state in the Union. Competition between the contractors was very keen, and the North Carolina Highway Commission was able to let contracts and construct very large road mileage at a very advantageous price on account of the favorable conditions existing. These conditions do not prevail today, for the reason that the states of Illinois, New Jersey, Wisconsin and Florida have very extensive programs under way and a number of contracting firms, heretofore doing work in our State, have recently secured contracts in the states mentioned, and are therefore not available for construction work in North Carolina.

The chairman of the State Highway Commission expressed the opinion, that under the present conditions it would be impossible, during the years 1925 and 1926, to let contracts for as large an amount of highway work as was let during the years 1921 and 1922. He also expressed the belief that to do so would bring about a tendency to increase the unit prices bid by contractors if too large a program was offered them at this time.

Mr. Page also expressed the belief that the program which I have mentioned is a very satisfactory program, and that the highway department, though somewhat curtailed, can function in an economic and satisfactory way with the sum proposed.

I call your attention to the fact that the recommendations I have made contemplate only the period from June 1, 1925, to January 1, 1927, and that the General Assembly of 1927 will be entirely free to make further authorizations as in its judgment may be deemed proper.

We must keep in mind that the most important consideration

is to handle this important business in such a way that the highway program can be gradually continued until it is completed, without imposing too high an interest rate, or disarranging the general credit structure of the State.

It is the duty of the governor and treasurer to negotiate whatever loans are necessary in handling the finances of this State, and I am sure you will agree with me, when I say, that the General Assembly should proceed with extreme caution in providing for the issuing of bonds which it may be impossible to sell without prejudicing the best interests of the State in the future.

I urge you to adopt my recommendations in this matter in order that I may be able to aid the Highway Commission to continue the program of highway construction during the remainder of my term of office, and at the same time leave the financial affairs of the State in such condition as that my successor may continue the highway program without hindrance or embarrassment.

OPERATING STATE PRISON

SPECIAL MESSAGE

FEBRUARY 23, 1925

To the General Assembly:

In my message of January 21 I stated that as soon as I had an opportunity I would make a very careful investigation of the conditions and needs of the State's prison and report to you with recommendations.

After a preliminary investigation which disclosed in a general way the present condition of the prison I requested the board of directors and the superintendent to have prepared and present to me a statement disclosing its general financial condition, together with a statement showing the result of operations, covering the period from November 30, 1921, to January 1, 1925. I attach hereto a copy of that report for your consideration.

I have made a careful investigation of the major problems presented in that report and find that there is urgent need for

the General Assembly to apply constructive remedies immediately to provide for the present deficiency and in order to avoid a growing deficiency from operations in the future. I desire to call your attention particularly to the following information disclosed by the report.

Of a total population of approximately 1,200 prisoners only about 900 are revenue-producing prisoners, even when steady employment is available. During the period beginning November 30, 1921, and ending December 31, 1924, covering three years and one month the total revenue from revenue-producing prisoners was as follows:

Sale of farm produce.....	\$430,474.47
Work in quarries.....	466,436.82
Work on highways.....	280,700.46
Work on Madison County road.....	48,904.35
Sale of brick.....	31,304.03
Sale of lumber.....	6,601.00

or a total income of

\$1,164,421.13

During this period the revenue-producing prisoners not only paid for their own maintenance but produced an operating surplus of \$250,695.77.

The cost of maintenance of the non-revenue-producing prisoners was \$437,012.90, and after applying the surplus earned by the revenue-producing prisoners to the cost of maintaining the non-revenue-producing prisoners, there resulted an operating deficiency on January 1, 1925, for the period of three years and one month of \$186,317.13.

In addition to this deficiency of \$186,317.13 in the operating account the prison management spent for additions and betterments during the period under review, \$112,530.29, over and above the amount provided for permanent improvements, from bonds issued as authorized by the General Assembly. It will be seen, therefore, that the net debit balance on January 1, 1925, for which the general fund of the State is ultimately liable, was \$298,847.42.

From an examination of the report of the Legislative Budget Commission filed January 30, 1925, it appears that this amount

was not included in the estimate they made of the debit balance as of December 31, 1924.

The report of the superintendent further shows that there will be an additional deficiency from operations, estimated for the period from January 1, 1925, to June 30, 1925, of \$131,995, or a total debit balance of \$430,842.42 at the end of the fiscal year, June 30, 1925.

ESTIMATED RESULTS OF OPERATIONS FOR THE BIENNIUM BEGINNING JULY 1, 1925

From the estimate of the result of operations for the biennium beginning July 1, 1925, it appears that the total disbursements for each year during the next biennium will be approximately \$557,000 and that the total revenues from farms and all other sources will be about \$281,800 per year, resulting in a net operating deficiency of \$275,200 for each year, if the operations of the prison are conducted under the same general conditions that prevail at the present time.

The unfavorable results thus indicated are due to a number of causes.

The prison has at the present time only two principal sources of revenue; that from farm operations and that derived from contracts for labor in quarries and on highways.

There are two farms in operation.

Camp Polk Farm near Raleigh, purchased in 1920, is comparatively a good investment and appears to have produced a profit year by year since it was put in general cultivation.

The Caledonia Farm, sold in 1919, largely on credit, was taken back by the State on account of the inability of the purchasers to meet their payments and because of their insolvency. This farm contains about 6,000 acres and was taken over by the present prison administration in February, 1923. This farm, when it was returned to the State, was run down and in such bad condition that it entailed an outlay of something over \$70,000 to put it in condition to be properly cultivated.

About 1,200 acres of the cleared land on this farm was still unfit for cultivation on January 1 of this year, but is now being rapidly improved and made ready for cultivation.

The most profitable source of revenue in the past has been the

labor of the convicts when they were worked in quarries producing materials for highway construction or in actual construction.

Due to several causes, construction work of this character has, in the last twelve months, been decreased to a minimum.

From the best information I have been able to obtain, concerns engaged in highway construction and in producing materials for highway construction prefer to employ free labor rather than convict labor. They claim that they can get better results from free labor because it is under discipline and the actual production per man per day is much higher than convict labor, under the conditions now prevailing with no provision for effective discipline of the convicts. It is claimed that the absence of discipline and methods of punishment make it impossible to obtain anything like normal work from convicts of the character now confined in the prison, a very large proportion of whom are ignorant Negroes.

Another reason for the diminishing returns from convict labor is that the number of non-revenue-producing prisoners is constantly increasing, due to the fact that the counties maintaining chain gangs select those prisoners who are able-bodied, and this results in sending only the physically and mentally defective to the State's prison. It appears that this practice has caused a very large increase in the number of disabled prisoners and a consequent reduction in the number of productive or able-bodied prisoners.

Under laws which have been enacted from time to time the work in which convict labor may be employed has been constantly restricted so that under the present policy convicts can be used only on farm work and in highway construction of some character.

It appears generally from the report of the superintendent that the State's prison has been for some time a liability instead of an asset.

It is obvious, therefore, that unless new policies are adopted and new methods employed the prison will become more and more a serious burden to the taxpayers of the State.

In order to appraise the present situation and to determine what remedies may be applied, in light of the information which has been disclosed by the report of the management, supplemented

by my own very careful investigation, I draw your attention to the following:

The constitution of North Carolina, article II, section I, expressly provides for imprisonment with hard labor, and construes imprisonment with hard labor to authorize the employment of convict labor on public work, on highways and other labor for public benefit, and the farming out thereof where and in such manner as may be provided by law.

Article II, section 2, provides: "It shall be kept steadily in view by the Legislature and by the Board of Public Charities that all charitable and penal institutions shall be made as nearly self-supporting as is consistent with the purpose of their creation."

It seems, therefore, that under the constitution and laws of North Carolina persons sentenced to the State's prison with hard labor should be worked by the prison management and every effort made to comply with the provisions of the constitution which requires that the prison should be made as nearly self-supporting as possible.

As stated in my message of January 21, I believe generally in the state-use system whereby convicts are used in work for the general benefit of the State, including work on state farms and the state highways. I believe that idleness for those able to work should be guarded against for the reason that it is neither conducive to their own health nor in accord with the constitution and the penal laws of our State.

It is manifest therefore that any unreasonable requirements which interfere with the working of able-bodied convicts is contrary to the provisions of the constitution and an injustice to the taxpayers of the State.

This does not mean that we should for a moment countenance the mistreatment of prisoners. As I stated in my message of January 21, ours is a Christian state and the dictates of Christianity and the rules of humanity require that prisoners should be given proper care and treatment and that our whole policy toward them must be characterized by justice tempered with mercy.

I do not believe that the two policies which I have just enunciated are in conflict with each other.

I have a very fixed purpose to try to solve the problems which

I have just mentioned and in order to do so I intend to give to the management of the prison such personal assistance as I may be able to give without neglecting the other important interests of the State. In order to carry out this purpose I make the following recommendations:

1. In view of the fact that the prison was put upon an appropriation basis by the General Assembly of 1923 and is to be included in the scheme of the executive budget system, I recommend that a law be enacted at this session changing the State's prison from the status of a separate corporation to a regular department of the state government.

2. That a board of directors, consisting of a chairman and six others be appointed by the governor quadrennially, by and with the advice and consent of the Senate, to be subject at all times to removal by the governor and with power in the governor to fill any vacancies.

3. That a policy of state-use be adopted whereby convicts may be worked upon the state highways and in other public work in the counties and other sub-divisions. If it is found to be impossible to give employment to all able-bodied convicts under this plan, the management should be authorized to employ convicts in such other work as will enable it to aid in carrying out the policy of making the prison self-supporting as contemplated by the constitution.

4. That the prison be maintained upon an appropriation basis, appropriations to be made from the general fund and to be included in the budget appropriation bill for the biennium beginning July 1, 1925, so that it may be financed upon the same basis as other institutions of the state government.

5. That the request of the Legislative Budget Commission contained in its report of January 30, 1925, for permanent improvements at the central prison and at the prison farms, amounting to \$254,000, be authorized and included in the institutional bond bill to be enacted at this session. In order to make these recommendations effective it will be necessary to appropriate an amount equal to the total disbursements for each fiscal year of the biennium, and require the prison to pay over to the state treasurer all revenues received by it.

6. That the board of directors of the prison, by and with the

consent and approval of the governor and council of state, be authorized to purchase such machinery and equipment as they may deem necessary to enable the prison management to provide employment for the prisoners confined in the central prison, to be financed by short term notes issued by the treasurer until the meeting of the General Assembly in 1927.

7. That the accumulated deficiency of \$298,847.42 as of January 1, 1925, the \$40,000 due for fertilizer and whatever deficiency may occur between January 1, 1925, and June 30, 1925, in the operating account of the prison to that date be transferred to the general fund of the treasury.

8. Under chapter 271 of the Public Local Laws of 1923, the prison was required to furnish prisoners to complete a certain road in Madison County. Under that statute a large number of prisoners were worked for a period of about eight months up to February 1, 1925, for which the general fund of the treasury paid to the prison \$55,944.35.

Since this law was enacted the State Highway Commission has included the Madison County road in Route 20 of the state highway system and construction is now continuing under direction and control of the State Highway Commission. Inasmuch as the State Highway Commission has assumed control of this road I believe that the commission should reimburse the general fund for the amount paid to the State's prison up to March 1, and should also pay to the prison the amount due for the labor of the convicts on said road until the work is completed, which, I am informed, will cover a period of probably twelve months from March 1.

I recommend that a statute be enacted carrying this recommendation into effect.

I have in mind, and intend to try to consummate a plan, whereby all the prisoners, not needed upon the prison farms, may be worked upon the state highways. It seems advisable to employ the prisoners who are less effective physically upon the farms where the work is lighter, and the very able-bodied prisoners in highway work, in order to utilize the man power to the best advantage.

I am preparing for your consideration bills covering the more important recommendations and I trust you will enact them into

law if they meet with your approval. I feel that I cannot too strongly impress upon you the urgent necessity of making more adequate provision for the conduct of the affairs of the prison and thereby reducing the heavy burden resting upon the taxpayers.

BIENNIAL MESSAGE TO THE GENERAL ASSEMBLY

JANUARY 6, 1927

Mr. President, Mr. Speaker, and Members of the General Assembly:

The constitution of North Carolina provides that the governor shall, upon the convening of each session of the General Assembly, communicate to it, in the form of a message, information concerning the affairs of state, together with such recommendations as, in his judgment, are necessary and expedient. This mandate of our constitution has been strictly adhered to by my predecessors in office and it now affords me a sense of pleasure entirely without affectation to appear before this honorable body of able and patriotic representatives fresh from the people of North Carolina. Also, I feel a deep sense of obligation.

With the convening of this General Assembly, one-half of my term as governor has expired. I come to give an account of my stewardship to you and, through you, to the real and only sovereigns in a free state—the people themselves. To them I, as the chief executive officer of North Carolina, am directly responsible, even as you, constituting another coördinate branch of our government, are also responsible. Together, we owe them a double responsibility, I as their chosen spokesman, elected to recommend for your consideration what I conceive to be best for them, and you as the body that enacts these recommendations into laws and statutes for their governance or that rejects them, as the case may be. My powers are only recommendatory. Coercion is not one of the prerogatives of the governor of North Carolina, nor would I have it such.

So, in the midst of my term of office, having faithfully endeavored to put into impartial and unselfish practice the policies enacted into law by your predecessors, two years ago, I come to

give an account of what has been done and to make recommendations for the future. I ask you to pass judgment on behalf of the people that elected us and be governed in your deliberations by the verdict you shall reach when you shall have weighed the results I shall endeavor to place before you on this occasion.

In the performance of the tasks that have been imposed upon me, my faith has at no time been dimmed. There have been handicaps, of course, but these have only served to strengthen my determination to do the best I could for our people who, when they elected me, elected your predecessors to receive whatever recommendations I should make. Practically all of the measures I asked for during the session of the General Assembly of 1925 had been discussed by me in my campaign. Of course, emergencies that arose during the session prompted some recommendations that did not directly constitute a part of my platform when seeking office. Yet, these fitted in, as I saw it, with the general policies I had advocated.

I have striven to hold fast to the vision—of a still greater state, peopled by happy and prosperous citizens. Spiritual values must never be minimized. They must always be brought into coördination with progress and never divorced from it. Idealism without practicability is a vain thing. But in our practices we must always hold an ideal in view. It is my earnest prayer that the kind Providence that has permitted us to become a great state will deliver us from selfishness and keep us far from the path of mercenary materialism.

Gentlemen—and I take this occasion to recognize the member of the opposite sex who sits in your midst—you are at the threshold of a most important session. The results of your deliberations when finally translated into action should contribute in large measure to the advancement, general welfare and happiness of the people of our beloved Commonwealth. I have faith in you, that you will interpret into legislation the present needs of the State, as they shall come to your attention; that you will thoughtfully and tactfully shape such policies for the next biennium as will make for the general well-being of North Carolina.

I shall not at this time attempt to discuss fully the fiscal affairs of the State. These will be presented to you later in the

session, also some special matters not discussed in this message.

The General Assembly of 1925 made a great record of constructive achievement, and I shall always feel profoundly grateful for the favorable consideration it gave to the many measures I urged upon it. Its confidence in my sincere determination to serve the people of North Carolina heartened me at the outset of my administration and gave me renewed courage to face the many responsibilities that loomed in my official pathway. My ambition to prove faithful to the trust was stimulated.

Conditions confronting the session of 1925 were the natural results of a change in the economic life and thought of our people. The previous decade had been marked by unprecedented progress in all directions. So, an inventory was necessary. The State had gone forward so courageously and so well that we found it necessary to survey and recast our administrative machinery, in order to properly conduct the affairs of the State under the new conditions in the midst of which we found ourselves. It became the duty of the General Assembly to conserve, promote, strengthen and lengthen the roots of our security and to consolidate our gains and install new governmental machinery. Drastic retrenchment was at no time considered. Changed methods of doing things, however, were necessary, due to changed and fast changing conditions, in order that we might continue to move steadily forward with safety and conservatism and with a strong determination that progress should in no wise be abated.

As many of you will readily recall, in my campaign for governor, as well as in my messages to the General Assembly of 1925, I endeavored to stress the fact that expansion had brought about a corresponding need for radical changes in our methods of administration, urging that the time had come to apply to the State's affairs those same business principles and methods necessary to the success of any well-ordered enterprise.

At my request, more than thirty measures looking toward the improvement of government administration were enacted by that General Assembly. As many of you were also members of the last General Assembly and took an active part in the passage of these measures and also because I feel you are interested in their operation, I have concluded to summarize them on this occasion. I feel it is due you and, through you, the people of the

State that I should officially give an account of the results that have been brought about. Considering the fact that I definitely asked for the measures, I feel an added responsibility. Had I not been sincerely convinced of their merit, I should never have requested their passage.

THE EXECUTIVE BUDGET SYSTEM

Perhaps the most important measure enacted into law by the General Assembly of 1925 was the act establishing the executive budget system. Under the terms of this act, the Budget Bureau in the executive department became a supervising department of finance and business administration, and the governor was made the executive director. The governor now supervises the business and financial affairs of North Carolina in much the same way that the executive head of a large business enterprise supervises the various branches of that business. No reform instituted by the last General Assembly had a more far-reaching and at the same time simplifying effect. Many intricacies were eliminated and coördination of expenses was brought about. In these days when expenditures by government for both current expenses and permanent improvements have risen to such a high figure and so rapidly as to challenge the best thought of financial students, the experience of governments which have adopted the budget system stands out convincingly in favor of this method of handling public affairs. Business enterprises long ago adopted the system the principles of which are so absolutely essential that they admit of no argument. For two centuries the budget system has prevailed with success in England and in recent years it has been adopted by our own federal government and many of the states in the Union. The principle involved is as old as civilization itself. Simply stated, it means that no individual or group can be permanently prosperous and successful and, consequently, happy unless they live up to the sound principle of keeping expenditures within their incomes. No head of a family can avoid confusion and financial embarrassment whose household expenses amount to more than he earns. The same rule applies to a government. Granting that a government is, in a measure, an abstract proposition, yet the money it spends is not, for, after all, it comes from the pockets of the people. It is their right to

have their funds protected and insured against expenditures that, even though they are legitimate, are not well ordered. We who administer government are public servants, and we should be as careful with the public's funds as we are with our own when we invest them in industrial enterprises.

The executive budget act became generally effective on July 1, 1925, and I shall have the opportunity to present to your honorable body the first complete budget ever presented to the General Assembly of North Carolina. It shows the operation of the executive budget system for one completed year of the current biennium, and also a complete budget covering all appropriations and revenues recommended for consideration by this legislature to be made effective for the biennial period beginning July 1, 1927.

The budget to be presented to you represents the best work of the governor and all the members of the Advisory Budget Commission, appointed by him and acting in an ex officio capacity, who attended the meetings. As most of you, at least are aware, the commission is composed of the chairmen of the Finance and Appropriation committees of both houses of the General Assembly, together with two citizens appointed by the governor to represent the tax payers. Thus, the people themselves are taken into counsel by the governor, who is the executive head of the commission, and by the General Assembly.

It is with great satisfaction that I am able to report to you at this time that the executive budget system is working with a remarkable degree of success. It has had much to do with the marked improvements that have been brought about in handling the State's financial affairs, with the result that large sums of money have been saved the tax payers. Proof of this statement will be contained in my budget message. It is my firm conviction that this system represents the most constructive piece of legislation enacted by the last General Assembly.

As a part of the executive budget system the General Assembly declared it to be a fixed policy that current expenses at no time exceed the total revenues available within the same period and that the State maintain at all times a balanced budget. In furtherance of this policy, all statutes allowing appropriations general and unlimited in character were repealed; and every

department, institution and other spending agent of the State was placed upon a definite appropriation basis. This brought about a coördination of expenditures which hitherto was unknown in North Carolina. In brief, we have safeguarded the fundamental principle of the balanced budget by providing there must be no appropriation without a corresponding provision for the revenue to meet it with.

Let us now consider briefly other acts supplementing and making more effective the executive budget act. I mention first the act which requires that all collecting agencies shall deposit their funds daily with the state treasurer. This has resulted in saving considerable money to the State by increasing the amount of interest received by the treasurer on daily deposits and decreasing the necessity of short time borrowing in anticipation of the collection of taxes. Another act that has greatly aided in making the executive budget act effective is that which consolidated the principal revenue collecting agencies, including the Motor Vehicle Bureau, under the Department of Revenue. This was a wise piece of legislation, in that it resulted in bringing about coördination and a more effective supervision of all money-collecting agencies. I refer also to the act lapsing all appropriations for maintenance to the various departments, institutions and spending agencies which remain unexpended at the end of the fiscal period. This is not only a wise reform but has resulted in saving the tax payers much money, in that it has discouraged unnecessary expenditures.

One of the soundest policies now in effect is that which bans the issuance of state bonds except for useful and permanent improvements and which provides for the payment of interest and amortizing the principal within the life of the improvement for which the bonds are issued. The constitution now provides for a limited bonded indebtedness and for sinking funds for the payment of bonds at maturity. These sinking funds must be safely and wisely invested, thus insuring protection against their violation. To make these constitutional provisions effective, the General Assembly established a sinking fund commission, which is composed of the governor, the state treasurer and the state auditor, who are required under the severest penalties to

invest all sinking funds. This directly protects the State's credit which might be seriously injured if the sinking funds were not wisely and safely invested.

SALARY AND WAGE COMMISSION

One of the most valuable achievements of the last General Assembly was the creation of what is known as the Salary and Wage Commission. While this commission affects directly only the persons in the employ of the State, yet it affords these men and women protection and, at the same time, prevents waste in the payment of extravagant and irregular salaries. This legislation resulted in a system of personnel classification of state employees subordinate to the heads of departments and fixed for them regular hours of work, holidays, vacation periods and sick leave. While there was aroused considerable opposition to this legislation in the city of Raleigh, which made the commission's task a tedious and delicate one, yet this antagonism has largely subsided now that the state employees and their friends have come to realize the wisdom and justice of the measure. The act creating the commission was not intended as a blow at the state employees. On the contrary, it was evident that the time was at hand to protect those who were not receiving compensation commensurate with that received by others performing like services in other departments by making a general survey of salaries and establishing an equitable basis. Instances were found where abnormal salaries were being paid to some while others doing work of a like character were receiving much smaller sums. Unreasonably high salaries have been reduced and those unduly low have been raised to a higher level. The commission, composed of men of character, business integrity and wide experience, has, I believe, performed a real service for the state employees and for the State as a whole. The scale adopted is, I think, a dignified scale that compares well with that adopted by business firms that strive to pay just wages. It has been said that it is higher than the scale in many of the other states and compares very favorably with that allowed by the federal government. Certainly, the hours of work are pleasant, allowing employees ample time to carry on their personal pursuits outside of business hours.

Desiring to obtain the services of the best men possible, I appointed as members of the Salary and Wage Commission men who are typical representatives of the principal groups that pay the major portion of the State's taxes. I take this occasion to publicly commend them as well as the executive secretary of the commission. Each has performed a distinct service. This reform involves matters of growth and development which will extend over a period of several years. Hence, I recommend to your honorable body a continuation of the work of the commission.

PARDONS AND PAROLES

One of the most constructive and beneficial measures adopted by the last General Assembly was the act creating the office of commissioner of pardons in the executive department. Work imposed upon the governor as the result of the constitutional provision giving him power to exercise clemency had become well-nigh unbearable. In the early days of our statehood this did not entail so much labor; but, with the increase in population and the consequent increase in prison sentences, the governor's duties incident to the consideration of applications for clemency were multiplied many times. The chief executive was often prevented from giving to other affairs of state the consideration he could otherwise have given. A remedy was necessary. At my request, when I foresaw even more duties devolving upon the governor with the adoption of the program of governmental reforms in prospect, the General Assembly two years ago made statutory provision for a commissioner of pardons to assist the governor in the investigation of clemency petitions. The act took from the governor none of his obligations in this matter imposed by the constitution, but followed the constitution which provides that the method of hearing clemency cases and granting clemency when such appears right and proper shall be prescribed by legislative enactment. The appointment was made on April 1, 1925, shortly after the adjournment of the last session, and the new measure has functioned in a satisfactory manner, due largely to the fact that I was able to secure as commissioner a man eminently fitted for this work, in character, training and temperament. The most beneficent phase of this reform has

been that in connection with the supervision of paroled prisoners. In most crimes of lesser grade than capital offenses, the judges impose indeterminate sentences, that is, sentences of maximum and minimum duration, the expiration of which depends upon the conduct of the prisoner himself. The presiding judge says, in effect: "You will stay in prison at least the minimum of your term and whether you remain longer depends entirely upon you; whether you change your attitude toward society and determine, when liberated, to pick up the broken threads of your life and weave them into good citizenship."

Use of the parole is the only practical expedient in those cases where prisoners have been sufficiently punished and where longer service would not benefit them but prove burdensome to the State, or county. In such cases it is far better to parole the prisoner and keep him under strict supervision.

Putting these principles into effect, I have been able, with the assistance of the commissioner of pardons, to observe and report to your honorable body most beneficial results from the paroles granted by me.

Most cases have been confined to offenses not of a serious nature. Under the strict system of supervising paroled prisoners, I have had to revoke only about twenty-five. It would be difficult here to enumerate all the benefits that have resulted from this reform.

CAPITAL ISSUES (BLUE SKY) LAW

Among the measures sponsored by me and enacted into law in 1925 was the new capital issues law, popularly known as the "Blue Sky Law." This has served to check many wild financing schemes. It has put out of the running those unscrupulous men who promote "fly by night" enterprises and whose only hope is "to get away with it." Our law is one of the most stringent in America. Some amendments, however, are necessary, including one reducing the tax upon the legitimate sales of securities, subject to registration under the act. There should also be an amendment providing for the registration of certain securities of foreign corporations whose standing is as good as that of domestic corporations eligible for registration. This provision will make it possible for dealers in this State to participate in national

issues, provide the investing public in North Carolina a wider range of securities and, at the same time, remove the present handicap under which dealers in this State are working. The purpose of this law was to prevent frauds in connection with the sale of securities only. A law designed to prevent frauds in real estate transactions will probably have to be enacted. Under the terms of the capital issues law, I appointed Mr. Allen J. Maxwell, who called to his assistance Mr. I. M. Bailey, as assistant commissioner. The law provides that the commissioner shall be one of the members of the State Corporation Commission. This provision was for purposes of coördination and to enable the utilization of a department already existing rather than the creation of new departments.

Mr. Maxwell and Mr. Bailey have rendered the State and its people valuable service, through the able manner in which they have executed their duties in this connection, saving to investors hundreds of thousands of dollars during the past two years. There is urgent need for a federal capital issues law and I understand a bill providing for its establishment is now pending in Congress.

PUBLIC HEALTH

North Carolina's progress in public health work is one of the State's outstanding achievements, due largely to the efficient manner in which our health officials have performed the tasks committed to them. The work of the State Board of Health has increased to a remarkable degree. In my opinion there is no more profitable investment than that which looks toward the prevention and cure of diseases. Protection of health is not only a humane thing but a wise policy from a practical standpoint. A healthy people is a valuable asset. Therefore, North Carolina cannot afford to take any backward step. We must see that this work is carried on effectively.

EDUCATION

Ignorance and vice are so closely related that the former is the seed from which the latter grows and buds into fruition. The fruits of ignorance are so numerous and so hideous that we do not like to think upon them. If we do not find it pleasant to

think upon them, then we must seek to destroy them; to make them impossible.

North Carolina's recent progress has been more largely the result of education in its broadest sense than of any other cause. I believe this is a safe statement. Of course, we have not reached perfection. There will always be tasks to perform—more to learn and a need for improved methods to accompany the onward march—so let us never minimize the value of education which, above all other virtues, weighs well and seeks to apply spiritual values. An educated people will always prove a faithful people; a faithful people can always be counted upon to uphold the underlying principles of good government, true religion and that form of charity which is interpreted love.

Speaking in terms of the rate of progress made in public education in the past quarter of a century, North Carolina undoubtedly has outstripped any state in the Union. That granted, there still stares us in the face the fact that education is our most pressing need. The foundation stone of our educational system is the public school. Upon it rests the superstructure of higher education. Without the rudiments of education one can never become a real student. View it as you may, that is an undisputed fact. Hence, expansion higher up depends largely, if not wholly, upon the foundation. Unless the foundation is sure, the house will be unsafe. Therefore, we must continuously think in terms of expansion and security when giving our attention to the foundation. Show an expert builder the foundation and he will very quickly give you his opinion as to what kind of a building is going to be put up. If the foundation be faulty, he will express doubt. If it be secure and well grounded, he will exhibit confidence.

As I see it, the most pressing necessity of our public school system is to equalize the opportunities of elementary and high school education for the children of our rural districts, as far as we are able to do so. It is readily admitted that there are many conditions which make the immediate completion of this task very difficult. Among these, I mention the wide inequality in the distribution of population and taxable wealth and the almost complete isolation of some counties in the extreme eastern and western sections of our State.

To supplement school funds derived from local taxes, the State is gradually increasing what is known as the equalizing fund, which is distributed among the less wealthy counties, in order to afford them increased educational opportunities. Thus, these counties have been substantially aided and their morale and educational zeal have been fostered rather than hindered, as would have been the case had they been left entirely dependent upon their own taxation resources. In this connection, I desire to point out that the budget report will show an anticipated increase in the equalizing fund for the next biennium that will bring the total amount of State aid to a sum in excess of \$3,000,000 a year, when taken in connection with State aid for other school purposes.

We must not yield to the temptation to become discouraged at our inability to quickly solve our difficult public school problems. There are times when this temptation makes a strong appeal, but we must remember that progress in education, like progress in any other line, is a matter of growth. The task we must keep constantly in view is to provide means that will afford every boy and girl in North Carolina, even those in the remotest rural sections, an equal opportunity for a grammar and high school education at public expense. This is a duty we cannot shirk, if we would hold fast to the principles that fired the breasts of some of our noblest men and women who helped to bring our beloved State to its present respected status. We must face handicaps and press on towards the goal. No part of our educational program is more important at this time than the imperative need of a sufficient number of thoroughly trained and equipped teachers for our public schools; for, after all, well-trained teachers, who are in daily contact with our boys and girls of tender age, can do more to improve their educational opportunities than all the intricate machinery you and I might set into motion.

The greatest need for a trained personnel is in the elementary schools. I feel, and I am sure most of you do, that a considerable part of the expenditures we are making for the operation of our elementary and high schools is not bringing a dollar's worth of service for every dollar spent, for the reason that we lack a sufficient number of trained teachers.

For the reasons I have just mentioned, our state institutions

for teacher training occupy a most strategical position in our system of public education. Primarily we must look to these institutions for an adequate supply of trained teachers. I have given this phase of our educational endeavors most serious consideration. As the result, I have reached the conclusion that by gradually expanding our present teacher training facilities in the teacher training colleges as well as in our other institutions of higher learning, and by increasing the number of county high schools set apart and conducted for training elementary teachers, the existing need will be gradually supplied. The remedy may not be instantaneous—it cannot be—but it will be lasting as well as sure. In the budget to be presented to you for your consideration provision has been made to carry out this program for both white and Negro institutions.

Our State University, State College of Agriculture and Engineering, and the North Carolina College for Women are making very satisfactory progress in supplying the needs of those seeking wider fields in both academic and vocational education. We must provide means for the steady and reasonable expansion of these institutions.

Realizing that, in spite of the great progress we have made, there remained unsolved many serious problems relating to both administrative control and financial support of our educational system which ought to be given immediate and earnest consideration, I requested the last General Assembly to provide for an educational commission, which it did. This commission was charged with the responsibility of making a complete investigation of the cost of our educational system, the means of collecting and disseminating accurate information as to the system and recommending measures for its improvement. As members of this commission, I appointed able and conscientious men and women to investigate and report their findings of fact, together with recommendations, to this session of the General Assembly. The personnel of the commission represents both school administrators and taxpayers. I hope you will find in this report, when it is presented to you, such material as will enable you to formulate curative measures for present deficiencies and guide you generally in your deliberations on the subject of education. It is highly important that the public schools shall function along the lines it was intended they should function, rendering maximum

efficiency, as they have to do with the greatest number of people and the widest range of our population. They must not only be made highly efficient but must be so constituted and governed that they will forever merit and win the respect and confidence of the people of the whole State. For them to fall short of this would be failure. Our educational system cannot progress without the confidence of the taxpayers.

AGRICULTURE

Agriculture has always been the basic industry of all peoples and nations. It means food and clothing, two necessary elements. And today it is the basic industry of North Carolina, affording a livelihood directly to 60 per cent of our people and contributing indirectly to the prosperity of all. Our agricultural industry should, therefore, receive preferential consideration and the fostering care of our state and national governments.

At present, agriculture is the only industry in North Carolina that is not enjoying a fair degree of prosperity. The immediate cause of the present distress is, as we all know, the low price of cotton. The general and fundamental cause, however, is the lack of diversification. This brings into play the unsound economic policy of relying upon one money crop. Our manufacturing plants produce a wide variety of goods, worth a billion dollars a year, that are sent to all parts of the world. Until this principle of diversification is applied to agriculture it will never enjoy the prosperity to which it is entitled.

The most promising remedy for this agricultural deficiency is, in my opinion, the substitutions of agricultural products of higher grade in the place of low grade commodities and the marketing of our products in the finished state. For example, we should market corn "on the hoof"—in the form of meat—rather than sell it in the raw state, that is, hogs converted into meat products and into cattle for the production of dairy products. This is one form of important diversification that we often overlook. North Carolina farms need, of course, diversification in its commonly accepted sense. Our State buys annually more than \$250,000,000 worth of food stuffs from other states. Practically every dollar of this should be saved by growing most of these products on our own farms.

I believe that the only sound remedy for our agricultural

depression, especially in Eastern North Carolina, is the reduction of acreage planted to cotton and the substitution of other farm activities in the following order: (a) hog raising; (b) poultry raising; (c) trucking and raising of dairy products, first to supply butter and milk at home and, secondly, to produce a surplus for commercial sale.

No General Assembly, no government agency, no practice of good will for the farmer will greatly aid him until he decides to work out his own salvation. He can do that only when he learns to appreciate his situation, take stock of his advantages and realize the necessity of improving his methods by thinking and acting in his own interest, as do his competitors in other vocations. Government agencies may and do make available to the farmer information regarding improved methods of cultivation and marketing, which are essential to produce better results. We know how hard it is to get the farmer to attend the meetings and demonstrations which the government provides for him at great expense, for his benefit, and how extremely difficult it is to reach all the individual farmers with these methods.

After much deliberation, I have reached the conclusion that if the farmer's interest, particularly in the remote rural districts, is ever completely captured it must be through the rural schools as community centers, where the present extension and educational forces may have the opportunity of reaching a larger number of individuals at stated intervals and thus appealing to them in the mass. I have urged that the agricultural and educational forces of the State launch a campaign to teach the farmer the true value of diversification, and I am pleased to report to you that such a campaign is now in progress. A definite plan is being worked out and will be put into active operation when the details shall have been arranged.

LAW ENFORCEMENT

Our State has made great progress in law enforcement during the past two years. Outstanding proof of this can be found in what are known as the Needleman and Mansel cases. In both instances those who undertook to take the law into their own hands and lynch it were severely punished, most of them being

imprisoned, others fined. There is an ever-increasing reaction against lawlessness; and it is with peculiar pride that I am able to report to you that there has not been an actual lynching in North Carolina since my term began. In fact, the last lynching in this State occurred six years ago. I am determined there shall be none while I am governor if quick action can prevent it. When law and order can "beat the mob to it" it will always win.

While violations of the prohibition law are all too frequent, I believe there has been gradual improvement during the past few years. The homicide record in North Carolina is still too high, though there has been evidence of a decrease during the past year. As a means of reducing the number of unlawful killings in this State, I urge upon you the necessity of throwing further restrictions about the sale of concealed weapons and of providing more severe punishment for those guilty of carrying such weapons. The minimum should be increased, and no court should be permitted to suspend it. Bear in mind the fact that guns and pistols are made to kill with. You may not be able, even through the passage of laws, to take from the mind of the lawless man the desire to carry concealed weapons, but you can place a higher value on human life by increasing the punishment of the murderously inclined who demonstrate their inclinations by carrying weapons about with them. I urge that you give this subject your serious consideration. We must throw every safeguard about human life, for it is the State's greatest asset.

COURTS AND JUDICIAL PROCEDURE

My experience of the past two years in trying to find judges to hold extra sessions of Superior Courts has convinced me that our regular judges, though they are worked to the maximum degree, are wholly inadequate to supply our present need. Especially is this true when requests for extra terms are considered. The regular judges held an average of forty-four weeks of court during 1926 and many of them had very little rest period during the whole year. I found it necessary to provide emergency judges, under the act passed in 1925, to hold 105 weeks of court since the statute went into effect. In some instances the emergency judges held the regular terms where for some reason the regular judges were unable to hold them. It will be recalled that I did

not suggest or urge the 1925 statute, which was adopted only as an emergency measure after it was found that no satisfactory redistricting agreement could be reached, in that there seemed no way that was constitutional to provide the six extra judges who, it was agreed, were necessary, without providing six additional solicitors, who were not deemed necessary. And so the emergency judge act was passed as a relief measure that could be enacted without constitutional transgression. This act expires on March 1, 1927. The only permanent and satisfactory remedy, it seems to me, is a constitutional amendment, changing our whole judicial articles by providing that the Supreme Court shall be the only constitutional court and giving the General Assembly full power to provide such courts inferior to the Supreme Court as conditions may, from time to time warrant, and providing, also that appeals shall lie from all important courts of record direct to the Supreme Court.

I conceive it to be your duty at this time to make careful study of the whole situation and provide, at this session, temporary relief, either by some plan of appointing a larger number of regular judges or by extending and amending the act of 1925 in such way that these judges can be appointed for longer periods, if that is feasible.

JUDICIAL CONFERENCE

The last General Assembly provided for a judicial conference composed of the chief justice and the associate justices of the Supreme Court, the Superior Court judges and solicitors of the State and twenty bar members appointed by the governor, together with the attorney general of the State. Each bar member represents a judicial district. I am advised this conference, which, during 1925, organized and began its deliberations, will soon present a report to you containing such recommendations as it deems advisable. I am convinced of the fact that the meetings of this body, named to make a special study of our courts and their needs, have been productive of much good. The judicial conference is a continuing body, and its members, due to the personnel, are eminently qualified to make a critical study of our courts and judicial procedure. I am convinced that provision should be made to pay the actual traveling expenses of

the members of the conference for attendance upon the two yearly meetings. A sum for this purpose will be included in the budget appropriation bill when it is presented to you.

RAIL AND WATER TRANSPORTATION

We must continue our fight for fair, just and equitable freight rates for our people and to prevent discrimination against them. The very nature of this problem means that advancement must be step by step. Numerous favorable developments in transportation have taken place during the past biennium. As to railroad transportation rates, our State has, through its Corporation Commission continued its efforts to secure just interstate rates and remove alleged discriminations. Within the past year the proceeding involving a complete revision of interstate class rates within the South and between the South and the Central West, has progressed to the point of a final order, effective July 1, this year. I am advised that the revision will save North Carolina several millions of dollars annually. Within this period, the Corporation Commission has secured lower rates on coal, the reduction amounting to six hundred thousand dollars a year. Also, the commission has precipitated a general investigation of fertilizer rates, which resulted in reduced rates on this important commodity.

We must hold fast to our gains and defeat any and all schemes to increase our rates or to bring about added discrimination in the future.

Nothing is more important to our State as affects its future growth than the development of our water transportation. I have long held to the belief that the rapid completion by the federal government of the Cape Fear Basin and the deepening of the channel of the Cape Fear River above and below the city of Wilmington are prime factors in any scheme looking toward the expansion of our water-borne commerce. The recent action of the United States Senate, soon to be followed by House concurrence, in providing for the completion of the inter-coastal canal from Morehead City to the Cape Fear Basin, with a depth of twelve feet, is, in my opinion, the most far-reaching act that has been taken in connection with the development of our waterways within the past half century. It appears probable that the

federal government will call upon the State to procure rights of way for the completion of this canal. Whatever we can do to expedite the completion of this project should be done promptly and unreservedly. For my part, I propose to keep in close touch with Senator Simmons and the others who are looking out for the matter in Congress, in order that the State may lend its aid promptly when it is needed. I cannot too strongly recommend this great national undertaking which, in my opinion, will make available regular, frequent and dependable service from Elizabeth City, Beaufort, Morehead City, New Bern, Wilmington and all intermediate points.

At my request, the last General Assembly provided for a commission, to be known as the Advisory Transportation Commission, charged with the duty of acting in an advisory capacity to the Corporation Commission. I have appointed as members of this advisory commission twelve of the ablest and most successful business men, representing every section and every important industry in our State. They will keep in close touch with the governor and the Corporation Commission and whenever it is deemed advisable they will employ experts to investigate particular phases of the problems they were appointed to help solve. The value of this commission cannot be adequately appraised just now but will, I am certain, be demonstrated in the future. It represented, as no other organization in the State can, every class of our shippers, who are vitally interested in transportation problems and in arriving at beneficial solutions, including the removal of unjust discriminations and the development of our wonderful system of waterways.

CAPITAL AND LABOR

It is extremely gratifying to note that North Carolina is conspicuously free from unwholesome antagonism between employer and employee. This harmonious condition, or relationship, is due in a large measure to the prevalent belief of our people that capital and labor are partners, working together for the upbuilding of North Carolina. With such a spirit existing, friction and antagonism seem far remote. Our employers and employees are almost all native born Americans and come from a line of ancestry in the veins of which flowed the purest blood on

earth. They are all generally characterized by those true principles of religion, morality and brotherly love that have dominated our people in the past and that prevail today, else we would not be as prosperous as we are. These are the real qualities that make for peace and happiness, that inspire friendly rivalry but spurn underhanded methods. The attitude of the average North Carolinian toward capital is friendly and constructive. Capital, reciprocating, maintains a friendly relationship with the people in general through well-ordered enterprises that help afford them a livelihood and manufacture articles from the State's raw material that are of benefit to the average citizen.

North Carolina neither baits nor coddles big business. Every honest enterprise is encouraged and is justly treated by our state government in the enactment and administration of our laws. On account of this fair and just attitude toward outside capital, our State has in the past twenty-five years shown a greater rate of progress in industrial development than any state in the Union.

TREATMENT OF PRISONERS

I am glad to report to your honorable body that the treatment accorded the inmates of our State's prison has been both humane and constructive with the result that the morale of that institution has been brought to a high standard. The prisoners have been quick to show their appreciation, in most cases, at least. New methods of enforcing discipline have produced most beneficial results. I do not believe there is a state prison in America where a more earnest effort is made to accord the inmates humane treatment than in our own. As stated in my message to the General Assembly of 1925, the convict camps of the various counties should be carefully inspected at frequent intervals, in order to insure the maintenance of proper conditions. Recently, I suggested an inspection plan, to be carried out by representatives of the State Board of Health and the Department of Public Welfare and am glad to report that it has worked well and better conditions have resulted. I believe this service should be expanded. We cannot shirk our responsibility, not even that which we owe prisoners. While it is true they are, temporarily at least, under the ban and must pay their several penalties,

yet they are human beings, creatures of the same God that created you and me, and life for them must not be made intolerable, else corrective measures will prove in vain. We want them to emerge ready to face life again and to live it honestly. We must not cause them to become antagonistic or resentful against organized society. The principles of Christianity must dictate our treatment of them, even when they are paying the debts our courts, representing law and order, have imposed upon them.

FISH AND OYSTERS

North Carolina's seafood is one of its most valuable assets and constitutes a natural resource that should be conserved and fostered. The Fisheries Board has been giving earnest attention to oyster beds. It has replenished a number of them and has planted shells upon our oyster bars. The serious decrease in our commercial supply of crab, escallops and oysters is a matter of much concern. Publicity given typhoid fever in some of the western cities, said to have been traceable to contaminated seafood, created a fear on the part of some consumers that had its effect at the source of supply. Since the last General Assembly I have found it necessary, working with the State Board of Health and the Fisheries Board, to work out a plan whereby the various shell fish producing states will cooperate in putting into effect sanitary regulations approved by the United States Health Service and our own State Board of Health. These regulations furnish a safeguard against contamination.

The commercial branch of our fisheries has been self-supporting, that is, the revenue derived from it has generally met the operating expenses incident to the regulation.

Our fish hatcheries do not produce any income and, for that reason, provision has been made in the budget for their maintenance. After further consultation with officials of the Fisheries Board, I shall probably submit amendments to the present laws to provide better supervision and further development of the industry.

GAME LAWS

The recent decision of the Supreme Court rendering ineffective many county game laws will, no doubt, necessitate the passage of

a statewide game and fish law by your honorable body. There should be something done to more effectively preserve and conserve these valuable natural resources. Properly handled, they can be made to become a source of much direct and indirect revenue to the State, without interfering in any way with the privileges of the citizen. The failure of the last General Assembly to enact a statewide law was, I am informed, due largely to the attempt to unduly restrict the privileges of the ordinary pole and line fisherman and hunters in rural districts who are not professional sportsmen. The contention that old time fishing and hunting are the only free sports remaining must be reckoned with in connection with whatever action is taken.

SUPERVISION OF WEIGHTS AND MEASURES

Our laws on weights and measures are wholly inadequate in the light of present conditions. I have received numerous complaints that strengthened this belief. I believe the time has come to enact a modern and uniform law providing for state supervision of weights and measures under the general direction of the State Department of Agriculture, and I have in mind the preparation of a bill to be presented to you for your consideration.

THE STATE HIGHWAY SYSTEM

As stated in my inaugural address, I favor the policy of continuing highway construction in North Carolina and am glad to report to you that our road-building program for the past two years has been unprecedented. During the calendar year of 1925 contracts were let for the construction of 1,414.2 miles, costing \$24,622,423, and during the calendar year of 1926 for 1,102.99 miles costing \$20,732,515, making a grand total for the two-year period of 2,517 miles, involving expenditures totaling \$45,354,928. Of this, \$12,901,585 was derived from county loans.

There are now outstanding bonds and bond anticipation notes issued for highway construction aggregating \$85,000,000, together with an additional \$600,000 for the construction of the Chowan River bridge, authorized by the 1925 General Assembly.

After considering every phase of the situation as it relates to the issuance of further highway bonds, I recommend that we issue

within the calendar years of 1927 and 1928 the sum of \$30,000,000, these bonds to mature in equal installments of \$1,500,000 annually, the first installment to be paid one year from July 1, 1927, and the remainder in equal annual installments continuing over a period of nineteen years from that date, to be paid out of current revenues.

Further, I recommend that short term notes be issued at any time after April 1, 1927, in anticipation of the sale of these bonds. From information I have received from the chairman of the State Highway Commission, I am satisfied that this \$30,000,000, together with the amount received from federal aid and from surplus highway revenues, will provide ample funds for highway construction during the coming biennium. I am sure that any plan for the issuance of bonds in excess of \$30,000,000 for highway purposes at this time would be exceedingly unfortunate, especially in view of the fact that bonds for permanent improvements for institutions and also \$2,000,000 for the veterans' loan fund will have to be authorized at this session. It must be constantly borne in mind that the most important consideration is to handle this important business in such a way that the highway program can be gradually continued without imposing too high an interest rate or disarranging the general credit structure of our State.

I call your attention to the fact that the governor and state treasurer have been able to save several hundred thousand dollars to the taxpayers in interest paid upon state obligations because the last General Assembly adopted the safe course we recommended. I believe many hundreds of thousands more can be saved during the coming biennium if you will follow the plan I have outlined. Our able and experienced state treasurer concurs with me fully in these recommendations. I will be pleased to discuss this vital matter with your members at any time.

OPERATORS' LICENSE FOR MOTOR VEHICLES

If we are to curtail the ever increasing number of fatal accidents occurring on our highways, the time has come when, in the interest of public safety, it is necessary to enact a law requiring the registration of persons driving motor vehicles. Long ago the railroads decided that no man should operate their steam engines

while under the influence of intoxicating liquors. As a matter of fact, no habitual drinker can permanently hold a job as a locomotive engineer. The law I now recommend should provide that licenses be issued only after a careful examination as to the character, habits, experience and general fitness of the applicant. These regulations can be worked out so as not to impose more than a nominal charge against each person securing a license, the licenses to be issued by responsible persons at any central point, with a minimum of inconvenience. There should be a substantial penalty for those who operate motor vehicles without license or otherwise violate traffic laws, and severe penalties for those who undertake to operate them while under the influence of intoxicating beverages, which no judge should be allowed to suspend. Suspension of the operator's license should be imposed as a part of the penalty in certain cases, and there should also be enacted a law requiring horse-drawn vehicles to display lights on public highways at night. This would entail only a small expense on the part of the owner of each vehicle, who would only be forced to invest in an ordinary lantern. Such a law would prove burdensome to no one but would, I believe, result in the prevention of many accidents.

I believe the railroad crossing statute should be so amended as to permit the State Highway Commission to decide at what crossings signs are necessary. Thus, "stop" signs could be moved from other crossings. This done, substantial penalties should be imposed for violations and the statute as amended could be enforced in earnest, with public sentiment, as well as the law, behind it.

With the regulations I have mentioned, I believe motor travel on our highways would be rendered practically safe, certainly safer than at present. They will impose no great financial burdens upon the people.

BEAUTIFICATION OF STATE HIGHWAYS

I have said that we should not neglect spiritual values. Neither should we forget the beautiful in our rush for material advancement. In this connection I bring to your attention the question of beautifying our state highways. This will serve a utilitarian as well as an aesthetic purpose. For more than two years I have

been trying to stress the need and importance of such action, that is, for the State Highway Commission to plant trees, shrubs and grass along these highways. Not only would this mean beautification but it would reduce erosion and climatic injuries generally. I have no doubt but that the coöperation of local civic bodies could be secured in the execution of this plan. If the Highway Commission is now without legal authority to undertake this work and expend part of its maintenance fund for this purpose, the act should be amended so as to grant the necessary power when it shall appear advisable to exercise it.

TAXATION

The problem of taxation continues to be a perplexing one in North Carolina, even as it is in every state in the Republic and with the federal government. We frequently appear to have solved it in what on the surface, seems to be a satisfactory way, and then new conditions arise, agricultural or other economic crises, which means that we must seek other solutions. I am convinced, and think you are, that we will never reach a solution of this age-old problem that will be entirely satisfactory, so we must continue to give it our attention and seek to approximate a solution, at stated intervals, to meet new conditions. It is the duty of those charged with the administration of government, however, to be vigilant, continuing their research and thoughtful consideration of this subject, in order that any beneficial ideas they might evolve be put into practice.

No higher duty devolves upon the members of the General Assembly than to courageously grapple with the problem of taxation. If tax burdens are equitably distributed, as they should be, and the revenue derived therefrom wisely, honestly and efficiently expended for the general welfare of the citizenry, the direct and indirect benefits therefrom constitute one of the most remunerative and beneficent investments that a people can make. While North Carolina has made much progress in tax reforms, there are still inequalities and imperfections that call loudly for treatment.

Our taxes for the support of the state government, derived entirely from indirect sources, when taken independently are not abnormally high, especially when we take into consideration the manifold services rendered by the State to the people.

LOCAL TAXES

The most serious phase of our tax problem arises in connection with local taxation. Every thinking man and woman knows that personal property and real estate, whether devoted to home, agricultural or manufacturing uses, is bearing too heavy a burden of taxation in many of our counties. The fact that these taxes are levied for local purposes makes them none the less burdensome. In some counties taxes on farm lands are out of proportion to the earning capacity of these lands. The total taxes paid, local, state and federal, by individuals and corporations, must be considered in terms of a definite element of cost directly related to the per unit cost of production. A striking example of the lack of uniformity in county tax rates is afforded by the fact that in one county local taxes paid by cotton mills amount to \$2.49 per spindle, while in another it is 56 cents. There are cases in which business enterprises have been driven to seek new fields of activity because of oppressive local taxation. Some have gone from one county to another, others entirely out of the State, thus entailing a loss on the State as a whole, as well as the county from which they removed their holdings and activities. For a community to discourage and hamper agriculture, to drive manufacturing plants from its borders through burdensome taxation is nothing less than stupid. If these taxes are making it impossible for any of our industries to remain and hold their own in the field of competition, then the sooner we realize it and effect a remedy the better.

There are also instances of where counties, cities and towns have disregarded sound business economy, by paving streets, erecting school houses and other public buildings on too extravagant a scale. The result was that these improvements cost more than the locality was able to pay for. Hence, real economy was sacrificed. Our principal highways, including the widely-known Route 10, are less than twenty-five feet wide, yet some of our towns have paved streets over which there is far less traffic than over some of these highways of widths ranging from sixty to seventy-five feet. I mention this as a concrete example of unnecessary expenditures. There are other examples I might cite you to.

This question of local taxes is closely related to the matter of

improving our methods of local government and should be given most serious consideration. When it comes to a question of seeking a proper solution, I am a firm believer in the plan of calling to our aid and assistance a small group of able, patriotic and successful citizens of our State who will study the whole question of taxation as it relates to the conditions in North Carolina, find the facts accurately and present them for our consideration, with intelligent and constructive recommendations. I believe the appointment of a commission composed of men of the character I have described will give us the information which is absolutely necessary to any correct, just and permanent solution of the problem.

IMPROVED METHODS IN COUNTY GOVERNMENT

This brings me to a brief discussion of improved methods in county government, which is one of our most urgent needs today in North Carolina. Already I have consumed much of your time but I cannot close this message without touching what I conceive to be the vital points in this great question.

Our counties are operated under a system that is antiquated and inadequate and that does not meet modern needs. It is largely responsible for many confusing aspects of county government and can trace its ancestry back to old England from which our forefathers brought it. It may have been all right when it was young, but it is now in its dotage and should be relegated in favor of a system that will meet present needs. Practically every progressive state in the Union outside of North Carolina has realized that the old methods of county government were impotent and have discarded them. We should do likewise and the sooner the better, as they vitally hamper the progress of the State as a whole.

For two years the State Association of County Commissioners has been grappling with this subject. At its 1925 meeting it requested me to appoint a commission to study the subject and make recommendations for improvement. I gladly appointed the commission and urged the association to press the matter. The commission, after much study, made a very intelligent report to the association at Morehead the past summer. Following are some of the outstanding points of information disclosed in the

report, which I submit to you for your earnest consideration:

“Many county officers have been found short in their accounts, sometimes involving large sums. There is duplication of effort and disproportionate distribution of revenue. It is impossible in many counties for the commissioners to control the budget of expenditures. Illustration of these defects shows counties spending special tax funds for general purposes and general funds for special purposes and frequent neglect in paying principal and interest on bonded indebtedness and other obligations.

“Many counties fail to levy sufficient taxes to maintain the various functions of the county government and resort to borrowing not only to meet current expenses but often to pay interest and installments of principal on bonded indebtedness. Irregularities and injustices in tax assessments are very noticeable and much property is left off the tax books. Poor accounting and poor bookkeeping methods frequently lead to financial chaos.

“Some counties do not know how much it costs to run the county government, what the bonded indebtedness is or whether the tax rate levied will meet the need. As a result, several counties levy low tax rates.”

The political party to which the governor and a vast majority of you belong, in its last platform declared that: “While we believe in the time-honored principle of local self-government, we are convinced that the State can and should cooperate with the counties in devising general methods of improved county government.”

This pledge must be kept.

Therefore, I cannot too strongly urge upon this General Assembly the enactment of measures for this purpose. I mentioned this matter in my message to the last General Assembly but there were so many other pressing matters for consideration that it was impossible at that time to give it definite consideration.

It is not at all necessary that a revolutionary program should be instituted. The General Assembly can, by general act, provide for various plans of county government, along whatever lines it may deem wise, thus making it possible for any county to adopt the plan best suited to its needs, whether managerial, commission or any other feasible plan that will bring improvement and needed reform.

Under the constitution and laws of North Carolina, it is possible for local officials in subdivisions of government to authorize the issuance of bonds for purposes they may designate as necessary when, in fact, they are not really necessary. Often when a popular vote is ordered, there is apathy among the voters and they do not shake it off until the next tax bill comes in. I am a great believer in majority rule, but when bonds are authorized it should be a result of the vote of a real majority of the qualified voters, because bonds involve increased taxation which, in the subdivisions of our State, fall directly on the real and personal property of the people.

Proposals for bond issues or for otherwise increasing taxes should be passed upon by a majority of the qualified voters, preferably in regular elections, in which a larger per cent of the people participate than in special elections. If submitted at special elections, it might be well to provide that a proposal should not carry unless approved by a majority of the total vote cast at the preceding regular election. The practice of calling special elections and providing for new registration, on short notice, in connection with bond issues and special tax levies, has, in many cases, resulted in minority action and in extravagance and unnecessary local tax increases.

Of course, some of the matters I have mentioned would require constitutional changes, but the legislature, no doubt, has the power on broad principles of public policy to provide reasonable limitations as conditions precedent to the right of subdivisions to authorize and increase taxes for special purposes. There certainly should be some limitation upon the power of local authorities to issue bonds or other obligations for current operating expenses. Such practice, if followed, is bound to ultimately lead to disaster.

I commend this most important matter of improved methods of county government to your most earnest consideration.

CONCLUSION

At the risk of taxing your patience, I have presented to you at some length an outline of what has been accomplished by our state government since this honorable body adjourned two years ago, together with recommendations for your consideration at this session. While I have consumed more time than I had

anticipated, yet I hope that I have succeeded in giving you a calm and intelligent presentation of the facts and conditions that should come to your attention.

You have given me a patient and courteous hearing. As I look into your faces, I see written there a determination to serve North Carolina. You are on the eve of a sixty-day session. You will not always have smooth sailing in your deliberations. Many perplexing questions are bound to arise. They will put you to the endurance test, perhaps, but when the session is over and you go to your respective homes, you will leave these halls with a consciousness of service to your State that will refresh you.

For my part, I realize fully that I have not accomplished in detail all the things I wanted to accomplish for the good of my State during the past biennium. But I can truthfully say that I have not let go the task. I have sincerely tried to measure up to the trust the people bestowed upon me when they elected me governor and that the General Assembly of 1925 set its approval upon when it so generously enacted into laws the various recommendations I made at that session. There have been handicaps, but I have tried not to let these deter me from the path of duty as I saw it. I have not let them discourage me; and against those who might have differed with me in the course I have pursued I hold no feeling of resentment. I have tried to work in harmony with counsellors; I shall work in harmony with you, and I want each and every one of you to feel that it is your privilege to call on me at any time I can be of service to you. I need your help and advice, and if mine will aid you in the performance of your duties, they are at your command. In carrying out the wishes of the people that elected me and in putting into practice the policies adopted for the first two years of my administration, by the General Assembly of 1925, I have thrown aside every personal interest in my zeal to serve my State.

I feel it is unnecessary to remind you that we must at no time revert to cold blooded materialism. We must bear in mind always that, after all, the purely material perishes in the end; that it is the gold that remains, the dross that is burned. We are engaged in the noble task of building up North Carolina, not only for ourselves but for our children and children's children. Let us leave them a better State to take up where we left off,

and they will rise up and call us blessed. Let us not burden them nor embarrass them. I pledge myself to that principle. I believe I see it written in your faces that you do.

Finally, members of the General Assembly of 1927, I know of no more fitting thought to leave with you on this occasion than the wonderfully significant words of the learned Saint Paul, when he said:

“Whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report, if there be any virtue, and if there be any praise, think on these things!”

BUDGET MESSAGE

SPECIAL MESSAGE

JANUARY 6, 1927

Mr. President, Mr. Speaker, and Members of the General Assembly:

It is a high privilege to present for your consideration the budget of the state of North Carolina in pursuance of the executive budget act, covering the biennium beginning July 1, 1927. This act has been discussed in a general way in my biennial message; I shall first seek to give in some detail a report of the actual functioning of the budget in the first period of its operation.

The enactment of the executive budget act committed the state government to the business principles which have crystallized from the experience of private enterprises. It made the governor, as ex officio director of the budget, responsible for the conduct of the State's business in the manner of any other executive charged with the management of the affairs of a concern in which there is a general interest and ownership. As director of the budget, the governor represents the people, but in a more particular sense is the fiscal agent of the General Assembly, to supervise and carry out the various projects and activities it has authorized. In controlling the expenditures of the appropriations within the maximum limits fixed by the

General Assembly, the governor is the executant of the legislative will to see that moneys are spent as intended and when needed. He must see, also, that there is forthcoming the revenue provided by the General Assembly to meet the appropriations authorized.

When these appropriations have been made, each spending agency in the State is required to submit to the Budget Bureau detailed estimates of the manner in which it plans to utilize the funds to which it is entitled. The estimates show the amount and the manner of distribution of contemplated expenditures according to a standard classification. In this way it is ascertained what each one of these numerous agencies proposes to spend during the biennium, the fiscal year, and each quarter of such year, for personal services, supplies, and projects. In addition, they show the revenues it is estimated they will collect. Thus, each department, institution and responsible bureau prepares a budget of its own operations, which it submits to the Budget Bureau for its approval.

Along with the budget and estimate of the spending agency, there goes to the Budget Bureau a request for a quarterly allotment. When determined, this allotment establishes the limit of expenditure from the legislative appropriation for the ensuing quarter. In case of emergency need of additional funds, the necessity is met by special request to the Budget Bureau, which grants the increased expenditure in its discretion and if it is justified by the appropriation available.

In order to supervise the operations of the departments and institutions, each is required to submit to the Budget Bureau a monthly statement of its expenditures. These reports enable the Budget Bureau to compare actual expenditures with those authorized and to measure actual revenues with those previously estimated, and thus to assure that the spending agencies operate within their income. It can no longer happen, as formerly, that an institution is embarrassed by spending so much of its appropriation in the first few months of the year as to put it in straitened circumstances and invite a deficit.

In brief, the executive budget act and the measures supplementary thereto provide the means whereby the fiscal affairs of the State can be administered in an orderly manner and under definite responsibility and supervision.

In operation the act has disproved the criticism that it would tend to take from department and institutional heads the power and authority to initiate and direct their own affairs. In fact, responsibility has been fixed and these officials enabled to see not only their own activities but those of the State as a great single operating unit, of which their departments and institutions are so many vital but inter-dependent branches.

To this organization the governor now realizes in fact the constitutional conception of chief executive. As director of the budget he may keep informed of what each State agency is doing, and what it requires. From this he gets the mental picture of the State as a whole which is necessary if he would serve its interest efficiently. In this great enterprise of the State, the people are the stockholders, the members of the General Assembly their voting trustees, the governor the chief executive officer. The legislative branch is directly represented in a consultative and advisory capacity in the persons of the chairmen of the Appropriation and Finance Committees of the Senate and the House of Representatives.

OPERATIONS FOR CURRENT BIENNIUM

The executive budget system was first operative in the period July 1, 1925, to June 30, 1926. Permit me to review briefly some of the outstanding results, citing for detailed results the budget statements numbered 1 to 15 inclusive, and attached to the budget report.

Total appropriations by the General Assembly of 1925 for the year beginning July 1, 1925, and ending June 30, 1926, were \$12,983,678. The total budget, revenues collected for that year and available for the amount of the appropriations were \$12,972,183.97. It will therefore be seen that if the maximum appropriations authorized by the last General Assembly had been expended, there would have been a deficit on July 1, 1926, of \$11,494.03.

Instead of expending the maximum amount authorized by the General Assembly of 1925, the sum was curtailed to a total of \$11,702,359.93 for the period, leaving in the state treasury a cash balance of \$1,269,824.04 at the end of the fiscal year.

It is interesting to note in this connection that the total expenditures for the year ended June 30, 1925, were \$12,587,958.50, or \$885,598 more than the total expenditures for the first year under the budget system. Most of this credit balance on June 30, 1926, was the direct result of savings in expenditures. The sum of \$351,000 was due to the exercise by the director of the budget of the authority vested in him under the executive budget act and the general appropriation act of 1925 of reducing the maximum appropriations authorized for the departments and institutions. These acts direct him to do this if it should appear that the total revenues collected during the fiscal year will be inadequate to pay the aggregate of the maximum appropriations authorized by the General Assembly, for the same period, or if the maximum appropriations are not necessary for the proper maintenance of any department or institution. Upon receipt of information from the commissioner of revenue containing an estimate of the revenues likely to be collected for the period, it appeared that the revenues would be insufficient to meet the maximum appropriations, and it further appeared that all the appropriations were not necessary for the proper and efficient operation of the departments and institutions, and therefore the director exercised the power vested in him by law to reduce the appropriations on the basis of five per cent, subject, however, to any needs that might develop later. Many of the departments and institutions, by the way, did not spend all of the amounts allotted to them after the five per cent reduction was made.

The director of the budget kept in close touch with the departments and institutions and determined, from time to time, from their monthly statements and from direct investigation that there was no need for the allotment of additional funds.

The commissioner of revenue made his estimate upon the basis of the taxes estimated to be collected, including incomes, and necessarily, in estimating the taxes derived from incomes, took into consideration the then condition of the industries, including the cotton mills. The profits of manufacturing concerns during the second half of the year, used as the measure for computing the income taxes, improved considerably over the

first half of the year, and it finally appeared that the estimate made by the commissioner of revenue was about \$500,000 lower than the actual amount subsequently collected.

The director of the budget has given the needs of every department and institution careful consideration during the entire year, and no real need has been denied. In this connection, I may say that one of the principal purposes of the budget system is to have the director of the budget supervise the expenditures of the maximum appropriations made by the General Assembly, to see that the maximum amount authorized will not be spent by any department or institution unless it is really needed.

The necessity for this supervision of the expenditures is manifest when it is remembered that the appropriations made by the General Assembly are made to cover a period of two years, beginning nearly six months after the General Assembly adjourns. A group of the best business executives in the country could not lay down a definite program of expenditures that far in advance, and hence large business concerns use the method of budgeting their appropriations over a fixed period and allocating the same to the various departments and branches of the business as maximum authorizations, with power in some executive at the head of the business to supervise the expenditures within the limits of the total authorizations.

I will now mention some of the other results obtained in the operations of the executive budget system:

(Quite a large sum has been saved in interest, by reason of the fact that the practice of short-time borrowing in anticipation of collection of taxes has been all but eliminated.

A large saving, amounting in the aggregate to approximately fifty per cent, has been effected in the item of public printing.

A plan by which the State has been able to purchase office furniture and supplies in large quantities and to distribute the same to the various departments has saved a large sum, for the reason that the State in this manner obtains the benefit of coöperative quantity buying.

Another beneficial result arises out of the requirement inaugurated under the budget system that there must be for every purchase a requisition in writing signed by some duly authorized person, and a purchase order issued for each article purchased

stating the character of the article and the terms of the purchase, thus fixing definite responsibility on the person who signs the requisition and purchase order, as well as making a permanent record of the transaction. This may appear to be a matter of small consequence, but when it is applied to a large number of purchases made by more than sixty agencies of the state government, its importance will be more fully appreciated.

The effect of the budget system has been reflected in a remarkable way in the reduction of the per capita maintenance costs in some of the institutions. For example, in the case of the Caswell Training School the per capita cost for the year ending June 30, 1925, was \$407.94 as against a per capita cost, for the first year under the budget system of \$298.

One of the most important results of the system is that governmental receipts and expenditures can be so carefully laid out that no substantial deficiency will occur at the end of the fiscal period, and thus a balanced budget can be maintained.

A careful perusal of the budget statements and the exhibits attached to the budget report relating to the first completed fiscal year will convince that the result has been to create a supervising department of finance and to bring into one coördinated unit the operations of the more than sixty departments, institutions and other spending agencies of the state government.

It is very gratifying to me that such satisfactory results have been obtained in the short period of time in which the system has been in operation. Like any other new piece of administrative machinery, it will undoubtedly work more smoothly and efficiently from year to year.

One very strong argument in favor of the system is that it has never been abandoned wherever it has been installed in connection with either private or governmental business operations.

PERMANENT IMPROVEMENTS OF 1925

Receipts in the permanent improvement fund during the fiscal year 1925-1926 came from appropriations out of proceeds of bond sales authorized by the General Assembly of 1925, amounting to \$5,125,000. To this were added sums remaining unexpended from previous bond authorizations and from sales of surplus materials and from other sources, making the total

available for expenditures for permanent improvements for that fiscal year \$5,792,882.

Out of this amount \$4,213,910 was expended, leaving a balance on June 30, 1926, of \$1,578,972. It is expected that practically all of this unexpended balance will be used during the fiscal year ending June 30, 1927. All expenditures for permanent improvements and all contracts involving building operations were supervised by the governor as director of the budget, as provided in the executive budget act.

EMERGENCY PERMANENT IMPROVEMENTS

Fire occurred at the State Hospital for the Insane at Raleigh, and in order to rebuild the destroyed wing and make fire-safe the other wing, it was necessary to supplement the funds derived from the proceeds of the fire insurance, to the extent of \$280,000, which was authorized by the governor and council of state under the emergency permanent improvement act of 1925. Similar authorizations under the same act were made to rebuild the school building at Samarcand, to the extent of \$22,464.10, at North Carolina College for Women at Greensboro in the sum of \$47,500, for auditorium and educational building, to the board of public buildings and grounds for heating mains at the capitol in the sum of \$6,020. These amounts will be re-financed by the issuance of bonds under the institutions bond act of 1927.

MAINTENANCE AND PERMANENT IMPROVEMENTS FOR THE BIENNIUM 1927-1929

The budget report submitted today sets out in great detail the appropriations for maintenance and for permanent improvements for each year of the current biennium, as well as the estimated revenues and other income applicable to the maintenance appropriations recommended for the biennium beginning July 1, 1927, and ending June 30, 1929.

The aggregate of requests by departments, institutions and other agencies of the State for maintenance appropriations was over \$16,000,000 for the fiscal year 1927-1928 and over \$16,500,000 for the fiscal year 1928-1929, as compared with the recommendations contained in the budget of \$14,686,105 for 1927-1928 and \$15,124,059 for 1928-1929.

The aggregate of all appropriations requested for permanent improvements for the next biennium was nearly \$13,000,000. The director and members of the Advisory Budget Commission have recommended a maximum for this purpose of \$5,500,000.

Most of the particular items in the maintenance and permanent improvements budget which we have recommended are explained fully in the budget report. I feel, however, that I should refer in this budget message to a few of the most important.

INSTITUTIONS OF HIGHER LEARNING

The recommendations for maintenance at the University, State College of Agriculture and Engineering, and the North Carolina College for Women, while not as large as the amounts requested by these institutions, are nevertheless ample to take care of the expected expansion during the new biennium.

The recommendations for permanent improvements at these institutions are very liberal, when reviewed in the light of the total granted for the same purpose during the past six years. The importance of these institutions in our scheme of education must be kept constantly in mind and provision made for their steady expansion.

Our people have demonstrated their appreciation of this fact by providing for these institutions out of available resources upon a more liberal scale than any state in the Union has provided for its institutions of higher learning.

THE STATE'S PRISON

The State's prison for the calendar year ended December 31, 1925, showed an operating profit of \$18,093.43, and for the fiscal year ended June 30, 1926, an operating profit of \$45,874.70. Due to the disastrous depression in the price of cotton at the present time, I believe the calendar year ended December 31, 1926, will show a small loss, due, if it develops, entirely to the fact that inventorying cotton on hand produced during 1926 at present prices will reduce the value of the cotton about \$75,000 below what the same cotton would have been worth a year ago. No large cotton farmers in this State can show a better result for 1926. But for this unexpected and unavoidable loss, the prison would have shown a substantial operating profit for the calendar

year 1926. I have given a great deal of personal attention to the State's prison because it is the most difficult of all the state agencies to manage successfully. It is greatly handicapped by the fact that a large percentage of prisoners are suffering from some physical disability and are therefore not able to do hard labor. It has been very difficult to find work for this class. They cannot work upon the highways and quarries and there is constant objection on the part of certain groups in the State to the employment of these partially disabled prisoners in industries other than farming and highway work. The maintenance of the old central prison at Raleigh is a distinct liability and should be discontinued as soon as possible.

Recently I had occasion to examine a very comprehensive report of the State's prison of the state of New York, which disclosed the fact that the operations of the State's prison in that state is costing the taxpayers \$1.06 a day for each prisoner. In North Carolina the State's prison for the last two years has cost the taxpayers nothing so far as the maintenance or current operations is concerned.

The prison authorities, upon the approval of the governor and council of state, purchased last year 498 acres of land at the price of \$29,530, which were needed to restore the Caledonia farm to the position of a balanced unit. This land was purchased by individuals when the farm was subdivided and offered for sale in the year 1919. When the State was compelled to take back the bulk of the land sold at that sale, it was unable to procure the tracts above mentioned. Due to their location, these lands were a constant source of annoyance and inconvenience. They were re-purchased at about the same price for which they had been sold.

The new brick building providing quarters for 750 prisoners authorized by the last General Assembly is now about complete. It is well and permanently constructed with modern conveniences. It is worthy of mention that this building was constructed almost entirely by convict labor, including what skilled labor was necessary, at a saving to the State, over what it would have cost if let to contract, of about \$80,000.

The General Assembly of 1923 placed the State's prison on an appropriation basis, and this plan was confirmed by the General

Assembly of 1925. This policy was necessary in order to make the fiscal operations of the prison fit in with the general fiscal operations of the state government as a whole. For the same reason, the State's prison must make up a statement of operating results at the end of the State's fiscal year on June 30. Inasmuch as the prison is essentially different from the other state institutions, in that its operations are comparable to the operations of an industrial enterprise because all of its revenues are derived from industries, principally farming, it is practically impossible to show an accurate statement of its operations except on a calendar year basis.

The prison, like most well-managed prisons in the country, is operated under the state-use system, whereby the convicts are used in the work for the State itself, including prison farms, highways, and small industries. This plan is in force in a large number of the states' prisons and reformatories in the United States. The system enables the prison authorities to plan work for the prisoners in accordance with their individual capacities and at the same time affords them a chance to take their places as law-abiding, producing members of society when they are released from confinement.

In providing for the maintenance of the State's prison for the biennium beginning July 1, 1927, the budget recommends that in addition to the appropriation of the cash income of the prison for its maintenance the General Assembly appropriate a contingent fund of \$50,000 to supplement the institution's own cash receipts, the said contingent fund to be expended only in the event and to the extent that the institutional receipts shall be insufficient to meet the total cost of maintenance during the fiscal year for which said receipts are applicable. The question as to whether any of this contingent fund will be used or not depends upon the demand for prison labor and the price at which farm products may be sold during the fiscal year. I may find it necessary to make some more specific recommendation in respect to the State's prison later in the session.

THE NATIONAL GUARD

The strength of the North Carolina National Guard at the present time is 221 officers and 3,300 enlisted men, organized into

fifty-five units. I feel a very peculiar interest in the National Guard. As governor of the State, I desire to see it kept up to a high standard of numerical strength and general efficiency, because I realize the need of it as an ever-ready force to be called upon when local officers are unable to preserve the peace and dignity of the State and to protect every citizen in the enjoyment of life and liberty. I wish I could make the people of the State understand as fully as I understand what they owe to this splendid organization.

During the short time I have been governor of the State I have had occasion several times to call upon the National Guard to uphold the law against mobs and lawless elements which were ready to nullify the orderly processes of the courts, and thus trample under foot the sovereignty of the people. Thinking in terms of the good name and fame of the State, I am sure that I am correct when I say that the prevention of one lynching is worth all the cost of maintaining a National Guard over a long period of years.

The record of our National Guard in the World War was beyond all praise. The famous Thirtieth Division to which General Pershing gave full credit for the part it played in breaking the Hindenburg Line was composed partly of organized National Guard units from North Carolina. It gives me pleasure to say that the organization stands at the very top. The necessity for such a force is recognized in both the federal and state constitutions, and the latter specifically prescribes that it be maintained at all times and that the legislature shall make sufficient appropriations therefor. The budget contains provision, not only for the maintenance of our National Guard, but for arsenal and armory facilities in the city of Raleigh.

The sum of \$6,000 is included in the appropriation recommended for the National Guard for the purpose of reimbursing the Fayetteville, Wilmington and Charlotte military units for actual traveling expenses incurred by them in attendance upon the exercises of the Sesquicentennial Exposition at Philadelphia, at which the thirteen original states of the Union were represented by a number of their military units. I am informed that the other states met this expense. The three companies above mentioned spent several thousand dollars each in the purchase of

new uniforms, but the State is not requested to reimburse them for any part of that expense. The North Carolina companies acquitted themselves in a most creditable manner and besides representing North Carolina in the patriotic exercises, celebrating the events connected with the Revolution and Declaration of Independence, reflected great credit upon the State. I believe it is just and proper that reimbursement should be made, as recommended.

DEPARTMENT OF CONSERVATION AND DEVELOPMENT

At my request the last legislature established the Department of Conservation and Development to take over the activities theretofore performed by the old Geological and Economic Survey and also to perform certain new duties imposed by the act of 1925. The reorganized department has been functioning for more than a year and has already accomplished much. The functions assigned to this department relate to the general conservation and development of our natural and industrial resources.

There is a division of water resources which carries on the work of stream gauging, as well as conserving our water resources generally. These, by the way, are among the State's greatest assets. A proper knowledge of stream flow is of the utmost importance to manufacturing concerns and public utilities and is also very necessary in connection with the safe disposal of sewage and trade wastes. The creation of new water power projects and related industries and the consequent increasing of taxable values in North Carolina is of prime importance. It is interesting to observe in this connection that at the present time there is under construction and in immediate prospect projects which will entail an expenditure of fifty million dollars in our State. It is generally conceded that for every dollar spent in water power development there will eventually be spent five dollars in new industries to consume this power. Upon that basis we may reasonably count upon the expenditure of \$250,000,000 in new industrial development within the next few years. It has been found necessary to increase appropriations allocated to the Department of Conservation and Development for the purpose of stream gauging and continuing the survey of our

undeveloped water resources. A slight increase is provided in the funds allotted to the Geological Division for the purpose of supplying the state geologist with additional equipment and assistance, in order that he may properly continue the important work of assembling information in regard to our mineral resources.

FOREST CONSERVATION

Perhaps one of the most important functions of the Department of Conservation and Development is in connection with forest conservation. Our forests are being rapidly destroyed through lack of a proper conservation policy. The pressing needs in the program are first, to educate our people as to the value of these forest lands and particularly as to the young forests now coming on, and, secondly, to lead them into correct methods of forest protection. With adequate protection from fire and with simple methods of forest management our young forests, particularly in the coastal and mountain sections, will be worth hundreds of millions of dollars and will continue to be a never-failing source of increasing wealth to the owners, as well as of taxable value to the State. The damage done by forest fires in 1924 alone has been carefully estimated at over \$1,500,000. In forest fire prevention and other methods of forest conservation a good part of the funds are furnished by the federal government, the counties, and by private landowners. It is the purpose of the department to expand its forest fire prevention service and for that reason it has requested an increased appropriation during each year of the next biennium, which I commend to your most favorable consideration.

Another very important function of the Department of Conservation and Development is to gather and make available reliable information and statistics as to our natural and artificial resources. Such information can be used to inform our own people and to advertise our resources beyond the borders of our State. There is already in existence in the various bureaus and departments of our state government a vast amount of information which is not now readily available, but which can be made to serve our people in a more effective way if it can be collected and put together in convenient form. With the limited appropriation for the last biennium the department has published some

very interesting booklets relating to our resources, including climate, unsurpassed natural scenery, resort sections, industries, and our splendid highway system. The distribution of this information, as well as that furnished by the other departments at the Sesquicentennial Exposition, gave North Carolina valuable publicity abroad. The department also has supervision and control of the various lakes and parks owned by the State.

One of the most important needs at the present time is to develop for commercial purposes our natural resources, and to expand and diversify our industries. To do this, we must induce new man-power and new money to come into our State and contribute to the great work of development which our own people have been carrying on so successfully. A well organized and efficient publicity bureau is the prime necessity in such a program. The Department of Conservation and Development functioning in its enlarged spheres should supply the need.

Provision is made in the budget for defraying the cost of all of these new functions of the department, and I feel that the investment thus made will produce magnificent returns.

CAPITOL AND GROUNDS

Our state capitol represents one of the most beautiful examples of architecture in America. It should not only be preserved, but gradually improved. It was necessary during the past year for the Board of Public Buildings and Grounds to authorize the expenditure of about \$6,000 in enlarging the heating mains from the central heating plant through the capitol grounds. This was paid temporarily under the terms of the emergency bond act of 1925. It is necessary that this sum, together with the sum of \$15,000 for permanent improvements to the capitol and grounds as recommended in the budget, be authorized for the ensuing biennium and included in the institution bond act of 1927. Unfortunately the side entrance of the capitol building has for a long time been used as the front or main entrance, due to the fact that the main business section of Raleigh has developed along Fayetteville Street. This situation makes it very difficult to lay out the grounds of the capitol and locate the monuments and statues thereon with a view to artistic arrangement. The capitol grounds at the present time are in urgent need of improve-

ments. Continued efforts should be exerted to make the capitol ground one of the most beautiful spots in the State. At the request of the Board of Public Buildings and Grounds, the sum of \$10,000 has been included in the maintenance budget for the year 1927-1928, and recommended to you for appropriation to improve the capitol grounds during the next biennium. I strongly recommend your approval of these requests.

CASWELL TRAINING SCHOOL

Upon assuming office, I found considerable confusion concerning Caswell Training School in its relation to the problems of the feeble-minded. It appeared that no definite program or policy had ever been agreed upon by the State in the operation of the institution. Soon after the reorganization of the board and the official personnel of the institution I appointed a committee composed of able physicians and laymen, with Dr. W. S. Rankin as its chairman, to make a study of the work of the school in its present and prospective relationships to the problem of feeble-mindedness as it exists in North Carolina.

Recently, the committee made a very comprehensive report upon the whole problem of feeble-mindedness and suggested a definite plan and financial policy for the guidance of the State in conducting the institution in the future. I have read the report with a great deal of care and believe it is one of the most constructive and helpful reports ever made in regard to any important problem of state concern. I believe that the General Assembly can do no better than to follow the recommendations therein made in regard to the future policy of the training school and the general problems of the feeble-minded. The present able management of the institution, in presenting their budget to the governor and the Advisory Budget Commission for the next biennium, followed the recommendations made in this report, and the action of the governor and Advisory Budget Commission in recommending ample appropriations for maintenance and permanent improvements was based upon the same. Provision is made for taking care of an increase in the population of the institution from 385 at present to 700 in the next biennium.

OLD BLIND INSTITUTE PROPERTY

With the concurrence of the Advisory Budget Commission, I recommend that an appropriation of not exceeding sixty-five thousand dollars be made available to the Board of Public Buildings and Grounds for the purpose of remodeling and reconstructing the school building, the industrial building, the library building, and providing for the remodeling of a small building adjoining the school building so as to make available three large fireproof vaults, all on the old Blind Institute lot on Dawson Street in Raleigh, including a heating plant and other permanent improvements on said property. This is a very valuable lot of four acres owned by the State. The purpose is to reconstruct the buildings above mentioned and to remove the old main building. The two new buildings situated on the northwest corner of said property are now in use as garage and warehouse. Some parts of the old main building are also occupied by departments of the state government. Competent architects have estimated, and the Advisory Budget Commission and myself concur, that by the expenditure of the sum of money mentioned, buildings for the use of the State can be provided that would be worth at replacement value over \$150,000. The old industrial building is needed for the purpose of arsenal and armory facilities for the use of the National Guard. A part of the building can be used for other purposes. The remodeled school building will provide a number of comfortable and convenient offices for state departments or bureaus. The library building can also be used for state offices, and the fireproof vaults are much needed for the storage of valuable records which have accumulated and which will continue to accumulate in the future. Many of these old records are taking up space in some of the new fireproof buildings that should be released for other purposes. The lot upon which these buildings are located is of great value. Exclusive of that part occupied by the buildings which are to be remodeled, much valuable land will be available for state purposes in the future. By remodeling the buildings above mentioned, the State can release office space now occupied in leased buildings. I am strongly convinced it is very much to the interest of the State to carry out this project. The old

buildings on the property, with the exception of the warehouse and garage building, are of very little service and are gradually depreciating in value.

SCHOOL FOR BLIND AND DEAF NEGROES

The present school for the blind and deaf (Negro) located at Raleigh is inadequate and unfit for present use. It is dangerous from the standpoint of fire hazard and possesses another element of danger in that the two buildings are located on either side of one of the streets of Raleigh, a link in the main state highway over which a great deal of traffic is constantly moving. The blind and deaf children are subject to great danger, almost daily, due to passing motor vehicles. The small piece of land owned by the institution some distance from the main building cannot be used conveniently for farm purposes and is unfit for the purpose for which it was purchased. The deaf and dumb Negro children should have vocational training, particularly in farming and animal husbandry. The director and members of the Advisory Budget Commission have made a thorough inspection of all the buildings and surroundings and, after much consideration, have come to the unanimous conclusion that a new institution should be provided at some point near the city of Raleigh, where land can be purchased at a reasonable price for the erection of new institutional buildings and to provide a farm sufficient to keep engaged those who are able to work. This will reduce the cost of maintenance of the institution and provide vocational training. It is estimated that the sum of \$250,000 will be necessary for the purpose. The appropriation is recommended, upon condition that the General Assembly will authorize the sale of the property now used, including the small tract of land nearby, whenever in the opinion of the board of directors of the institution, approved by the governor and council of state, a fair price can be obtained therefor. The proceeds of the sale, if and when available, should be paid over to the state treasurer and be held by him subject to disposition by the General Assembly.

MOTHERS' AID

The increase of \$20,000 in the appropriation recommended for Mothers' Aid Service is to provide more liberally for this

important work to meet similar appropriations made by counties, and especially for the purpose of providing more adequately for aid to the wives and helpless children of prisoners. I believe this constitutes a most worthy object, and is in keeping with our duty to the unfortunate, as dictated by enlightened public sentiment.

PROVISIONS FOR OUR NEGRO CITIZENS

In our scheme of education and in making provision for our charitable and welfare institutions, we cannot afford to neglect the interests of our colored citizens, who constitute a considerable part of our population. On account of their peculiar social and economic status and their dependence upon us, they must be regarded as special objects of our generous care and solicitude. This budget makes proper provision for this deserving class of our population.

The North Carolina College for Negroes at Durham was found to be in special need of additional facilities. The State has done very little for this institution. Mr. B. N. Duke of New York recently gave \$50,000 which has been expended in the purchase of additional land. A few days ago I was advised by an organization of individuals outside of the State that it would donate to the State the sum of \$100,000 for dormitories and other additional buildings at this college upon condition that the State itself would provide \$200,000 for the same purpose. After discussing the matter with the state superintendent of public instruction and with Prof. R. L. Flowers, chairman of the board of trustees of the college, the members of the Advisory Budget Commission heartily joined with me in recommending an appropriation for the buildings in the sum of \$200,000 to meet the gift of \$100,000 just mentioned. The able board of trustees of this institution are giving a great deal of their time and attention to the matter of making this college worthy of the State. Owing to the fact that Mr. Duke and other philanthropists are so genuinely interested, that they have given and are ready to give liberally for its expansion and equipment, I believe it affords a splendid opportunity to provide higher educational facilities for the Negroes at moderate cost to the State.

We have recommended reasonable increases for maintenance and permanent improvements at the Agricultural and Technical

College at Greensboro; the Teachers Training Schools at Durham, Elizabeth City, and Fayetteville; for the Morrison Training School (reformatory) for Negro Boys near Rockingham; for the State Hospital for Insane Negroes at Goldsboro, and for the Orphans Home for Negroes at Oxford.

All of these institutions are serving a splendid purpose and are contributing in a substantial way to the proper education and care of the Negroes in our State.

BROADCASTING STATION

For some time I have been urging the establishment of a state-owned radio broadcasting station to supplement the present methods of publicity of the various extension services of the State, and particularly for the purpose of reaching the rural districts in a continuous educational campaign of publicity for advancement of agriculture and rural betterment generally. Such a station would provide radio service for farms and farm homes, and particularly to the public schools. It means that we could form hundreds of thousands of new and intimate contacts whereby information from the various state departments, institutions and other agencies could be made available in simple but tangible form at practically every schoolhouse and hearthstone in North Carolina. That such an establishment will stimulate and benefit the three greatest service units of the State—health, education and agriculture—cannot be questioned. The program will comprehend a much larger field of activity. It can be used to disseminate information by the departments of State Highway, Conservation and Development, Public Welfare, and every state agency set up to serve the people can use it as a means of publicity.

By ordinary telephone connection, every institution of learning and every city in the State will find in the radio broadcasting station an effective means of establishing touch with hundreds of thousands of citizens of the State, not only those who live in the rural communities, but those who live in our towns and cities. The activities of the broadcasting station as a medium of publicity would not, of course, be confined within the borders of North Carolina. The purpose is to set up a station powerful enough to promote a general scheme of publicity for the State, to advertise

its natural and industrial resources and its attractions of soil, climate and scenery in practically every part of the United States. Stations of like character have proved to be of inestimable value to other states and cities.

I earnestly urge you to provide the appropriation recommended in the budget for this modern instrument of service for our people generally and those in our rural sections particularly.

THE CONFEDERATE SOLDIER—GETTYSBURG

It might almost be said that civilization began at the time when men first learned to hold in grateful memory and to do honor to those whose deeds express the hope and illustrate the virtues of the race. Without this quality of appreciation all human life would have continued barren and futile. Honor and courage would have remained unknown as standards by which to measure human conduct. But when the time came that man remembered and cherished gratitude toward those of his fellows who served and sacrificed for the good of all, on that day his life opened out beyond the mists of the material into the realms of the spiritual. To this day it remains true, as dreadful as it is, that war—the necessity to defend one's country, to sacrifice everything that others may be free; that war, with all of its destructive instruments and influences, yet is the occasion that releases and visualizes the spark of divine fire hidden somewhere in the feeblest of men. It is the ever-recurring phenomenon of armed conflict that heroism, which is the exception in time of peace, becomes an almost universal virtue.

While the record of the North Carolina soldier in all the wars in which his country has engaged has shed everlasting renown upon his name, the State's greatest military glory and moral victory abide in the record which her devoted sons achieved in the War Between the Sections. In remembrance of these things, the State and many counties are giving liberally in pensions as a part of the debt we owe to the survivors of the great conflict. This budget contains a large increase for each year of the next biennium for Confederate pensions and liberal appropriations for the Soldiers' Home.

There is one debt, however, that we have never paid. As we look back upon the epic spectacle of Gettysburg, we see the

dauntless battalions from our own State fighting so valiantly that their deeds will remain indelibly written upon the pages of history until the flood-gates of life are shut in eternal rest. Yet we must realize that we have failed in our duty to them and to ourselves unless we erect upon that battlefield a fitting memorial to our heroes who fought and died there.

As we recount the valorous deeds of those other patriots of the old South, who in the days of travail bore no musket, but who still were soldiers without whom the Confederacy could not have carried on, we are ready to affirm that no truer aphorism was ever uttered than that which declares that "Battles are won by the mothers of men."

Today there are few of the women who helped Lee fight the war as there are few of the men he led in battle. But there are still *Daughters* of the Confederacy, of the same dauntless spirit as those who looked the invader in the face. For years they have planned and worked that a fitting monument should be erected at fateful Gettysburg. By their perseverance and their sacrifice they have raised about twelve thousand dollars as a contribution toward the cost of such a monument. I believe that the time has come when the state of North Carolina, representing as it does the sovereign power and resources of all the people, should contribute a sum sufficient to complete the funds necessary to erect this monument, and a recommendation of \$35,000 for that purpose is included in the budget. After all, it is for you, members of the General Assembly, to say the final word in this matter. I cherish the very ardent wish, however, that you will respond promptly to this patriotic appeal.

NEW REVENUE

One of the most satisfactory and gratifying results of the work that has been done in making up the new budget is that we have balanced the budget for the biennium beginning July 1, 1927, without imposing any burden of new taxation, save a few hundred thousand dollars, involving small increases in privilege and franchise taxes. This appears to be necessary in order to make sure that the equalizing fund for public schools can be increased a million dollars and pensions to Confederate soldiers increased two hundred thousand dollars annually, without incurring the

risk of a deficit at the end of the biennium on June 30, 1929. These new levies can be fully justified, not only because they are very small, but because of the laudable purpose for which they are made. It pleases me to be able to say that we would not have been able to increase the equalizing fund and the pensions for Confederate soldiers in the aggregate of a million two hundred thousand dollars per year without levying large additional taxes, but for the fact that we will commence the new biennium on July 1, 1927, with a credit balance in cash of \$1,250,000 as the result of the operations for the current biennium.

I am sure that this surplus, or credit balance, is the direct result of the fiscal measures enacted by the last General Assembly. This result affords an outstanding example of what I understand to be *sensible* and *constructive* economy.

In reaching a conclusion as to the amount to be recommended both for maintenance and permanent improvements for the next biennium, the director and members of the Advisory Commission have endeavored to meet fairly the needs in each case, and at the same time keep the aggregate appropriations within safe limits. They believe the amounts recommended are sufficient to meet the requirements without hampering or in any way interfering with the services to be rendered by any of the departments, institutions or other agencies.

STATE BALANCE SHEET

Among the budget statements will be found a complete balance sheet of the assets and liabilities of the State, including the fixed assets and bonded indebtedness. The land, buildings and other fixed assets included in the balance sheet were inserted upon the basis of an appraisal from the best information available as to cost and present values. This is the first time, so far as I know, that a complete balance sheet of the State has been prepared. While it may not be of general interest, it is most important in connection with the sale of bonds and other obligations of the State. Investors insist upon accurate knowledge of the financial resources back of the bonds, before they will invest upon a large scale.

I urge you to examine these financial statements with great care, as I believe you will find them very informative as to the financial affairs of the State.

AUDIT OF TREASURER'S AND AUDITOR'S OFFICES

The General Assembly of 1925 conferred upon the director of the budget the duty of causing an audit to be made of the accounts of the state treasurer and state auditor, during each year, and directing a report of the audit to be transmitted through the governor to the General Assembly at each ensuing session.

In accordance with this requirement, I have caused to be made under my direction as director of the budget complete audits for the fiscal years ended June 30, 1925, and June 30, 1926, respectively. The complete reports of these audits will be transmitted to you in due course.

For the ready information of the members of the General Assembly, we have attached to the budget report condensed statements comprising a part of the report of the audit of the offices of the auditor and treasurer for the fiscal year ended June 30, 1926.

NEW APPROPRIATION AND REVENUE BILLS

As required by section 13 of the executive budget act, the director of the budget has by and with the advice of the Advisory Budget Commission caused to be prepared "The Budget Appropriation Bill," containing all proposed appropriations in the budget for each year of the next biennium, and "The Budget Revenue Bill," which will, in the judgment of the director and the members of the commission, provide an amount of revenue for the next biennium period sufficient to meet the appropriations proposed in "The Budget Appropriation Bill." In the preparation of "The Budget Revenue Bill," the commissioner of revenue ably assisted and collaborated with the director and members of the commission. Both the budget and revenue appropriations bills have been printed, as required by law, and are available for use by the General Assembly.

In the preparation of the budget for the new biennium, I have been assisted in unstinted measure by those members of the Advisory Budget Commission who actually attended the hearings and deliberations. Without the active, conscientious and constructive assistance rendered by them, the results now laid before you would have been well-nigh impossible. They gave unstint-

edly of their time, their experience, and their talent. They visited the institutions in person, attended and took part in extended hearings from heads of departments, institutions and other agencies of the State and considered their written requests, submitted in great detail. These requests with an analysis of the same, both for maintenance and permanent improvement appropriations, together with typewritten evidence adduced at the hearings, are now on file in the budget bureau and available to the members of the General Assembly. After the hearings were over, practically the whole month of December was consumed in carefully considering the requests and in making up the budget. I desire to make grateful acknowledgment to these members of the Advisory Budget Commission for their aid to me and their service to the State.

I would be neglectful of my duty if I were to fail to express publicly my appreciation of the able and faithful work of Mr. Henry Burke. His position was a trying one, because he was called upon often to do things which were not pleasing to those whose actions were the subject of review. He has rendered fine service in the formative and therefore the most difficult stage of installing the new machinery and putting it in operation.

Messrs. Wilson and Holt, of the Institute of Government Research, have given valuable assistance in the past few weeks in connection with the preparation of the budget document and I desire to express my appreciation to them.

In the preparation of the budget there has been earnest endeavor to live up to the sound principle that our state government and all of its institutions and other agencies should be administered with prudent economy and efficiency, and at the same time to exercise due regard to the fact that no department, institution or other agency should be hampered in its service to the people.

You will understand, of course, that the budget relates to the revenues and expenses of the general fund and all special funds other than the Highway Commission. The latter is expressly excluded from the terms of the executive budget act because it was realized by the last General Assembly that the Highway Commission is at the present time engaged in a large construction program financed by the proceeds of bond sales, and on account

of the very nature of its operations, its expenditures cannot be budgeted intelligently. Its volume of expenditures rises and falls, and its principal work is of such a character that no program of receipts and expenditures can be generally forecasted two and a half years in advance, as is necessary under the budget act.

ECONOMY IN GOVERNMENT

As promised in my campaign and in my inaugural address, I have endeavored to promote the policy of economical and businesslike management of the State's affairs. Economy in government, or in private business, to be sure, does not mean that we should pursue a niggardly course. It means simply that we should see to it that we obtain a dollar's worth of service for every dollar expended; that no money should be spent for an unnecessary purpose and none for a necessary purpose in excess of what is required after exercise of business prudence and sensible economy.

The completion of the first year under the executive budget act on June 30, 1926, demonstrated very clearly that a large sum of money was saved to the taxpayers of the State. The new measures have resulted in improved methods of administration in many of the departments and institutions. An overwhelming number of the departments and institutions have coöperated with the director in a very fine way. Only a very few have been inclined to criticize and obstruct. The most inefficient are usually the ones to object to modern methods.

In preparing the budget for the new biennium beginning July 1, 1927, the members of the Advisory Budget Commission and the director have used every endeavor to keep the appropriations within reasonable bounds. They have been as liberal with the departments and institutions as their reasonable needs appeared to indicate. We believe that some of these institutions could use more money than we have recommended, for both maintenance and permanent improvements. It must be understood, however, that the merit of a request for an appropriation is not sufficient reason for granting it. If this were the test, the appropriations would exceed all bounds. Institutions of government, as well as individual citizens, must learn in these days of extravagant living that one must not spend all he apparently needs.

It must not be assumed that because there was a balance of

\$1,269,824.04 in the treasury at the end of the first fiscal year of this biennium we should abandon the policy of prudent economy which has been so overwhelmingly approved by the people. The policy has proven successful because it has saved money to the taxpayers, and, at the same time, provided for all of the agencies of the State on such a basis of liberality that most of them closed the year with an unexpended balance. I believe, as I feel sure you believe, that the people desire that this program should be continued.

Most of the heads of departments and institutions, themselves, have been satisfied with the results of the new system, and many of them have voluntarily informed me that it has been of great benefit to them and to their own departments and institutions, because it enabled them to keep in closer touch with and constantly to observe the detailed operations of their own departments and institutions.

Under the executive budget system I have been able to keep in close contact with all the agencies of the State because their fiscal operations pass through the Budget Bureau under my supervision. This, with the opportunity I have had of visiting the institutions in person and thoroughly examining into their internal operations, has enabled me to appreciate their needs and keep informed as to the splendid work they are doing for the people of the State.

I am, of course, aware that the work of the budget system to date is not perfect.

The system in many respects revolutionized customs which the State and its officers had been following for more than a century. It involved the application of new methods and the readjustment of preconceived ideas.

With the second period of its operation, however, I am confident there will be experienced a greater degree of smoothness, as the responsible agents of the State in all the phases of its work understand the budget system better and are therefore able to inspire in their subordinates a desire to cooperate in making it do what it would ideally achieve.

The establishing of the system and its maintenance have not lacked for difficulties and have not been accomplished without some small friction and misunderstanding. On the whole

these drawbacks have been rather less than greater than might have been expected, and I am far from unappreciative of what I owe to the help and coöperation received in a fine and unselfish spirit from those on whom it was necessary to depend. It has been my chief aim to put the management of state affairs on a more businesslike basis, and this purpose will continue for the remainder of my term of office, no matter what difficulties may be encountered or what personal sacrifices may be entailed.

In conclusion, I desire to appeal to the reason of the people of the State to examine into the effort to improve our methods of administering state government and to see it in what I believe is the true light, as the best means we can devise for the successful promotion of the enduring things which are absolutely essential to the complete fruition of our religious and social life. The very word budget has to some uninformed minds the sound of a calculating thing that knows nothing of compassion or idealism or aspiration. It seems to these minds to deny idealism and the important things that a sound and sweet and lofty sentiment entails. I deny that this is true, and I appeal to the people of the State to see the importance of first of all knowing what they are able to spend, what they can hope to obtain from taxes, and how much they can save as the first steps in securing in largest measure the real blessings of government. We must as a State promote the public health, we must care for the unfortunate, we must provide for the oncoming generations the benefits of the greatest possible liberality in education. We must through the government seek to promote not only the material things, but all those which tend to promote generally the welfare of mankind. There is so much to do before we can hope even measurably to meet these demands that we cripple our powers whenever we fail to attain the maximum of efficiency in the conduct of the public business. Waste and extravagance are the enemies of wholesome and enduring progress. A balanced budget is not only a business essential but an urgent necessity in the present circumstances in North Carolina. Nowhere is business methods so necessary a prerequisite as in the realm of unselfish public service.

If we would use the state government to prolong life and make it happier and fuller of opportunity; if we would promote the

spiritual things and aid the mass of our people to acquire the great intangible values involved in living on a higher plane, we must approach the practical problems that these things raise on the principles which are the basis of the budget system, which means simply that we should get the most possible of good service out of our efforts and our resources.

FISCAL METHODS OF COUNTY GOVERNMENT

SPECIAL MESSAGE

FEBRUARY 15, 1927

To the General Assembly:

In my biennial message of January 6, 1927, I discussed at some length the urgent need of improved methods in county government. For more than two years the State Association of County Commissioners, an organization comprising the members of boards of county commissioners in this State, have been giving the subject earnest consideration.

At its annual meeting in 1925 it requested me to appoint a commission to study the problem and to make recommendations to this General Assembly.

I appointed as members of the commission able and experienced men, a number of whom had served successfully as members of boards of commissioners of various counties.

The commission, after long and painstaking consideration, made a very intelligent report at the annual meeting of the association at Morehead City in the summer of 1926. The association, after fully discussing the report, approved it and requested that it be brought to the attention of this General Assembly. I submit herewith a copy of the report for your information.

The political party to which the governor and an overwhelming majority of the members of this General Assembly belong, in its last state platform declared:

While we believe in the time-honored principle of local self-government, we are convinced that the State can and should cooperate with the counties in devising general methods of improved county government.

Members of the committee appointed at the request of the Association of County Commissioners and others whom they have associated with them, have been actively engaged for several weeks in preparing bills to be submitted for your consideration, with a view to accomplishing the purpose which all who have given serious consideration to the existing needs have so much at heart. These bills are submitted herewith, and comprise the following:

1. AN ACT TO PROVIDE IMPROVED METHODS OF COUNTY GOVERNMENT

The provisions of this act as they relate to the counties are entirely optional, but they afford the basis for important improvements in the organization of county government.

2. AN ACT TO PROVIDE FOR THE ADMINISTRATION OF THE FISCAL AFFAIRS OF COUNTIES

The purpose of this act is—

- (a) To provide simple and uniform methods of accounting and of fiscal management;
- (b) To prevent deficits in current operations;
- (c) To balance county budgets; and
- (d) Generally to provide for economical and businesslike administration of county government in all of its branches, including schools and roads.

3. COUNTY FINANCE ACT

This act limits the amount of indebtedness which counties may incur, prescribes the purposes for which bonds or notes may be issued, and imposes certain limitations in regard thereto. The act is in many respects similar to the municipal finance act now in force in this State which regulates the fiscal methods of cities and towns. It differs from the municipal finance act, however, in that it requires a vote even in case of bonds for necessary expenses (except refunding and funding bonds) if a petition for

referendum is filed. Ample time is given for the filing of such petition, which requires the signature of only fifteen per cent of the whole number of votes cast at the last gubernatorial election. Separate limitations of maximum indebtedness which counties may incur for school and general purposes are imposed.

Proposals to issue bonds for expenses other than necessary expenses, as defined by the constitution, must be submitted to the voters and must receive a majority of the total registration. Elections for bond issues may be held at any time either at general or special elections, but a special election may not be held within one month before or after a general election. All bonded indebtedness must be paid serially in annual installments similar to the requirements of the municipal finance act. Tax anticipation loans may be made up to eighty per cent of anticipated revenues of the current fiscal year only.

If notes run more than six months, they can only be sold after public advertisement. If they run for less than six months, they can be sold privately, but only after five days' public notice, thus giving the opportunity for competition.

Under the general laws of North Carolina at the present time, there is no limit upon the amount of indebtedness which a county can contract and no means are provided whereby recurring deficits from current operations may be prevented. It is believed that the county finance act will remedy these serious defects and generally safeguard the finances and general fiscal operations of the counties.

4. A bill or bills will also be presented in the next day or two providing for submission to the people, at the next election, of a constitutional amendment limiting the maximum indebtedness which counties may contract and prescribing other sound provisions for protecting the credit of the counties.

5. A bill will be presented in a few days providing for amendments to the Consolidated Statutes in respect to the collection of taxes, sale of land for taxes, and other matters relating to the levy and collection of taxes by counties.

If the particular bills now presented do not meet with your views, I respectfully request you to provide such changes and amendments as your wisdom and good judgment may dictate.

In conclusion, let me repeat what I said in my biennial message: improved methods of administering the fiscal affairs of county government is the first definite step toward reducing the constantly increasing burden of local taxes, which is bearing down so heavily upon the taxpayers at the present time.

REPORT OF COMMISSION ON COUNTY GOVERNMENT

At the annual meeting of the State Association of County Commissioners, held in Blowing Rock, August, 1925, the governor was requested to appoint a commission to study county government and make recommendations for its improvement. The governor, acting on this request, appointed a commission composed of the following:

MR. EDWIN B. BRIDGES.....	Charlotte
DR. E. C. BROOKS.....	Raleigh
MR. F. H. COFFEY.....	Lenoir
MR. G. V. COWPER.....	Kinston
MR. E. M. LYDA.....	Asheville
PROFESSOR A. C. McINTOSH.....	Chapel Hill
MRS. E. L. MCKEE.....	Sylva
MR. D. W. NEWSOM.....	Durham
MRS. THOMAS O'BERRY.....	Wilmington
MR. J. A. ORRELL.....	Wilmington
MR. F. P. SPRUILL.....	Rocky Mount
MR. J. G. STANCILL.....	Margarettsville
MR. R. L. STOWE.....	Belmont
MR. S. T. WHITE.....	Greenville

The commission met soon afterward in the governor's office and organized, elected E. C. Brooks, president of the State College, as chairman, and A. C. McIntosh, professor of law at the University of North Carolina, as secretary. Subcommittees were appointed to study the following topics:

1. *How Each of a Certain Group of Counties Is Organized and Governed.*
2. *Business Methods in Such Counties.*
3. *Managerial Forms of Government.*
4. *Nature of the Reports Required to Be Made to State Departments.*
5. *Laws Relating to County Government.*

The full commission has held four meetings, two in Raleigh, one in Chapel Hill, and one in Morehead City. At these meetings reports of subcommittees were received and fully discussed. The Institute for

Research in Social Science of the University rendered valuable assistance. This department has made a very careful and accurate analysis of the government of about thirty counties—some of the best governed and some of the poorest governed counties in the State. The institute, therefore, has conducted the necessary research, the results of which have been used freely by the commission.

The service rendered through county government is of two kinds: (1) Individual service, such as registering deeds, surveying land, issuing marriage licenses, etc., for which the individual pays in fees fixed by law; and (2) General or social service, such as providing facilities for education, sanitation and health, roads, care of the dependent classes, agricultural improvement, etc., for which the county pays from funds derived from taxes on real and personal property, fines, forfeitures, and penalties, state and federal appropriations, etc.

The commission finds that where the greatest reform is needed is in fiscal management. Progress in this respect has not kept pace with the improvement in the machinery for rendering service either to the individual or to society as a whole; and further improvement in the machinery for serving the public awaits the improvement so badly needed in fiscal management. Therefore, the report of the commission deals in the main with defects in fiscal management and suggestions for its improvement.

It is very apparent that the amount of service that may be rendered the citizens of any county is dependent primarily upon the resources of the county and the business methods and practices employed, and the more efficient are the business practices, the greater the service that the resources will support. A county possessing large resources may have poor government and comparatively small returns from the expenditure of public funds if the resources are wasted through inefficient business management.

The commission discovered, after studying the fiscal management of about twenty-five counties, that wherever defects appear in a number of counties, they usually appear in the same place in each of the counties. Therefore, the defects are similar in all counties in which they appear. Moreover, wherever these defects are partially or wholly removed, the government is partially improved and presents a much higher standard of efficiency, and the service that the people derive from the government is correspondingly increased.

After a careful study of a large number of counties, therefore, the members of the commission are unanimous in their conclusion that the following functions well performed will insure good business management, but when poorly performed there is poor business management and a loss of public service as a result:

(1) Maintaining unity in the official family of a county in fiscal management;

(2) Preserving the taxables of a county;

- (3) Collecting the revenue fairly and justly;
- (4) Safeguarding the revenue through proper accounting;
- (5) Safeguarding the expenditures through budget control and a central purchasing agent;
- (6) Protecting the physical property of the county, and
- (7) Providing properly for the administration of justice.

These, in the main, are functions that every business organization, whether a factory, railroad, department store, or educational institution, must safeguard if its operations are to be successful.

The county is one of the last great business organizations to learn this important lesson.

The commission, therefore, presents these functions, giving the defects that invariably appear where they are not properly safeguarded, and offering suggestions for safeguarding them—suggestions taken from a number of counties where they have been tried and found very effective.

1. UNITY IN THE OFFICIAL FAMILY OF A COUNTY IN FISCAL MANAGEMENT

Certain counties of the State have worked out this unity to a very high degree of efficiency; but wherever it is lacking these defects always appear:

The officials have little or no conception of the total value of the service to be rendered, and there is a duplication of effort and a disproportionate distribution of the revenue. Moreover, there is a diffusion of authority, lack of a concerted program of county endeavor, and a curtailment of authority and dignity, which rightfully belong to the commissioners. Moreover, it is impossible in many counties for the commissioners to control the budget of receipts and expenditures. Therefore, delegations of people are served as they appear monthly, and funds are appropriated as delegates come and go.

Illustrations of these defects show counties spending the special tax funds for general purposes and general funds for special tax purposes, and frequent neglect in paying interest on bonded indebtedness, etc. Some counties do not even know how much it costs to run the government, nor what the bonded indebtedness is, nor whether the tax rate levied will meet the needs. As a result certain counties levy low tax rates and borrow not only to meet current expenses, but even to pay interest and installments on bonded indebtedness.

This unity of fiscal management is carefully safeguarded in certain counties by making the board of county commissioners the legislative and control body of the county. When our present constitution was adopted a commission form of government was provided for. But we have departed in some instances from the original purpose.

Unity in the official family in fiscal management may be maintained in the following ways:

(1) By centering administrative authority in a business manager, who is appointed by and acts for the board. He may be the chairman of the board, or he may be the auditor, or some very capable citizen, to supervise for the board the receipts and expenditures of the several departments of the county government and make reports to the board of the condition of each department of the county.

(2) By requiring all boards that expend public funds to account to the board of county commissioners for all funds received and expended.

(3) By giving the commissioners authority to select all administrative officers, so far as fiscal matters are concerned, such as supervisor of taxables, collector of revenue, auditor, purchasing agent, and superintendent of physical property.

(4) By a careful administration of a county budget. There should be a centralized accounting of all funds and purchasing of supplies, so far as possible, and a continuity of business organization.

The counties of Pitt, New Hanover, and Buncombe are especially mentioned because of their success in unifying fiscal management.

II. PRESERVING THE TAXABLES OF THE COUNTY, THE SOURCES OF THE REVENUE

This is one of the major functions in good county government, and wherever it is not safeguarded the following defects appear:

1. Irregularities and injustice in tax assessments are very noticeable.
2. Much property frequently disappears from the tax books.
3. Frequent errors in listing taxes cause many to escape all or a part of their just obligations. There are frequent discrepancies between township scrolls, the official tax list, and the receipt books. Ninety-two names were not transferred from the township book in one county.
4. Township scrolls are frequently turned in in a disorderly condition—pages not balanced and names are often misspelled. Some county auditors do not permit list-takers to prepare scrolls on this account. In some counties the county tax supervisor is a mere figurehead. He never confers with the list-taker.
5. No method for keeping up with land transfers and no real estate maps showing location of property place the county at the mercy of tax dodgers. The known exceptions are Edgecombe, Buncombe, New Hanover, and Moore, where accounts of registered transfers are kept for the tax record.

Because of these defects, the commissioners are unable to tell the amount of the assessed values and what taxes are absolutely necessary to be levied. Therefore, the failure to levy sufficient taxes to meet the budget increases interest charges and puts off the fatal day. This is serious. But this is frequently done and the budget is met by borrowing money. No one man is able to tell what the amount of the taxables is.

Therefore, when in doubt, officials have a good excuse to levy low rates and borrow money.

We have counties in North Carolina in which this major factor is carefully safeguarded in the following manner:

By keeping a permanent or continuous record of all the taxables of the county; by inspecting property in every section of the county periodically for improvements or depreciation; keeping a record of all officials who receive fees, fines, forfeitures, and penalties—in other words, providing a complete record of all the sources of all revenue of the county. This includes the proper listing of taxes, preparing tax books for tax collectors, keeping property values up to date, guarding against errors, delinquents, etc. It is interesting to note that there are on the statute books three different and conflicting acts pertaining to keeping property values up to date. In certain counties where this function is adequately safeguarded, an increase in the value of the property as it appears on the tax books is sufficient to take care of additional progress without increasing the tax rate. But wherever the government of a county appears to be weak or careless, the defects may first be found in a poor system for preserving the taxables. The function, therefore, of this office should be performed by one selected by the commissioners because of the skill and ability required. Since the services to be performed are somewhat technical and very sensitive to political influences, this official should not be selected by the vote of the people.

III. COLLECTING THE REVENUE

The commission believes that the collection of all revenue should be placed in the hands of an official carefully selected by the board of county commissioners, and he should be held to a strict accountability for the collection of all funds, and for depositing the same with the county treasurer as they are collected. Wherever this major function is not carefully safeguarded the following defects appear:

1. There is great delay in collecting taxes, which costs the county considerable sums in interest on borrowed money, and even in loss of taxes. For example, one county with \$100,000 of back taxes has outstanding short-term notes amounting to \$232,000. Moreover, in some instances the collector holds the funds and draws bank balances or uses them for his own private benefit for months at a time, or he delays collecting funds in the interest of his friends.

2. Wherever this function is not properly safeguarded, it is sometimes the case that commissioners, about the first of September, borrow sufficient funds to run the whole county government until January 1, deposit them in some local bank, and pay interest charges while the money lies in the bank, although county taxes are supposed to be collected. It is often the case the county draws no interest on these deposits.

3. The collector avoids settlement with the commissioners and it sometimes happens that year after year the accumulated uncollected taxes threaten and finally bring ruin. As a result of this unbusinesslike method, the delay in collecting taxes costs the county considerable sums, due to interest on borrowed money and to total losses as a failure to collect the legitimate taxes, including fees, fines, forfeitures, and penalties. Many taxpayers escape even after their property is sold at auction, since no foreclosure is resorted to, and the owner of the property, having learned the game, permits his property to be sold year after year and he continues in possession of it without paying taxes.

In one county tax sales amounted to over \$50,000, but very little money was collected. In one county the leading business men had not paid their taxes, which had been due for a year, and the sheriff was one of them.

The cost of collecting the county taxes in North Carolina is much greater than in other states. In New York it is one per cent. In other states no coercion is necessary. The losses due to failure to safeguard this major function in certain counties of North Carolina amount to as much as twenty per cent of the amount due, according to the tax books.

The means suggested for safeguarding this major function and the benefits accruing to the county as a result are as follows:

1. The collector is held to a strict accountability by the board of commissioners.

2. He is required to deposit funds as he collects them, and the banks pay interest on such deposits. The tax collector and the treasurer are required to give ample bonds, and so are the banks that receive the deposits. The policy of selecting banks as county treasurer has not proven successful.

3. On the day of final settlement the collector is required to settle. The collector is not permitted to cover his mistakes by collecting from the ensuing year to cover his mistakes for the previous year. As a result, certain counties do not borrow money for running expenses, thus saving considerable in interest charges.

4. The penalty for failure to settle taxes promptly is much higher in other states. In Virginia it is five per cent after thirty days; Tennessee, seven per cent after three months; and in Georgia, double taxes after thirty days. The counties in North Carolina that apply the penalty authorized by law secure better results than those that do not apply the penalty.

5. Better methods of recording and collecting fines, forfeitures, and penalties should be provided and the law pertaining to the same should be made clearer.

6. In small counties the commissioners might name the sheriff as tax collector; but when performing this function he should be held to a strict accountability by the commissioners.

IV. SAFEGUARDING THE EXPENDITURES

Wherever this major function is not safeguarded these defects appear:

1. The absence of a budget of receipts and probable expenditures exhibits gross ignorance as to what services the county should render, and evidences of waste may be multiplied. It prevents a balanced distribution of funds and invites deficits. In many instances the commissioners attempt to control expenses by a system of audits, instead of exercising control before the liability is incurred.

2. Losses are sometimes due to unwise contracting. Ten thousand dollars (\$10,000) was paid in one county to cancel a contract. Losses also result from selling bonds without calling for competitive bids.

3. The absence of a central purchasing department results in the practice of purchasing by retail rather than on a wholesale basis, increases very materially the cost to the county and sometimes opens the way easily to graft. It is reported that there has been a great saving in Buncombe, Durham, and Edgecombe counties through a central purchasing agent.

4. Starving one department, and showing favoritism to others when funds are short, produce discontent and a lack of confidence in the government.

5. Officials frequently do not know the bonded indebtedness, condition of the sinking fund, and what expenditure should be included in the budget for these purposes.

A number of illustrations can be presented, showing what high prices are paid for supplies; how bills are sometimes paid twice; how local taxes are applied to other uses, and how accounts are kept in a disorderly and slovenly manner, due to ignorance and a lack of business methods.

The following safeguards, which have been tried and proven to be successful in our own State, are suggested:

1. A budget of receipts, showing the probable revenue of the county from all sources—state, federal, county, poll, and ad valorem, special local taxes, fees, fines, forfeitures, and penalties, and from all other sources.

2. A budget of expenditures, showing the allocation of funds to each department of the county's business, including schools, roads, health, welfare, agricultural improvement, each of the general county officers, upkeep of buildings, support of county home, jails, etc., and a tax rate sufficient to meet the needs of the budget.

A budget can be prepared and can be followed. One of the best illustrations we have is the school budget, prepared by the county board of education and approved by the county commissioners. The law today makes the members of the county boards of education personally liable if they exceed the budget approved for them by the county com-

missioners. As a result a majority of the county boards of education in the State last year lived within their incomes and followed their budgets. Some even had a surplus because of business methods in the handling of the public school fund.

3. A central purchasing department in the interest of economy and efficiency.

4. It is the sense of the commission that no agency of the county should borrow money except the board of county commissioners.

As a result of carefully safeguarding all expenditures there are counties in which ninety-eight per cent of the revenue is collected and any citizen can tell the standing of the county, the funds for each department of government, how the funds are used, and what service the county is rendering.

V. PROPER ACCOUNTING OF ALL FUNDS

Wherever this major function is not safeguarded the following defects inevitably appear:

1. Carelessness and negligence on the part of the officials, due to poor accounting and poor bookkeeping methods frequently lead to their financial ruin, and reduces materially the service that the county should render.

2. A failure to have a continuous audit of all funds, including schools, roads, health, welfare, agricultural improvements, administration, etc., leads to carelessness and waste, and is expensive.

3. A failure to hold the officials responsible for not keeping proper account of expenditures and for not living within their budgets not only results in financial loss to the county, but it makes an annual audit very expensive and sometimes meaningless, and thus gives officials excuses for refusing to have an audit made, and the mistakes of officials are thus covered up. In one county where a continuous audit of all funds is required the annual audit costs \$300; but in another county where bookkeeping is poor and little or no accounting of funds is required until the end of the year, the cost of an annual audit amounts to \$4,000, and sometimes even more—enough to employ a whole-time auditor.

4. Failure to safeguard the credit of a county is costly and taxpayers pay heavily, because of increased interest charges.

5. One illustration of the defects may be found in the audit of a county that did not even show whether or not the special local taxes were properly collected and legally expended, although the chief purpose of the audit was to secure this information. Lack of balanced books at all times leaves the commissioners in the dark as to the true financial condition of the county and obscures the sources of leakage.

The following suggestions, obtained from counties where this function is safeguarded, are offered by the commission:

1. A continuous audit should be required of the several departments of the county, including schools, roads, health, welfare, agricultural improvement, each of the general county offices, upkeep of property, and support of county institutions. Every fund should be properly safeguarded and accounted for; and every department should be required to live within the budget provided for it. If the original amount allocated is not sufficient for the department it is the duty of the county commissioners to make a careful investigation and where there is evidence that additional funds are needed they should be allocated to the department by the board of county commissioners before additional expenditures by that department are made.

2. The credit of the county should be properly safeguarded by providing for prompt payment of all interest, principal of notes or bonds, and by meeting promptly every obligation of the county. County records should show the indebtedness, when the interest and principal are due, and what amounts have been paid.

3. Safeguarding the expenditures should be entrusted to one official, an auditor, who should be elected by the commissioners.

VI. PRESERVING THE PHYSICAL PROPERTY

The failure to preserve the physical property results in decline and loss of property and an additional tax burden in the following ways:

1. Property may be lost or stolen and not detected, because no one is held responsible for the same, and there is no regular or systematic inventory.

2. There is no frequent inspection except occasionally by the grand jury. As a result there is rapid depreciation of road machinery, trucks, etc., abuse of schoolhouses, courthouses, and other public buildings.

3. Few counties take an adequate measure of their capital assets and set up depreciation reserves in any businesslike way.

The suggestions for safeguarding this major function are that one of the commissioners, or some other officer of the county, be selected as the custodian of all physical property belonging to the county, that he make frequent inspection of all physical property belonging to the county, that he make frequent reports to the commissioners and to the several boards that have the use of county property, and that effective measures be adopted for placing responsibility for the preservation of the property belonging to the county.

VII. PROVIDING PROPERLY FOR THE ADMINISTRATION OF JUSTICE

The defects that are noticeable, due to a failure to safeguard this major function, are:

1. Increase in crime, due to a failure to save juvenile delinquents.

2. Cost of jails, chain-gangs, and criminal procedure is increasing.
3. Infrequent courts cause congested court dockets and increase jail expenses. Court expenses are becoming one of the largest items of county expense.
4. Failure to keep adequate court records makes for delay in conducting court and may result in a miscarriage of justice.

The committee is not prepared to make suggestions for the proper safeguarding of this major function in county government. It would refer this to the committee from the Bar Association for further study and suggestions.

These are the seven major functions to be safeguarded in any reform of county government in North Carolina.

MACHINERY FOR PRESERVING THESE MAJOR FUNCTIONS

The machinery necessary to safeguard these major functions is rather simple and does not involve any marked changes in our system of county government. In fact, many counties already have adopted it in part. However, the machinery should be elastic, and at first it should be optional with the counties as to which of these suggestions shall be adopted. Counties in which the annual expenditure amounts to more than a million dollars might need a separate official to perform each of the first six major functions. But counties in which the annual expenditure is between five hundred thousand and a million dollars might combine with advantage auditor and manager, or auditor and purchasing agent, or the custodian of physical property with the duties of one of the commissioners; and counties in which the expenditure is less than five hundred thousand dollars might make further combinations, such as sheriff and tax collector, treasurer and auditor, manager and chairman of board of county commissioners, etc. Other combinations suitable to particular counties might also be made. The important thing to remember is that each function should be properly safeguarded and some official should be held personally responsible for its performance.

The following organization for better fiscal management, therefore, is suggested, subject to such combinations of functions as the business of a county might demand:

1. A board of county commissioners, to be elected by the people for a term longer than two years, but not all the members to retire within any given year. This will give continuity of business management. It should have supervision of the entire business of the county. The board should have at least the same degree of supervision over fiscal management that the board of education, for example, has over school administration, or the road board over the construction of highways. It should have the authority to employ specially trained men to perform special functions.

2. A business manager, selected and salary fixed by the board of county commissioners. He may be chairman of the board of county commissioners, or the auditor, or some other competent citizen. The duties of the business manager should be to study the entire business of the county, make reports to the commissioners, and aid the board in unifying the business and in securing the best results from the expenditure of the funds.

3. A supervisor of taxables, selected and salary fixed by the board of county commissioners. In some counties he may also be the auditor. His duties should be: (1) To keep an up-to-date record of all the sources of revenue; (2) To inspect property in every section of the county for improvements and depreciations, and report the same to the board of county commissioners, and the commissioners should have authority to readjust values, at least once each year; (3) To inspect offices receiving fees, fines, forfeitures, and penalties, and report the same to the commissioners through the business manager; (4) To supervise the listing of all taxes, and to appoint the list takers; (5) To prepare the tax books for the collector, and (6) To check the collector's accounts by the tax books.

4. A tax collector, selected and his salary fixed by the board of county commissioners. The commissioners also shall have authority to select his assistants. He may be the sheriff, if the commissioners desire to elect him. His duties should be to be on the job constantly, collecting the revenue from all sources. He should deposit collections daily, report periodically to the commissioners through the business manager. He should give ample bond to protect the county's funds, and he should be required at the end of the fiscal year to make a complete settlement. His collections should be checked with the individual amounts due.

5. An auditor, selected and his salary fixed by the board of county commissioners, whose duties should be to check all expenditure by the budget and authorize all payments, to hold each department to a strict accountability for living within the budget, and to keep a daily audit of all accounts.

6. A purchasing agent, selected and his salary fixed by the board of county commissioners. His duties should be to purchase all supplies after the purchase has been authorized by the commissioners and approved by the proper authority, and the proper requisition filed. In some counties he might be the auditor or a clerk in the office of the auditor.

7. The treasurer may be elected by the people or selected by the board of county commissioners. He should be the custodian of all revenue, make disbursements promptly, keep within the budget of each department, collect interest on bank balances, and keep his books in harmony with those of the auditor. He should be prohibited from paying vouchers that exceed the budget allotment.

8. A custodian of physical property, selected and salary fixed by the board of county commissioners. He may be a member of the board of county commissioners or some other member of the official family. His duties should be to report to the board the condition of the county's property, and the board should hold the several departments responsible for the care of the property.

9. The following county officers should be elected by the people, and their duties should remain substantially as they are now, except where they conflict with duties assigned to officials specified above: register of deeds, sheriff, coroner, and clerk of the court.

10. The several boards, such as board of education, board of health, board of agriculture, board of public welfare, highway board, etc., should be required to report at least annually to the board of county commissioners on how the money appropriated to each has been spent, and what service has been performed as a result.

11. The machinery for preserving law and order is referred to the president of the Bar Association, to be transmitted to the appropriate committee of that association. No change is recommended, except perhaps in the nature of the reports that should be made.

12. Relation of the State to the county government.

(a) The General Assembly should by a general act make it possible for any county to adopt and maintain an improved form of local government, suitable to the needs of the county.

(b) It is imperative that the General Assembly adopt a policy prohibiting an individual member of the Assembly from interfering with the government of his county, as set up by the people in accordance with the law, unless it shall appear to the whole General Assembly that the change is demanded by the people of the county, and is in the interest of better local government. The present parliamentary procedure, which permits a representative through "common consent" to alter, modify, or abolish offices and functions, or to be exempt from the operations of state-wide legislation, sometimes as a result of a factional fight in his county, makes it difficult to maintain good government.

(c) The General Assembly should set up a state department of finance and accounting to aid counties in readjusting themselves to any improved plan, and in safeguarding functions essential to good county government, but it should be made very clear that this department shall have no control whatever over the government of the county.

(d) The General Assembly should provide for the preparation of a code of county government law, and a manual on county government, embodying the law and suggestions for organizing government in counties of different sizes and wealth, and containing sufficient detailed directions as may be helpful to officials in safeguarding the revenue and expenditures.

It is urged by the commission that such a manual be prepared, and that it include a restatement of certain fundamental principles for the

guidance of the commissioners and all other county officials, such as:

1. A public office is a public trust, and should be conducted solely in the interest of the people; and it should be considered an offense against society for an official to show favoritism in the assessment of property, listing and collection of taxes, purchase of supplies, and in the use of public funds.

2. All public funds should be safeguarded strictly in accordance with law, and it should be considered a serious offense against society for any official to allocate arbitrarily or expend funds except in strict accordance with law.

3. The use of public funds by public officials to promote private gain, through a temporary use of public money, is such an insidious evil that such an act should not be tolerated, and the official guilty of violating this principle should be discharged at once and punished severely.

4. Ignorance of the duties of an office should not excuse the official. Carelessness or neglect in conducting the business of a county should not be tolerated. New officials should be given an opportunity to learn how to perform properly the duties of their offices, but after a reasonable time, they should be held to a strict accountability for the proper performance of the same.

The commissioners should have authority to discharge any official who violates these principles, but the official so suspended should have the right to appeal to the Superior Court.

PROCLAMATIONS

AMERICAN LEGION ENDOWMENT WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Throughout this great land of ours, the shadow of the world's grimpest tragedy still darkens the lives of many widows, orphans and disabled heroes; and even after the lapse of five years, a casualty list of over a hundred a week adds to the long line of helpless widows and orphans. There are also thousands who lie today in the cots of hospitals whose last hours are made almost unbearable by the thoughts of a wife and family of little ones ill provided for.

Today there are over thirty-five thousand war orphans in our realm, over five thousand of them in dire want; and besides there are several thousand brave ex-service men in our hospitals facing death or an existence worse than death unless afforded more than the routine treatment we are able to give them at present.

In order to give the necessary relief to those heroes and their families, the American Legion is now raising an endowment fund of five million dollars, sixty thousand of which is North Carolina's quota. As soon as this amount has been raised, plans have been perfected whereby every child of a veteran will be given a real home, every widow the necessary help and protection, and every disabled man, who can be cured, such treatment as will restore him to his former useful place in society.

In accordance with the facts as stated above, I believe it is the duty of every citizen to help in this work, and I, Angus Wilton McLean, governor of the state of North Carolina, do hereby proclaim and set aside the week of April 12 to April 19, inclusive, as

AMERICAN LEGION ENDOWMENT WEEK

I recommend that the people of North Carolina observe it as such, and I urge the churches, business organizations, the

schools, civic, religious and other public agencies, to coöperate in making a contribution this week to the debt we all owe to the orphans and widows of war veterans, and to the sick and disabled service men.

More particularly, I urge the campaign organizations in every city and the members of my committee to see that all the machinery is perfected and all the preliminary work done so that we may successfully conclude the campaign on April 19.

Given under my hand and the Great Seal of the State, [SEAL] at our capital city of Raleigh, this third day of April, in the year of our Lord, one thousand nine hundred and twenty-five.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

AMERICAN FOREST WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, by proclamation, the president of the United States has requested the governors of the several states to set apart the week of April 27-May 3, inclusive, as American Forest Week, for bringing to the attention of all the people the national danger that lies in continued neglect of our forest resources; and

Whereas, North Carolina has in the past witnessed a depletion of once splendid forests to the point that the great naval stores industry has been destroyed and the wood-using industries weakened by a continued decline in the amount and quality of timber suitable to its needs; and

Whereas, neglect of the forest results in continued fires which destroy seedlings and young trees so that cut-over lands that should be producing more timber are being turned by thousands of acres into barren wastes that are an economic burden; and

Whereas, timber is a fundamental of civilization entering vitally into the daily life of every citizen and making for his happiness and wealth when plentiful and his economic distress when squandered at the source of supply:

Now, therefore, I urge all public officials, public and civic agencies, industrial leaders, forest owners and users, and all patriotic citizens generally, to observe, think upon, and so far as possible, impress upon the citizenship of the State the lesson of American Forest Week in aid of our common duty of conservation, protection and renewal for the thrift of this generation and the untold benefits to generations yet to come.

In witness whereof, I have hereunto set my hand and caused to be affixed the seal of the state of North Carolina.

Done at our city of Raleigh, this twenty-first day of April, in the year of our Lord one thousand nine hundred [SEAL] and twenty-five, and the Independence of the United States of America the one hundred and forty-ninth.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

MOTHERS' DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

In accordance with the provisions of resolution No. 38, passed by the General Assembly of 1921, I hereby proclaim Sunday, May 10, 1925,

MOTHERS' DAY

and call upon the people of North Carolina reverently to observe this day with fitting tribute to motherhood, each observing it as his or her own heart and soul dictates, and according to the

inward devotion each holds for the sacredness of motherhood as the very foundation stone of our State and national life.

In motherhood, our State leads the nation, so let our observance of this day be a fitting tribute to our mothers, living and dead, to whom all love and honor are due.

In motherhood lies the strength of our country; therefore, as a public expression of this love and respect, and in recognition of the fact that motherhood is closely related to the love of home and country, let the national colors, symbol of true patriotism, designed by a colonial mother, be displayed on this day.

Each citizen of North Carolina is enjoined to wear a flower, in honor of his or her mother, a red one if she be living, or a white one if she has passed on to the Great Beyond where the greatest reward for motherhood is bestowed, as a token of sacred regard for all the blessings which motherhood has bestowed upon mankind.

Done at our city of Raleigh, this the fourth day of May, in the year of our Lord one thousand nine hundred [SEAL] and twenty-five, and in the one hundred and forty-ninth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

RELIEF OF MINERS OF THE CAROLINA COAL COMPANY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

I know that the disaster on last Wednesday at the coal mine of the Carolina Coal Company in Chatham County, in its

destruction of life, in its harrowing details and in its consequences to the future of the wives and children of its victims—unprecedented in this State—has appealed to your hearts and excited your deepest sympathy.

You have always heeded the cry of anguished humanity with no stinted hand, from whatever land the cry might come. To it, you have had a hand as open as day. The victims of this catastrophe are our neighbors, our own people—North Carolinians—and that hand will be, to them and their widows and children, no less open.

The adjutant general of the State, at my directions, has been continuously at the scene of the disaster and has been in consultation with the leading citizens of the community and with their help has made a thorough survey and investigation of the whole situation as it affects the families of the deceased miners, and it is estimated that it will require thirty-five thousand dollars to meet the immediate necessities of the sufferers.

I appeal to the people of North Carolina to raise this fund by voluntary contributions made through local organized committees or direct to J. W. Cunningham, of the Banking Loan and Trust Company of Sanford, whom I appoint as state treasurer of the fund, and who will receive and deposit the money in a local bank. The American Red Cross will administer the allocation of the fund under a strict accounting system. All overhead expense of such administration will be defrayed by the American Red Cross, and the fund in its entirety will go to the stricken families.

Done at our city of Raleigh, this the thirtieth day of
May in the year of our Lord one thousand nine hundred
[SEAL] and twenty-five, and in the one hundred and forty-ninth
year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

COURTESIES TO DIPLOMATIC CORPS

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

To all officials of the state of North Carolina and the various political subdivisions of said State—

GREETING:

Pursuant to the request of the honorable, the secretary of state of the United States, I hereby request you to extend to all members of the Foreign Diplomatic Corps who may be within your jurisdiction, during the year 1925, the courtesies and privileges to which members of the diplomatic missions of foreign governments are entitled. As evidence of their diplomatic status, members of the diplomatic corps of all foreign governments will exhibit an official identification card signed by the secretary of state of the United States and duly authenticated by the signature of the bearer upon the reverse side.

Done at our city of Raleigh, this the first day of June, in the year of our Lord one thousand nine hundred and [SEAL] twenty-five, and in the one hundred and forty-ninth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND
Private Secretary.

 NATIONAL FLAG DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, Sunday, June 14, 1925, will be the 148th anniversary of the adoption by the Continental Congress at Philadelphia of

the American flag as the national emblem of our country; and

Whereas, it is in keeping with the spirit of true patriotism that this day be observed as a memorial of that occasion, so significant in the history of our country; and

Whereas, the anniversary date this year falls on the Sabbath, now, therefore,

I, Angus W. McLean, governor of North Carolina, do proclaim Monday, June 15, 1925, as Flag Day, and call upon the people of North Carolina to display the national colors on that day strictly observing the rules of sanctity which should govern its display, and with deep contemplation of the thought that it is emblematic not merely of the material things of our great Nation, but of its spiritual values as well. Let us not fail to remember that the flag represents those sacred principles of freedom and liberty for which our forefathers fought and died and for which our flag has waved throughout the years as a constant reminder to the world that government founded upon true liberty and an abiding trust in God alone is the only government that has endured.

Done in our capital city of Raleigh, this the tenth day of June, in the year of our Lord one thousand nine [SEAL] hundred and twenty-five, and in the one hundred and forty-ninth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

HOME COMING WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, the citizens of our State have expressed a great desire to invite our former citizens to return to their old homes and visit the scenes of their childhood in a general reunion and home-coming; and

Whereas, the General Assembly of North Carolina has designated the entire month of October, one thousand nine hundred and twenty-five as the period for holding a reunion of all former citizens of North Carolina now residing in other states, and for the relatives in other states of all citizens who have adopted North Carolina as their native State, to come together in a general reunion and home-coming in order that they may see and realize the wonderful growth and progress our State has made along lines of education, health, agriculture, industry, commerce, social betterment, etc.:

Now, therefore, I, A. W. McLean, governor of North Carolina, in order to make more effective this resolution of the General Assembly and to place the force and good will of the State behind its execution, do issue this proclamation, and call upon all county commissioners in the State, all members of the press, all women's clubs, all chambers of commerce, and all other civic, industrial and commercial organizations and business concerns to unite in extending invitation to the 160,000 former North Carolinians residing in other states, and to the relatives and friends throughout the Nation of the 111,000 adopted citizens of the State, to visit North Carolina during the month of October and participate in a general reunion; and

I do hereby set apart especially the third week of October, the week of the State Fair, as "Home Coming Week," and urge our citizens to enter actively and enthusiastically into a general reunion, in order that former North Carolinians and adopted citizens and all their friends and relatives may derive great joy from this reunion, and that the courtesy and hospitality extended by our citizens may redound to the glory and credit of our beloved State.

Done at our city of Raleigh, this the fifteenth day of June, in the year of our Lord one thousand nine hundred [SEAL] and twenty-five, and in the one hundred and forty-ninth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FUNERAL SERVICES OF WILLIAM JENNINGS BRYAN

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

Whereas, the funeral services of the late William Jennings Bryan will take place in Arlington Cemetery, at Washington, on Friday, the thirtieth day of July; and

Whereas, for more than three decades Mr. Bryan has been the acknowledged leader of a mighty host in America; and

Whereas, he has by his strength and sincere convictions of duty and his exalted moral character made an everlasting impress upon the lives of the American people; and

Whereas, his death has brought peculiar sorrow to the people of North Carolina, because of the many ties that existed between him and them:

Now, therefore, I, Angus W. McLean, governor of North Carolina, in response to universal public sentiment of our people to pay to the memory of the deceased a last mark of respect, do hereby order the flags of all state buildings in North Carolina to be flown at half mast on Friday, July 30, and I do respectfully enjoin the people of the State to desist from their customary activities, for a period of thirty minutes, during the time of the funeral.

Done at our city of Raleigh, this the twenty-eighth day of July, in the year of our Lord one thousand nine [SEAL] hundred and twenty-five, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FIRE PREVENTION WEEK

EXECUTIVE DEPARTMENT

RALEIGH

A Proclamation by the Governor

The state of North Carolina has for years led in efforts to reduce fire waste and its attendant loss of life and property. October 4 to 10, inclusive, has been designated as Fire Prevention Week throughout the United States, and I appeal to our citizenship who are so familiar with the destruction of fire to become vitally interested in this great economic waste.

The fire loss in the United States last year (1924) was more than five hundred and fifty millions of dollars with more than seventeen thousand persons killed and a vastly larger number crippled and maimed for life. North Carolina's share in this loss was more than five million three hundred and twenty thousand dollars with 343 lives and hundreds of our people maimed. It is well known that carelessness and ignorance of fire hazard go hand in hand as the chief causes of our great national bonfire.

I, therefore, urge that the week of October 4 to 10 be set aside as Fire Prevention Week in accordance with section 6080 of the Consolidated Statutes, which provides that the governor of North Carolina shall, each year in October, issue a proclamation urging the people to a proper observance.

During this week I also urge that fire drills be held in schools, factories and stores, and that they be continued at regular intervals;

That schools, theatres, churches, public and private hospitals and institutions, factories, stores and hotels be inspected to see that every safeguard against fire is provided, and also that exit facilities are sufficient in case of fire;

That local authorities examine their fire ordinances and make them sufficient if they are lacking in any particular.

To this end I urge our citizens to thoroughly cooperate with our Insurance Department, and that every mayor issue a proclamation. I earnestly request the cooperation of every citizen, chambers of commerce, Rotary clubs, Kiwanis and women's

clubs, and all other civic bodies and the press. As October 4 comes on Sunday I especially appeal to the clergy and Sunday school superintendents to bring this to the attention of their people.

Now, therefore, I, A. W. McLean, governor of North Carolina, in accordance with law, do issue this my proclamation, and I do set aside and designate October 4 to 10, 1925, as Fire Prevention Week, and do urge all the people to a proper observance of this week in obedience to the statutes of North Carolina.

Done at our city of Raleigh, this the eighth day of September, in the year of our Lord, one thousand nine [SEAL] hundred and twenty-five, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

TO PRAY FOR RAIN

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

In view of the distressing conditions due to the drought prevailing so extensively in our State, and others, and remembering that ours is a land like that promised to Israel, of which it was said, "The land . . . is not as the land of Egypt, . . . where thou sowest the seed and waterest it with thy foot . . . but . . . is a land of hills and valleys, and drinketh water of the rain of heaven; a land which the Lord thy God careth for; the eyes of the Lord are always upon it"; remembering also that we are helplessly dependent upon Him to see when and where the rainfall is needed, and that we are told to turn unto the Lord in prayer when the heaven is shut up; and believing that in this land our people should unite with those of neighboring states

in prayer for rain, with thanksgiving for the showers already given, to make known their request unto God, who knoweth what things we have need of, until He have mercy upon us and giveth us "a sound of abundance of rain":

Now, therefore, I, Angus W. McLean, governor of North Carolina, do recommend that Sunday, September thirteenth, 1925, be made a day of humility and prayer to the God who "sendeth rain on the just and unjust," and I urge our people, as they have occasion, in the closet and in the public assemblies of worship, to offer up their petitions to Almighty God, the giver of every good and perfect gift, until the drought is broken and sufficient rain is sent to relieve the needs of our people.

Done at our city of Raleigh, this the twelfth day of September, in the year of our Lord one thousand nine [SEAL] hundred and twenty-five, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

EDUCATION WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Even a casual consideration of the present economic and social conditions in North Carolina shows, beyond doubt, the important contribution which education has made to the general development of our present-day civilization. The increasing density of population and the changing conditions of life brought about by the invention of innumerable mechanisms to lighten toil, have enlarged the field of education and intensified its function in the preparation of the rising generation to meet, with a higher degree of confidence, the multiplying complexities of life.

Education, therefore, concerns not only those specifically charged with its administration, but also the entire citizenship because of its close inter-relation with every worthy enterprise. It appears entirely fitting and proper, therefore, that those who have already achieved success and are now carrying on the work of the world, should pause and consider, with those who are about to assume the serious duties of citizenship, the fundamental things which have made our Nation great.

"The constitution is the bulwark of democracy and opportunity," and offers the strongest guarantee of justice, liberty and tranquillity.

"The flag of the United States of America is the symbol of the ideals and institutions of our Republic," and as such teaches the sanctity of these institutions and quickens the sense of public duty in the hearts of our citizenry. Public education is the foundation stone of our free institutions. Therefore, the educational progress in the State deserves prime consideration at our hands. The people of our State are, from day to day, recognizing more keenly their obligations to education, and are discharging these obligations in a more adequate way. This growing interest is made manifest in many lines of school improvement. The erection of new and commodious buildings in every part of the State, the constant improvement of the teaching force, and the greatly increased attendance upon these schools proclaim enlightened progress on every side. It seems appropriate then that the people of the State should, at stated intervals, give special consideration to the improvement and further development of the schools and to the acceleration of the educational spirit.

Now, therefore, I, Angus W. McLean, governor of the state of North Carolina, realizing the vital importance of education to our people, the dependence of our institutions upon a wider enlightenment, and the great danger to our system of government arising out of ignorance and intolerance, do hereby proclaim the week beginning November 16 as American Education Week, and I urge that it be appropriately observed by all the people of the State in such a way as to insure more fully the blessings of education to all the children within our borders and to prevent the possibility of any child's coming untaught to maturity. I recommend that the mayors of the several towns and cities issue

their proclamations calling upon the people in their localities to unite in this great enterprise. I suggest further that all administrative and supervisory officers of the public schools see to it that appropriate programs are provided for the observance of this week, and that they call to their assistance the various organizations and clubs for civic betterment that may exist in their respective communities, to the end that the general cause of education may be advanced and interest in its steady progress stimulated.

Let this be done with such solemnity that the purpose of American Education Week may be impressed upon the youth of the State so that they, as well as our people as a whole, may come to value the privileges of citizenship more highly, and thereby become more anxious to prepare themselves for lives of useful service.

Done at our city of Raleigh, this the sixteenth day of October, in the year of our Lord one thousand nine [SEAL] hundred and twenty-five, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

ARMISTICE DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, the people of North Carolina, expressing their sovereign will through an act of the General Assembly of 1919, have provided that the eleventh day of each and every November shall be designated and set apart as a legal holiday and have directed that the governor shall annually proclaim the same,

Now, therefore, I, Angus W. McLean, governor of North Carolina, do hereby proclaim and set apart Wednesday, November eleventh, nineteen hundred and twenty-five, as Armistice Day and do hereby call upon all the people of North Carolina to observe it in a fitting manner.

The approaching Armistice Day will be the seventh anniversary of the actual termination of hostilities that brought to a close the most terrible war in all history. It is proper that we should pause and contemplate the causes and effects of that momentous struggle, not in a spirit of vainglory, but of deep humility and thankfulness to the God of nations for the safe deliverance of our own nation as well as the other nations that were associated with us in the war.

While all the purposes for which we strove have not been accomplished, we know that those who contributed to the splendid victory did not fight in vain; and that we are constantly making progress toward the ultimate goal of world-wide freedom and democracy in government.

As the spokesman, for the time being, of the people of North Carolina, I call upon our entire citizenry to suspend all unnecessary business and to observe the day in a posture of reverence and dedication, remembering particularly the debt we owe to those, living and dead, who gave victory to our arms, and, at the same time, let us not forget to invoke again the blessings of Almighty God upon our endeavors in behalf of the new order of international relationships that will eventually drive war and its horrors from the face of the earth.

Done in the city of Raleigh, this fifth day of November, in the year of our Lord nineteen hundred and twenty-five [SEAL] and the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

THANKSGIVING DAY

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

Custom and the grateful heart of America have sanctioned the setting apart of one day in each year for the specific purpose of rendering thanks to Almighty God for His blessings to mankind.

This beautiful and time-honored practice had its beginning when America was a weak and struggling nation. It has been followed with regularity and consistency, as we have prospered and grown great.

In response to the action of the president of the United States, and in thorough conformity with the inclination of our own people, I, Angus W. McLean, governor of North Carolina, do hereby proclaim and set apart Thursday, November 26, 1925, as Thanksgiving Day and call upon the people of North Carolina to dispense with their labors and to publicly assemble to return thanks to God for the many benefits we have enjoyed at His hands during the past twelve months.

As a nation we have prospered; as a State we have gone forward. While differences of opinion have arisen among us, they were such that could be settled in the spirit of brotherly love. We are a step nearer the goal in spiritual attainment; the soothing hand of an unseen but overseeing Wisdom has guided us; brotherhood is a thing talked of and striven for as never before. Materially, we have gained much. Our efforts to utilize the things that God has given us for the betterment of humanity have been signally blessed. No adversity has come to us that did not have a spiritual equivalent.

For all these things and for other blessings too numerous to mention, let us humbly and heartily give thanks to Almighty God.

I suggest to the ministers of religion in North Carolina to assemble their people for public worship; and, where it is prac-

licable, I suggest community gatherings, where all the people, forgetting creed and schism, may meet, and, in a civic as well as in a purely religious way, pay devout homage to the One without whom none of us can enjoy happiness and prosperity.

Done in our city of Raleigh on this the fourteenth day of November, in the year of our Lord one thousand nine [SEAL] hundred and twenty-five, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

LAW AND ORDER SUNDAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, ours is a government founded on laws, a proper observance of which is necessary to the well-being of organized society; and

Whereas, because there appears to be a growing tendency on the part of some to disregard statutes and ordinances enacted for the good of the whole people, it is entirely fitting that steps be taken to correct this evil:

Now, therefore, I, Angus W. McLean, governor of the state of North Carolina, do hereby proclaim and set aside January 24, 1926, as "Law and Order Sunday" and call for its observance in such a manner as may seem expedient to the ministers and laymen in the churches and to all others making up our citizenship. It is earnestly requested that religious and civil leaders devote such time as may be convenient to the task of reminding their people that a proper respect for the civil laws is as necessary to the life of the State as respect for the Divine Law is to the life of the Church. Further, it is suggested that community gather-

ings be held, wherever practicable, and that the gospel of law and order be expounded.

Done at our city of Raleigh, this twenty-second day of January, in the year of our Lord one thousand nine [SEAL] hundred and twenty-six, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

UNITED JEWISH CAMPAIGN

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

The people of North Carolina have generously participated in previous campaigns for the alleviation of the Jewish peoples of Europe suffering from the economic ruin incident to the World War. The appeals now coming from Russia, Poland and other foreign countries indicate that the condition of the Jewish populations of Europe is more distressing than at any previous time, and that hundreds of thousands are succumbing to the ravages of hunger and disease.

Leaders among the Jewish people in America have instituted the United Jewish Campaign to raise fifteen million dollars necessary for the care of orphaned children, for the assistance of homeless refugees, and for the rehabilitation of the destitute among the former peasants.

Among those who have sponsored the campaign are the following outstanding citizens of our State: state chairman, M. E. Block of Greensboro; honorary state chairman, Julius W. Cone of Greensboro; state treasurers, Leslie Weil of Goldsboro and Marcus Jacobi of Wilmington, Mrs. E. Sternberger of Greensboro, and B. S. Aronson of Raleigh.

I urge the people of North Carolina to coöperate in raising the quota of two hundred thousand dollars apportioned to North Carolina.

I also urge that leaders of public thought throughout the State volunteer their services in creating sentiment favorable to the success of the campaign, and I do set aside and designate February 15, 1926, as the opening day of the United Jewish Campaign in North Carolina.

Done at our city of Raleigh, this the fourth day of February, one thousand nine hundred and twenty-six, [SEAL] and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

HALIFAX RESOLUTION DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, on July 4, 1926, the people of the United States will celebrate the sesqui-centennial of the Declaration of Independence—the culmination of patriotic and political action resulting in the establishment of the republic—it is altogether fitting that important steps toward this final declaration should be worthily noted, as, for example:

Individual opinions fearlessly expressed by such patriots as Adams and Hooper that independence was inevitable and to be desired; community expressions of independence such as the Mecklenburg and Granville resolutions in North Carolina; concerted inter-colonial action for defense as in the committees of correspondence and of safety, and the Provincial, and Continental Congresses; stout battles as at Lexington, Concord, Bunker Hill, and Moore's Creek Bridge, balking the enemy,

heartening the patriots and clearing the way for unified action under Washington.

Among these is to be especially noted the fact that North Carolina by her provincial Congress at Halifax did on April 12, 1776, authorize her delegates in the Continental Congress "to concur with the delegates of the other colonies in declaring independency," thereby taking the first formal step taken by any colony toward the general declaration of independence.

Now, therefore, I, Angus Wilton McLean, governor of North Carolina, do commend April 12, of this year, being the sesquicentennial of the Halifax Resolution, to the country at large for appropriate celebration, and, taking note of and commending the actions already inaugurated by individuals and organizations for the celebration of Halifax Resolution Day in North Carolina, do especially urge upon individuals, appropriate institutions and organizations, and upon communities that Halifax Resolution Day be fittingly observed and celebrated.

Done at the city of Raleigh, this the thirteenth day of March, in the year of our Lord nineteen hundred and [SEAL] twenty-six, and the one hundred and fiftieth year of American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

AMERICAN FOREST WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

The president of the United States has asked that the governors of the various states join him in proclaiming and asking the cooperation of their people in American Forest Week, April 18-24.

The wasteful depletion of the American forest has been a

national reproach for more than a generation. As a people we have literally squandered an inherited capital until we have begun in the prime necessity of wood to feel the pinch of actual want. This has been the more deplorable because with intelligent care returns from forest lands would today be a stable source of national income and employment. Instead, wood which is in a hundred ways essential to every-day life, which is the basis of great industries and which in the shape of forest cover is essential to continued use of the land itself is becoming so scarce that one of the chief economic problems is to find a substitute for what might have remained a continuing and ever renewing natural resource. In beauty and utility the land produces nothing to compare with the tree. Wantonly to destroy a forest is an evil as destructive in its final results as the practice of the ancient conqueror who sowed his enemy's field with salt.

North Carolinians need do no more than remember the vanished naval stores industry, wiped out by the needless sacrifice of the long leaf pine forest to take this lesson to heart. We should know, too, that while two-thirds of our total land area is in timber of some kind, much of it has been so burned and abused that it returns no revenue and is a tax burden rather than an asset. We should know that we are cutting yearly twice as much timber as we permit to grow, and that the great furniture industry and the many wood-using plants are every year importing their raw material from abroad, much of it from the Pacific coast states at ruinously high freight charges.

Such remedies as are possible by state action it is my purpose to endeavor to apply to the limit of the State's ability to meet the emergency. These include a state-wide organization to prevent and control forest fires, guided by a strong forestry department to gather and supply information to the end of popular education as to forest needs. They include effective forest laws to encourage reforestation, experiment and demonstration forest and scenic woodland parks. Most of all, however, we need appreciation on the part of the people of the fact that timber is as much a necessity as other crops; that it is as much property as a dwelling house, and that it should be held sacred against violent trespass or negligence. Properly managed the timber lands can in twenty-five years be returning as much in

money annually as the cotton crop and at infinitely less expense for maintenance. Mismanaged and neglected, these same lands can in the same time become practically barren wastes, of little or no value and a drag on other lands. Knowledge of these facts can be brought to our people only by ceaseless education, continued publicity and tireless effort.

Now, therefore, I, Angus Wilton McLean, governor of the state of North Carolina, do hereby proclaim and designate the week of April 18 to 24, inclusive, as American Forest Week, to be observed by all proper educational and publicity agencies, both public and private, by special efforts to bring this subject before the students in our schools, and colleges, and the members of our civic clubs, women's clubs, and other organizations. Special programs, exercises and addresses should be arranged wherever possible.

The coöperation of the newspapers and their advertisers is also suggested in inserting brief slogans about forest fire prevention such as was so effectively given by several papers last year.

As governor of this State and as honorary chairman of Forest Week Committee, I do, therefore, hereby urge all public officials, public and business organizations, industrial leaders, landowners, editors, educators, clergymen, and all patriotic citizens to unite in the common task of forest conservation and renewal.

In witness whereof, I have hereunto set my hand and caused to be affixed the seal of the state of North Carolina.

Done at our city of Raleigh, this first day of April, in the year of our Lord one thousand nine hundred and [SEAL] twenty-six, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

MOTHERS' DAY

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

In obedience to the sovereign will and laudable sentiment of the people of North Carolina, as expressed through the General Assembly, I hereby proclaim Sunday, May 9, 1926, Mothers' Day, and solemnly call upon all the people of North Carolina to observe the day with due reverence and appreciation of the blessings of motherhood.

The observance of the day is not merely the outward expression of a beautiful sentiment; it has the deeper and more vital significance of being a generous, wholehearted and solemn celebration of those spiritual qualities for which motherhood has been glorified throughout the ages; it symbolizes unselfish sacrifice and personal suffering without which nothing worth while and enduring has ever been achieved; it means paying homage to gentleness, love, and all of those finer emotions which constitute the God-given attributes of motherhood; moreover, it is a call to keep alive the sacred virtues that have made the mother the foundation stone of the home which, after all, is the bulwark of our Christian civilization.

If we approach the occasion not in a spirit of elaborate gesture, but with true humility and solemn contemplation, we shall find that the day will afford not only a rich measure of spiritual value, but a most practical and enduring value as well.

Each citizen of North Carolina is enjoined to wear a flower in honor of his or her mother, a red one if she be living, a white one if she has passed on to the Great Beyond, as a token of sacred regard for all the blessings which motherhood has bestowed.

Done at our capital city of Raleigh, this the sixth day of May, in the year of our Lord one thousand nine hundred [SEAL] and twenty-six, and in the one hundred and fiftieth year of our American Independence.

By the Governor:

CHAS. H. ENGLAND,
*Private Secretary.*ANGUS W. McLEAN, *Governor.*

FLAG DAY

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

Whereas, June 14 has been designated for national celebration as Flag Day, and in this special year is being marked by signal honors at the Philadelphia Exposition commemorating the sesquicentennial year of American Independence, special civil and military delegations from North Carolina being participants in this celebration:

Now, therefore, I, Angus Wilton McLean, governor and commander-in-chief, do hereby issue this my proclamation, urging upon individuals, communities and appropriate institutions and civil and military organizations in North Carolina that June 14, of this year, be fittingly observed by programs of patriotic societies, by parades and ceremonies, and by suitable public and private display of the national flag.

Done at our city of Raleigh, this the eighth day of June, in the year of our Lord one thousand nine hundred [SEAL] and twenty-six, and in the one hundred and fiftieth year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

JULY FOURTH

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

The birthday of the Nation, July 4, has long been an occasion for patriotic rejoicing. Celebrations varying in character have

marked its recurrence year after year. However, a sane observance has grown in favor and the day has taken on a spiritual as well as a joyous significance.

Independence Day this year will mark the one hundred and fiftieth anniversary of that significant and far-reaching event at Philadelphia, when, on July 4, 1776, duly authorized representatives of the thirteen original colonies, following the dictates of their own consciences and carrying out the wishes of an oppressed people, signed a document that drove out crown-rule and established what was destined to become the world's most brilliant example of representative government.

It is, therefore, particularly proper that this sesquicentennial anniversary should be fittingly observed, and I, as governor of one of the original thirteen states, represented at Philadelphia by the illustrious Penn, Hewes and Hooper, who, as spokesmen of the colony of North Carolina, affixed their signatures to the Declaration of Independence, now call upon our people to pause and give attention to the significance of the day. It falls on the Sabbath. That should not nullify but, on the other hand, it should sanctify the meaning of the day. Religious services in many churches will, doubtless, be marked by patriotic hymns and allusions to American Independence. Prayers of gratitude to Almighty God will be offered, and the people should join heartily, remembering that a kind Providence not only led our revolutionary forces to victory but has perpetuated us as a nation and given us prosperity.

Monday, the day following, will be observed as a holiday. It is highly desirable that it should be given fitting observance, as there can be many features attendant upon it which might be regarded as out of place on the Sabbath Day.

Done at our city of Raleigh, this the third day of July,
in the year of our Lord one thousand nine hundred and
[SEAL] twenty-six, and in the one hundred and fiftieth year of
our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FIRE PREVENTION WEEK

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

The state of North Carolina has for years led in efforts to reduce fire waste and its attendant loss of life and property. October 3 to 9, inclusive, has been designated as Fire Prevention Week throughout the United States, and I appeal to our citizenry to become actively interested in this great problem of conservation.

Carefully gathered statistics show that in 1925, \$6,914,014 worth of property was destroyed by fire; that 293 human beings were burned to death in North Carolina, caused largely through carelessness. Compared with our national fire loss of 570 million dollars and 20,000 lives destroyed, this is low, but entirely too great for an intelligent citizenship such as ours. It is well known that carelessness and ignorance go hand in hand as the chief causes of our great national fire waste.

I, therefore, urge that the week of October 3 to 9 be set aside as Fire Prevention Week, in accordance with section 6080 of the Consolidated Statutes, which provides that the governor of North Carolina shall, each year in October, issue a proclamation urging the people to proper observance.

During this week I also urge that fire drills be held in schools, state institutions, factories and stores, and that they be continued at regular intervals;

That schools, theatres, churches, public and private hospitals and institutions, factories, stores and hotels be inspected to see that every safeguard against fire is provided, and also that exit facilities are sufficient, in the event of fire;

That local municipal authorities examine their fire ordinances and make them sufficient if they are lacking in any particular.

To this end I urge our citizens to thoroughly coöperate with our Insurance Department, and that every mayor issue a proclamation. I earnestly request the coöperation of citizens, Cham-

bers of Commerce, Rotary, Lions, Kiwanis and Women's clubs, and all other civic bodies and the press.

And now, therefore, I do issue this my proclamation, and do set aside and designate October 3 to 9, 1926, as Fire Prevention Week, and do urge all our people to a proper observance of this week in obedience to the law of North Carolina.

Done at our city of Raleigh, this eleventh day of September, in the year of our Lord one thousand nine [SEAL] hundred and twenty-six, and in the one hundred and fifty-first year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

CONSTITUTION DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, well-ordered society has as its foundation a constitution, upon which free government, in the ultimate, rests, because such an instrument, adopted always after mature deliberation and sober thought, represents the will of the people in its finality;

And whereas, there must be broad and fixed principles upon which to base laws and statutes that directly affect and determine everyday conduct;

And whereas, the Constitution of the United States is more truly a reflection of the sovereign will of the people than any other written expression, and is the bulwark of the blessings we enjoy as a free people:

Now, therefore, I, Angus W. McLean, governor of North Carolina, do hereby proclaim and set apart Friday, September 17, 1926, as Constitution Day, at the request of the National Society of the Sons of the American Revolution, and commend it to our

people for a proper observance, urging them to give heed to the true significance of the Constitution of our country, to teach others a proper respect for it, with all of its amendments, and to resolve anew that they will neither violate it themselves nor encourage others so to do, by word or deed.

Done at our city of Raleigh, this the twelfth day of September, in the year of our Lord one thousand nine [SEAL] hundred and twenty-six, and in the one hundred and fifty-first year of our American Independence.

ANGUS W. MCLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FORGET-ME-NOT DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Mankind suffering from bodily affliction has commanded sympathy since the dawn of civilization. Scarcely has there been a race of people so indifferent that it was not ready to lend a helping hand to the sick and afflicted. With the advance of civilization this sympathy has been translated into practical methods. The custom of professional mourning is fortunately a relic of the past; the "Vision of Sir Launfal," which revealed that—"The gift without the giver is bare," has been caught by many who have learned that duty in its highest interpretation does not dictate merely the tossing of a coin but that it inspires a fellowship of suffering that finds expression in practical measures of relief.

The physically defective man, no matter how his ailments came about, elicits the sympathy of his fellows because his capacity for service is reduced. This sympathy extends even to those who are injured through their own carelessness. But

the man who is afflicted as the result of having performed a patriotic duty to his country is entitled to peculiar consideration when we come to bestow our gifts in a spirit of benevolence.

In remembrance of these things, therefore, I, Angus W. McLean, governor of North Carolina, do hereby call upon the people of the State to observe, in a fitting manner Forget-Me-Not Day, which falls this year on September 25, and which has been set apart under the auspices of the disabled American veterans of the World War. In issuing this proclamation I am complying cheerfully with a request which was sent to me by National Commander John V. Clinnin of that organization. Funds realized on that day will be applied to relief work among the disabled veterans. Therefore, responses should be liberal.

Done at our city of Raleigh, this the thirteenth day of September, in the year of our Lord one thousand nine [SEAL] hundred and twenty-six, and in the one hundred and fifty-first year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

ANNUAL RED CROSS ROLL CALL

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, the tenth annual roll call of the American National Red Cross will be conducted from Armistice Day, November 11, to Thanksgiving, November 25;

And whereas, the above period is the time set aside during which every American everywhere will be invited to enroll or to renew his membership in the organization;

And whereas, the president of the United States, as president of the American National Red Cross, has issued a proclamation

calling upon the people to enroll as members in this legion of mercy;

And whereas, the American National Red Cross, the comforter of humanity in distress, offers the medium by which the more fortunate may serve and assist the afflicted in times of catastrophe;

And whereas, the Red Cross, by reason of its capacity to serve the people whenever and wherever duty calls, its activity in helping to solve the problem of public health, and its interest in all humanitarian projects, deserves the support and unselfish loyalty of all the people:

Now, therefore, I, Angus W. McLean, governor of the state of North Carolina, with a view to giving the citizens of our State an opportunity to enroll their names under the banner of the American National Red Cross, call upon the people to respond wholeheartedly to the tenth annual roll call, and suggest that special emphasis be laid upon the work of this great organization in all our places of worship and at all public gatherings to the end that it may continue its work for humanity without stint or handicap.

In testimony whereof, I have hereunto set my hand and caused the Great Seal of the state of North Carolina to [SEAL] be affixed, this the thirtieth day of October, in the year of our Lord one thousand nine hundred and twenty-six, and in the one hundred and fifty-first year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

ARMISTICE DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Eight years ago the Armistice was signed, giving to the world, for a time, at least, surcease from war, after the most tragic

human conflict of the ages. While this momentous act did not complete the task of establishing universal peace, it quenched for a period the fires of battle.

The fight for the peaceful settlement of international disputes must go on until some adequate and lasting processes, based on the principles of human brotherhood, have been devised and set in motion.

In commemoration of the signing of the Armistice, the General Assembly of this State has set aside, as a legal holiday, November 11 of each year, and at the same time provided that the governor should issue annually his proclamation calling upon the people to observe the day in an appropriate manner:

Now, therefore, I, Angus W. McLean, governor of the state of North Carolina, do hereby proclaim and set aside Thursday, November 11, 1926, as Armistice Day, and request that it be observed as a day of thanksgiving, introspection, and dedication by all our people.

May we remember on this day our great obligation to those who gave their lives on the field of battle, who suffered hardships and who were maimed and mutilated that freedom and liberty might not perish from the earth. Nor should we neglect to honor those who, at home, patiently awaited the outcome, sacrificing much, that their loved ones at the front might be supplied with all those things which would give victory to our armies.

Let us visualize Armistice Day not merely as a statutory holiday but approach it in a spirit of gratitude to Almighty God, that the goal set up by organized autocracy was not realized; and, as we give thanks for this deliverance, let us, with simple faith, invoke His blessings on the efforts that shall mark our future course, asking strength and courage to keep that course free from selfishness and greed. May we remember that, as no man liveth unto himself, neither can any nation successfully live unto itself. Inspired by the reaction from such an attitude on our part, we will be the better enabled to extend to a stumbling world the hand of real brotherly love.

Are we really in earnest about helping to free the world from the horrors of future wars and to make it a better place in which to live? Do we really want the reign of the Prince of Peace in our national life and in our international relationships? Let us ask

ourselves these questions on Armistice Day and be guided by that conscience which is awakened only by the unselfish impulse to do unto others as we would have them do unto us.

Done at our city of Raleigh on this the thirtieth day of October, in the year of our Lord one thousand nine [SEAL] hundred twenty-six, and in the one hundred and fifty-first year of our American Independence.

ANGUS W. MCLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

THANKSGIVING DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

In the midst of our progress and prosperity it is but fitting that we should pause to return thanks for the blessings we have enjoyed during the past year and seek new courage for the future. Comparative poverty is practically unknown among us and any person who works and takes his part may enjoy the comforts of our present civilization. The sterling qualities of our citizenship, our untold natural resources, and our matchless genius for industry and organization have made us a powerful and respected nation, the greatest and richest of all time.

I deem this a fitting time for our people to remember that our prosperity may be transitory and ephemeral unless we realize the virtues that made our prosperity possible. It is most appropriate that we fully realize our dependence upon Almighty God for all that is good and lasting. Without His help, we are powerless; therefore, let us turn to Him during this Thanksgiving season with a deeper gratitude than we have heretofore known. It is a time for thoughtful contemplation and solemn resolve. Let us, therefore, render thanks to God for His goodness, His

generosity and His protection and make His will the rule of action in our lives; and let us, in a spirit of humility, humbly acknowledge that we owe Him all we are or can hope to be. Let us determine anew to repledge our lives to the simple faith that guided those who made this goodly land possible. Above all, let us realize that in the Christian religion is found the true philosophy that makes for happiness.

Our blessings have been manifold. We have progressed along all lines. We have placed the ban of our disapproval upon ignorance and are sincerely working to rid our State of its evil influence. The development of our great highway system, the progress made in industry, agriculture and social service, all these are causes for thanksgiving; honesty, patience and reverence for God, coupled with a will to work, have made us a great State.

In a posture of sincere gratitude for these blessings, I, Angus W. McLean, governor of North Carolina, following a time-honored custom and by virtue of the laws of North Carolina, do hereby proclaim and set apart Thursday, November 25, 1926, as a day of public thanksgiving and prayer.

On that day let our people repair to their houses of worship—or wherever they may be—and offer their grateful devotions to the Higher Power who rules and guards our hidden impulses as well as our outward conduct.

Done in the city of Raleigh, this the twenty-second day of November, in the year of our Lord one thousand nine [SEAL] hundred twenty-six, and in the one hundred and fifty-first year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

AMERICAN FOREST WEEK

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

The people of North Carolina are aroused as never before to the enormous annual loss sustained through forest fires. Yet even now there is no concerted, sustained, and united effort on the part of our people to prevent or even to suppress such fires.

In issuing his annual proclamation recently, declaring American Forest Week, April 24-30, President Coolidge says:

It is not enough that the Federal and State governments have joined hands with the landowner in the first step toward forest rehabilitation, protection against fire. Every citizen whose thoughtless act may endanger the woods has the obligation of respecting the forest and guarding it from its worst enemy, fire.

In order that every citizen may not only be reached, but be permanently impressed with the need for constant watchfulness, every practicable means must be taken to cultivate a "forest consciousness" in every user of the woods and those who, even indirectly, come into contact with our trees and forests, so that it will become as natural to protect young forest growth as it is now to protect our field crops.

The suitable observance of American Forest Week throughout the United States and Canada furnishes a much needed opportunity of considering this as a national, even an international, problem. Forest perpetuation needs and should receive the best thought and the united action of all.

Now, therefore, I, Angus Wilton McLean, governor of the state of North Carolina, do hereby proclaim and designate the week of April 24-30, inclusive, as American Forest Week, to be observed by all proper educational and publicity agencies, both public and private, in such ways as will best bring the subject of forestry and forest protection before the young people in our schools and colleges, the members of our women's clubs, civic clubs, and other organizations.

The coöperation of our newspapers and those who write or advertise in them, which has so unstintingly been given in former years, is urgently invited. Items on forestry, and fire prevention slogans, could be used most effectively preparatory to and during that week.

As governor of this State, therefore, I do hereby urge all public officials, all educators, ministers, landowners, business men, and all public-spirited and patriotic citizens to unite in helping to mold public opinion into an irresistible forest protection force.

In witness whereof, I have hereunto set my hand and caused to be affixed the seal of the state of North Carolina.

Done at our city of Raleigh, this seventh day of April, in the year of our Lord one thousand nine hundred and [SEAL] twenty-seven, and in the one hundred and fifty-first year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

MOTHERS' DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

North Carolina has put the seal of legislative approval on Mothers' Day, which occurs each year on the second Sunday in May and calls for a proclamation by the governor requesting its proper observance. For me, no duty has been more pleasant than the performance of this obligation. In annually proclaiming this day I have not only complied with the statute but have experienced a sense of solemn satisfaction in being able thus to add my feeble tribute to the greatest of all human beings—mother.

Mothers' Day this year falls on May 8, next Sunday, and I hereby issue my proclamation, setting it aside as a day on which every North Carolinian is urged to pause and pay reverent homage to the woman who bore him, whether she still lives or has passed to the Great Beyond to join the innumerable throng of Mothers Triumphant. If she still lives, wear a red rose in her honor and show her some special attention; visit her, write her a letter; lay your heart as a tribute at her feet. If she has passed, wear a white rose in her memory and resolve to let this emblem of purity inspire you to nobler living in the future.

There are many lessons in the observance of Mothers' Day that it would be well for each of us to learn, the greatest of these being the lesson of love. Every mother has risked her own life that life might continue on the earth, and many have taken the fear of death out of the hearts of their loved ones by their triumphant entry into "that home not made with hands, eternal in the heavens." They have blazed the trail to nobler living on earth; they have pointed the way to God above. Therefore, let us all render to motherhood the homage that is due it, each making an individual application of the meaning of Mothers' Day.

In witness whereof, I have hereunto set my hand and caused to be affixed the seal of the state of North Carolina.

Done at our city of Raleigh, this the second day of May in the year one thousand nine hundred and twenty-seven, [SEAL] and in the one hundred and fifty-first year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FLAG WEEK

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

Human emotions have, for all time, found expression in visible and tangible symbols. Before the dawn of written history men used the crude methods at their command to carve and fashion concrete tokens of abstract things. As the race has advanced in intellect and ingenuity, so this custom has advanced, until today some of the finest expressions of inner thought are found on canvas, carved in marble, wrought in bronze and in patriotic and religious ritualism.

Tribes had their symbols, clans their insignia; and today the great nations of the earth have their flags, which are revered in peace and followed in battle, not merely because of their beauty but because of what they represent.

As the planets differ in glory, according to the learned Saint Paul, so flags differ in beauty. Some are adorned with purely material things, while others symbolize the higher emotions. Of all these, our own Old Glory is, it seems to me, the climax. Its field represents the canopy of Heaven, bedecked with stars of God's own creation, and can but remind the patriotic American that men and women of our native land have fixed their faith on higher things. Its red bars represent the blood that has been shed that we might have and perpetuate liberty, and the white that purity of personal and national life which is essential if we are to maintain our own respect and the respect of sister nations. In brief, our ensign is simple. It is not complicated but tells its own story.

For some years it has been the custom of our people to observe June 14, each year, as Flag Day; and, this year being the sesquicentennial of the adoption of the flag, the week of June 8-14 will be known as Flag Week. It affords me pleasure, therefore, to issue my proclamation calling upon our people to observe, in an appropriate manner, the day and week indicated. If this period occurred during the school season, I should call upon the

teachers throughout the State to give it their especial attention. However, as the schools will have closed, I urgently request that parents, civic organizations and other suitable agencies coöperate in a fitting observance. If it may be done without overstepping the bounds of propriety and without interrupting regular religious services, I request that ministers of the Gospel make some appropriate reference to the flag and its significance as an emblem of a religious nation on Sunday, June 12. While I am fully aware that church and state are and must ever remain separate in this democracy of ours, yet true patriotism is so closely linked with moral and religious duties that I see nothing amiss in making this request.

Further, I call upon our citizens to display the national colors on their homes, places of business and public buildings during Flag Week and especially on Flag Day, and to give thought to what the flag really stands for; to study its origin and the progress we have made under its enlightening influence, and, finally to urge upon others the necessity for a proper respect for it.

Done at our capital city of Raleigh, on this the fifth day of June, in the year of our Lord one thousand nine [SEAL] hundred and twenty-seven, and the one hundred and fifty-first year of American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

JULY FOURTH

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

In the midst of peaceful pursuits, our people will pause on next Monday to observe once again the anniversary of American Independence. War trumpets are silent; our guns are stacked

and smokeless; we are unhampered by foes from without or within, and our citizens, rich and poor, high and low, are working shoulder to shoulder for the common good. There may be exceptions, but they are rare and are frowned upon. The disturber and the agitator find few listening ears. The steady hum of commerce sounds high above any note of discord. A kind Providence guards our way and our people are happy.

Let us, therefore, enter into the observance of Independence Day this year in a spirit of reverential thanksgiving. Safely and sanely, let us stage our celebrations, barring prejudice and harsh words, even as we have, in our more enlightened communities, barred the use of fire arms and explosives, which are but typical, after all, of the proverbial "grievous words which stir up strife."

Let harmony find expression in the things we shall say and do on this recurring birthday of the nation; let us make it an occasion of kindness to all. We would not, of course, forget the struggles of those who bought our freedom with their blood. They died that we might have both liberty and peace. Their sacrifice was not in vain. Let us not only enjoy but appreciate that peace they made possible.

This the second day of July, nineteen hundred and
[SEAL] twenty-seven.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FIRE PREVENTION WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

The state of North Carolina has for years led in efforts to reduce fire waste and its attendant loss of life and property. October 9 to 15, inclusive, has been designated as Fire Prevention

Week throughout the United States, and I appeal to our citizenship who are so familiar with the destruction of fire to become vitally interested in this great economic waste.

Carefully gathered statistics show that in 1926, \$6,649,039 worth of property was destroyed by fire; that 286 human beings were burned to death in North Carolina, caused largely through carelessness; compared with our national fire loss of 500 million dollars and 20,000 lives destroyed, this is low, but entirely too great for an intelligent citizenship such as ours. It is well known that carelessness and ignorance of fire hazard go hand in hand as the chief causes of our great national fire waste.

I, therefore, urge that the week of October 9 to 15 be set aside as Fire Prevention Week in accordance with section 6080 of the Consolidated Statutes, which provides that the governor of North Carolina shall, each year in October, issue a proclamation urging the people to a proper observance.

During this week I also urge that fire drills be held in schools, factories and stores, and that they be continued at regular intervals.

That schools, theaters, churches, public and private hospitals and institutions, factories, stores and hotels be inspected to see that every safeguard against fire is provided, and also that exit facilities are sufficient in case of fire.

That local authorities examine their fire ordinances and make them sufficient if they are lacking in any particular.

To this end I urge our citizens to thoroughly coöperate with our insurance commissioner, and that every mayor issue a proclamation. I earnestly request the coöperation of every citizen, chambers of commerce, Rotary, Lions, Kiwanis and Women's clubs, and all other civic bodies and the press. As October 9 comes on Sunday, I especially appeal to the clergy and Sunday school superintendents to bring this to the attention of their people.

Now, therefore, I, A. W. McLean, governor of North Carolina, in accordance with law, do issue this my proclamation, and do set aside and designate October 9 to 15, 1927, as Fire Prevention Week, and do urge all the people to a proper observance of this week in obedience to the statutes of North Carolina.

Done at our city of Raleigh, this first day of September, in the year of our Lord one thousand nine hundred and [SEAL] twenty-seven, and in the one hundred and fifty-second year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

ANNUAL RED CROSS ROLL CALL

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

The eleventh annual roll call of the American Red Cross will be conducted from Armistice Day, November 11, to Thanksgiving Day, November 24. This period has been set aside to give everyone an opportunity to enroll or renew their membership in this great humanitarian institution, which has long since proved its worth by its works.

As president of the American Red Cross, the president of the United States has issued his proclamation calling upon the people for a generous response by enrolling themselves as members of this legion of mercy.

The American Red Cross, whose influence has been felt throughout the world in the service it has rendered to relieve suffering and heal the wounds caused by desolation and destruction, deserves our most thoughtful consideration and calls for active support from every loyal American. By enrolling with it, each may have a part in the great constructive work it is carrying on.

Now, therefore, I, Angus W. McLean, governor of North Carolina, do hereby give my hearty endorsement to the forthcoming eleventh annual roll call and suggest that during the

period mentioned the activities of the American Red Cross be particularly stressed in all places of worship, in our schools and at public gatherings of every kind, so that this humanitarian service may continue and enlarge its scope.

Done at our city of Raleigh, this fourth day of November, in the year of our Lord one thousand nine hundred [SEAL] and twenty-seven, and in the one hundred and fifty-second year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

ARMISTICE DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

We, in America, along with other nations that participated in the greatest physical struggle ever waged, are again nearing that significant date known as Armistice Day, observed as the anniversary of the day on which hostilities ceased in 1918.

When the Armistice was signed millions of soldiers laid down their arms and turned their thoughts toward home. Upon the shoulders of those charged with the affairs of the governments involved was suddenly thrust the responsibility of reconstructing a shattered world.

Under the leadership of Woodrow Wilson, our government played a conspicuous part in the events that followed. Many are familiar with the stumbling blocks that were hurled into his path. These, however, did not becloud his vision of world-wide brotherhood but they bore down upon his physical frame and sent him to an invalid's grave, as truly a martyr as any who died bearing arms. His ideals were never realized by him, but there are many among us who have kept faith with the memory

of Wilson and who look forward to the day when his principles will triumph.

With the cessation of actual hostilities came new problems. New battles remained to be won, not with guns and sabres but with moral forces. The conflict between right and wrong continues; lawlessness stalks up and down the land and ignorance and vice still claim their victims. There must be no let-up in the fight against these elements of evil, no armistice, but a decisive victory, if this country is to progress as it should. None of these forces is invincible; each can be conquered but only through a display of real moral courage, inspired by the spirit of true brotherhood.

In proclaiming Friday, November 11, 1927, Armistice Day, as the laws of our State require me to do, I make an earnest appeal to our people that they make this more than a day of rejoicing in celebration of the victory that perched upon our banners in 1918. Let us reassemble our moral forces, place a higher value on spiritual standards and strive to achieve the higher things.

In this fight let us call to the service men who faced death during the World War, to those who served in other capacities and to the younger generation. We will not be true to those who made the supreme sacrifice if we do not seek to protect those they left behind against the enemies of mankind; we will not be true to ourselves if we do not wage eternal warfare against the baser things that are constantly striving to undermine our civilization.

There are peace time battles to fight. Let each of us go at the task with renewed vigor and on the forthcoming Armistice Day renew our pledge of service to our country and our God.

Done at our city of Raleigh, this the fifth day of November, in the year of our Lord one thousand nine hundred [SEAL] and twenty-seven and in the one hundred and fifty-second year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

THANKSGIVING DAY

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

Whereas, through paths of peace and prosperity a benign Providence has once again led us to that season of the year when we should lay aside our worldly pursuits and turn our attention to public and private devotions, designed to give expression of our gratitude to God for the many blessings He has seen fit to bestow upon us:

Now, therefore, I, Angus W. McLean, governor of North Carolina, conforming to the time-honored custom which had its beginning soon after our forefathers landed upon this continent and has become a part of our national life, hereby proclaim and set apart Thursday, November 24, as Thanksgiving Day and call upon the people of North Carolina to accord it due and reverent observance.

We have prospered materially. The spiritual life of our people has been advanced during the past year. Educationally we have moved forward; we have not turned a deaf ear to those in need, and for every kind act, individually and collectively, God has blessed us. We have not been visited by flood or famine or pestilence.

I trust that our progress shall continue that we may become a still greater State. But, let us not forget that our gains can never be permanent unless we realize our dependence upon Almighty God and by so doing give our material advancement a spiritual interpretation. We must satisfy ourselves that our foundations are sure and avoid the accumulation of wealth and prestige for selfish purposes; otherwise, our material assets will become moral liabilities.

Let us approach this day of Thanksgiving in a spirit of genuine humility and, with earnest simplicity, return hearty thanks to the Great Giver for the things he has done for us during the past year forgetting not to invoke guidance for the future, that we may not fall into the error of self-reliance.

Let us avoid mere semblance and pretense, realizing that no people can prosper without true religion—not sectarianism nor dogmatism, but the principles of brotherly love, which we must apply to our daily conduct if we are to contribute toward making the world a better place in which to live.

On the day appointed, therefore, let us suspend all unnecessary business and render our devotion to God, in the home, in the church, or wherever we may chance to be. Let genuine gratitude be the guiding spirit of our conduct on that day, for we have much for which to be thankful. I shall not attempt to enumerate the blessings of the past year. Each individual should search his own life and determine the measure of his personal obligations to his Creator, and then join with his friends and neighbors in giving public expression to Almighty God.

Done in our capital city of Raleigh on this, the nineteenth day of November, in the year of our Lord one [SEAL] thousand nine hundred and twenty-seven, and in the one hundred and fifty-second year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

MOTHERS' DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

In accordance with the sovereign and laudable desire of the people of North Carolina, as expressed in an act of 1921 of the General Assembly, I hereby proclaim Sunday, May 13, 1928, Mothers' Day, and solemnly call upon all of our people to observe the day with due reverence for and appreciation of motherhood.

The observance of this day is not merely the outward expression of the beautiful sentiment. It has the deeper and more

vital significance of being a generous, wholehearted and solemn celebration of those spiritual qualities which motherhood has glorified throughout the ages. It symbolizes unselfish sacrifice and personal suffering, without which nothing worth while or enduring has ever been achieved. It means paying homage to gentleness, sweetness and all of those finer qualities which constitute the real attributes of motherhood. It is a call to keep alive the sacred virtues that have made the home the foundation stone of our Christian civilization.

If we approach the occasion, not in the spirit of elaborate gesture, but with true humility and solemn contemplation, we shall find, I am sure, that the day will have for each of us a rich measure of spiritual, practical and enduring value.

Each citizen of North Carolina is asked to wear a flower in honor of his or her mother, a red one if she is living; a white one if she has passed to the Great Beyond, where the greatest reward for motherhood is bestowed, as a token of sacred regard for all of the blessings which motherhood has bestowed upon mankind.

Done at our capital city of Raleigh, this the ninth day of May, in the year of our Lord one thousand nine hundred [SEAL] and twenty-eight, and in the one hundred and fifty-second year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FLAG DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, June 14, in each year, has been designated as a national holiday to be known as Flag Day, and whereas it is fitting that North Carolina, one of the original thirteen states

comprising the American union, should join in the patriotic observance of said day:

Now, therefore, I, Angus W. McLean, governor of North Carolina, do hereby set apart June 14 as Flag Day and do urge upon our citizenry to join in fitting observance of the day by patriotic programs, parades or other ceremonies that will tend to increase the spirit of patriotism and reverence for the national emblem, and on said day I recommend that the United States flag be displayed upon all public buildings of the state of North Carolina, as well as by individuals, civic organizations and other groups.

Done at our capital city of Raleigh, on this the first day of June, in the year of our Lord one thousand nine [SEAL] hundred and twenty-eight, and in the one hundred and fifty-second year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

CHAS. H. ENGLAND,
Private Secretary.

FIRE PREVENTION WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

During the year ended December 31, 1927, the state of North Carolina lost 256 lives by fire and property valued at \$5,744,077 was destroyed. During the previous year, 293 human beings died by fire and the property loss in 2,436 fires was \$6,649,000. While I am deeply gratified at the reduction of 37 in lives lost and of \$905,000 in property loss in 2,333 fires, this loss of life and property is still inexcusably high and I appeal to the citizens of our State to give most thoughtful and earnest consideration to the great problem involved in this enormous economic waste.

I am not unmindful of the fact that North Carolina's fire

waste record, compared with that of our sister states, is favorable. Our per capita fire loss last year was \$1.91 as against a national average of \$4.40, but it was still much too high for such an enlightened and progressive citizenship as ours.

With the view of arousing the people of the United States to the importance of eliminating fire hazards and to the large part that carelessness and ignorance play in our tremendous national fire waste, October 7 to 13, inclusive, has been designated as National Fire Prevention Week.

I, therefore, urge that the week of October 7 to 13 be set aside as Fire Prevention Week, in accordance with section 6080 of the Consolidated Statutes, which provides that the governor of North Carolina shall, each year in October, issue a proclamation urging the people to proper observance.

During this week I urge that fire drills be held in schools, state institutions, factories and stores, and that they be continued at regular intervals;

That schools, theatres, churches, public and private hospitals and institutions, factories, stores and hotels be inspected to see that every safeguard against fire is provided, and also that exit facilities are sufficient, in the event of fire;

That local municipal authorities examine their fire ordinances and make them sufficient if they are lacking in any particular.

To this end I appeal to our citizens to thoroughly cooperate with our insurance department, and I request that every mayor issue a proclamation. I earnestly solicit the cooperation of chambers of commerce, Rotary, Lions, Kiwanis and Women's clubs, and all other civic bodies and the press.

And now, therefore, I do issue this my proclamation and do set aside and designate October 7 to 13, 1928, as Fire Prevention Week, and do urge all our people to a proper observance of this week in obedience to the law of North Carolina.

Done at our city of Raleigh, this twelfth day of September, in the year of our Lord one thousand nine hundred [SEAL] and twenty-eight, and in the one hundred and fifty-third year of our American Independence.

By the Governor:

W. W. LEINSTER,
Private Secretary.

ANGUS W. McLEAN, *Governor.*

ARMISTICE DAY

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

Ten years ago a broken world laid aside the implements of war and turned its face toward peace. The signing of the Armistice on November 11, 1918, followed the most sanguinary struggle in the history of the human race. For four years Europe had been bathed in blood. While the actual fighting was confined for the most part to that continent, the effects of that struggle were felt throughout the realm of civilization. It was a world experience.

America's participation in the fight for supremacy, waged between autocracy and democracy, undoubtedly hastened its conclusion. We called the result a victory. From a material standpoint it was; but unless the spiritual ideals of those whose souls were dedicated to the cause of world peace shall prevail, the millions who perished in Europe died in vain.

With the great war a decade behind us, we are confronted today with our peace-time problems. The hardships and privations of war should have taught us self-mastery.

If there remains among us a spirit of antagonism toward those who hold the diversified viewpoints that must always exist among a free people; if the spirit of brotherhood has not been promoted to a point where we can disagree and, at the same time, exercise a spirit of tolerance; if individual differences of opinion are to bring about internal strife and conflict, then selfishness is the shrine at which we worship and the blood that was spilled in behalf of universal liberty and freedom of thought has lost its spiritual significance.

Composite humanity comprised the armies that marched forth on the battlefields of Europe. Men of all nationalities, of all creeds, fought and died shoulder to shoulder. Differences of personal opinion faded into insignificance. In that great melting-pot, humanity refined its gold and discarded its dross. One purpose dominated the hearts of those who presented themselves living sacrifices to democracy and universal brotherhood.

It again becomes my duty, under the law, to issue my procla-

mation giving official recognition to the eleventh day of November. But this is more than a duty. It is a sacred privilege. As we approach this tenth anniversary of that significant event which took place in the fall of 1918, I urge our people to give serious consideration to what the day really means and to prepare their hearts for a fitting observance. To do this, we must banish from our minds all malice; we must forget our differences, remembering that those who left the shores of America to do battle for democracy knew no creed but patriotism; that they were all moved by the same sublime motives.

Armistice Day this year falls on the Sabbath. Hence, its observance must be conducted in a dignified manner and for the most part in houses of worship. Secular and military celebrations will follow on Monday.

Where it is consistent with their order of service, I respectfully urge the ministers of the various churches to make such references to Armistice Day as they may deem proper and that they request the congregations committed to their charge to observe a period of silence, from eleven o'clock until two minutes past eleven. This should in no way interfere with any service but will constitute a splendid preface to regular worship. This period of silence should be spent in prayer and meditation; prayer for those in whose hearts the wounds of war have not yet healed, and meditation on the grave problems which confront this Christian nation today.

Armistice Day should not be a day of mourning but one of rejoicing; not a day of boasting but of introspection. We should search our hearts, weigh our motives, and seek to banish from our lives those unwholesome traits which tend to mar good citizenship. If we do this, we will emerge better equipped to serve humanity and fight the battles of peace with clean hands and pure hearts.

Done in the city of Raleigh, this the first day of November, in the year of our Lord one thousand nine hundred [SEAL] and twenty-eight, and in the one hundred and fifty-third year of our American Independence.

By the Governor:

ANGUS W. McLEAN, *Governor.*

W. W. LEINSTER,

Private Secretary.

AMERICAN LEGION WEEK

EXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

It was ten years ago that this nation saw the birth of an organization that was destined to become one of the most outstanding patriotic forces that the world has ever known, an organization dedicated to the glorious service of "God and Country." That organization, the American Legion, was conceived by the men who honorably served their country in the World War and who desired to continue, in some manner, that same service in time of peace.

The American Legion in the first decade of its history has by its great program of unselfish service to community, state, and nation, well demonstrated to the people of America that it is a power for good. It has made provisions for the treatment and rehabilitation of those who were disabled in the great conflict, looked after the welfare of the children who were left fatherless in the wake of the war, exerted its every energy towards the promotion of the best interests of the nation and in the promulgation of those splendid principles of citizenship on which our nation was founded.

Associated with the Legion in this great work is the American Legion Auxiliary, composed of the mothers, sisters, daughters and wives of Legionnaires. "In numbers there is strength," and these two organizations have set aside one week, November 11 to 17, when every effort will be made to have paid up for 1929 the dues of all who are 1928 members, in order that the full strength of the Legion and the Auxiliary can thus early be put to work on the great objectives for the coming year.

The people of the state of North Carolina appreciate the work that is being carried on by these two service organizations and they are anxious that it shall be continued. The American Legion and the American Legion Auxiliary, in their noble work, are entitled to the full coöperation of every citizen of the State and it is desired that every assistance possible be given them in their efforts to maintain their full membership in the coming year.

Now, therefore, I, Angus W. McLean, governor of the state of North Carolina, do hereby proclaim the week beginning November 11 and ending November 17 as American Legion Week, and urge that every citizen aid the Legion and the Legion Auxiliary in their membership efforts. I particularly urge those who are not now members of the Legion or the Auxiliary, but who are eligible, to take this opportunity of enrolling and becoming associated in the great work of these patriotic organizations.

In witness whereof, I have hereunto set my hand and caused the seal of the state of North Carolina to be affixed.

Done in the city of Raleigh, this ninth day of November, in the year of our Lord one thousand nine hundred and [SEAL] twenty-eight, and in the one hundred and fifty-third year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

W. W. LEINSTER,
Private Secretary.

THANKSGIVING DAY

EXECUTIVE DEPARTMENT
RALEIGH

A Proclamation by the Governor

Whereas, the spirit of true gratitude is a virtue that ought always to be fostered and encouraged;

And whereas, all good and perfect gifts of this life, as well as hope for the life to come, are direct benefactions of a kind Providence:

Now, therefore, I, Angus W. McLean, governor of North Carolina, happy to follow a custom that has been perpetuated since this nation of ours established its independence, do hereby proclaim and set aside Thursday, November 29, as Thanksgiving Day, and call upon the people of the State to observe it by suspending all unnecessary activities and by giving public expression to the gratitude that is in their hearts for all the blessings enjoyed during the past year.

We, as a people, have much for which to be thankful. Difficulties have been experienced, to be sure, as will ever be the case until complete harmony has been established between the Creator and the creature and between man and man everywhere; but our blessings have far outnumbered our handicaps, and we have abundant cause for genuine gratitude.

We have continued to go forward. We have utilized our natural resources to meet our spiritual needs and to fulfill our human obligations. Religion and science have contributed to the necessities of the soul and body; humanity, as a whole, has been privileged to attain higher levels of service.

For these and all other blessings, too numerous to mention, I urge our people to offer sincere and hearty thanks to Almighty God on the day appointed.

Whether our prayers of thanksgiving shall ascend from around the humble fireside or be wafted to heaven on the strains of cathedral music is of little consequence, so long as they come from hearts that are moved by the spirit of true gratitude.

It is highly desirable that our people shall use this occasion to contribute to the necessities of the less fortunate, especially to the orphans of our State and others who are dependent upon the bounty of those who have enjoyed a greater degree of prosperity. Freely we have received, freely let us give. Thus we will not only be doing that which is well pleasing in the sight of God but will acquire a broader sense of spiritual satisfaction.

In conclusion, I further urge that our people, remembering all of us are, in the final analysis, dependent upon the great central source of supply, forget their individual differences and unite in gratitude to God for the abiding things of life, at the same time seeking divine guidance for the future.

Done in the city of Raleigh, this the twelfth day of November, in the year of our Lord one thousand nine [SEAL] hundred and twenty-eight, and in the one hundred and fifty-third year of our American Independence.

ANGUS W. McLEAN, *Governor.*

By the Governor:

W. W. LEINSTER,

Private Secretary.

BOUNDARY LINE BETWEEN NORTH AND
SOUTH CAROLINAEXECUTIVE DEPARTMENT
RALEIGH*A Proclamation by the Governor*

Whereas, after a conference with the Honorable John G. Richards, governor of the state of South Carolina, I, in accordance with the provisions of chapter 188 Public Laws 1915, as amended by chapter 166 Public Laws 1919, did appoint George F. Syme commissioner in behalf of the state of North Carolina to re-run and re-mark the boundary line between the state of North Carolina and the state of South Carolina, beginning at the Atlantic Ocean at the point of division and running thence north-westwardly to Lumber River at the point on the state line and corner of the dividing line between Columbus and Robeson counties, and Honorable John G. Richards, governor of South Carolina, did appoint J. Monroe Johnson to re-run and re-mark said boundary line in behalf of the state of South Carolina;

And whereas, said commissioners did re-run and re-mark said line in complete agreement and have made a full report of their acts and the map of the same to the governing authorities of both states;

And whereas, I, the governor of North Carolina, have laid the same before the council of state and said council of state and myself, as governor, have approved said report and the line so run and re-marked by the said commissioners:

Now, therefore, I, Angus W. McLean, governor of the state of North Carolina, in accordance with the provisions of section 5, chapter 188 Public Laws 1915, do hereby, issue my proclamation declaring that the line so run and re-marked by said commissioners, George F. Syme, representing North Carolina, and J. Monroe Johnson, representing South Carolina, to be the true and actual boundary line between the two states from the Atlantic Ocean to a point on Lumber River, the corner of the dividing line between Columbus and Robeson counties as follows:

Beginning at a monument, properly secured in a cast iron pipe

sunk twelve feet below the ground surface near the Atlantic Ocean and running thence northwestwardly in a line marked by granite monuments 8" x 8" x 8', set four feet in the ground at two-mile intervals with the distance from the Atlantic Ocean cut thereon. All of these monuments have "N. C." cut on the north side and "S. C." on the south side. The line is further marked by other monuments where the same crosses each principal road, river and railroad. Said line of monuments run from the Atlantic Ocean to the point on Lumber River set out before herein.

Said boundary line is more particularly and definitely set out in the original report and map filed in the office of the secretary of state of North Carolina, Raleigh, N. C., and in the copies thereof recorded in the offices of the Registers of Deeds for Brunswick and Columbus counties.

ANGUS W. McLEAN, *Governor.*

By the Governor:

W. W. LEINSTER,
Private Secretary.



PUBLIC ADDRESSES



MEASURES ENACTED BY THE GENERAL ASSEMBLY

ADDRESS DELIVERED BEFORE THE NORTH
CAROLINA PRESS ASSOCIATION
ASHEVILLE, N. C.

JULY 9, 1925

I feel that you have conferred upon me a very distinct honor, in giving me the opportunity of appearing before this most important and powerful organization representing, as it does, practically the entire press of the State.

I assure you that I am deeply appreciative of the honor you have thus bestowed. Before beginning my address proper, I desire to call pointedly to your attention my realization of the fact that in a democracy like ours nothing of importance can be accomplished in any great cause without the stimulus of public opinion. Generally speaking, public opinion is, to a large extent, accelerated and influenced and frequently moulded by the press. I do not mean by this that a few newspapers can always control public sentiment, but that the consensus of opinion expressed by the large majority of the disinterested newspapers is the best evidence of what public opinion is upon a particular question in which the public is interested.

One of the principal reasons why the press is powerful in creating public opinion is because it controls to a very large extent the processes whereby information reaches the public. It has the power to minimize the effect of, or to suppress entirely, the facts in respect to a particular matter, as well as to distort or magnify these facts. So potent is the power of the press that it has been said that the writer of the headlines often controls public opinion. It is a well known fact that by resorting to that intangible and shifting thing called emphasis, that a newspaper writer can accelerate the development of public opinion along a particular line. So it is often the unseen influences—the reading between the lines as it is sometimes called that frequently guides the currents of public opinion. I mention only these matters for the purpose of trying to impress upon you the fact that as a public official, I appreciate very fully the power and influence that you wield in public matters.

As in every case, the great power and influence which you possess imposes responsibility in a corresponding degree. This responsibility is so generally recognized that the press is often referred to as the "fourth" branch in government. I have never been more impressed with the truth of this statement than I was during the great World War, when the press, through the information it passed on to the people, formed the opinion of one hundred and ten millions of American citizens in such a masterly way.

On account of your great power and responsibility, particularly in respect to matters relating to government and the conduct of public servants, your position is comparable to that occupied by public officials themselves. Based upon the limited experience I have had in dealing with newspaper men, I am thoroughly convinced that the overwhelming majority of them are actuated only by conscientious devotion to duty in their relationship to public matters. There are, of course, rare exceptions where the newspaper is influenced by some ulterior motive to suppress or misrepresent the facts. These few exceptions, however, can be found in every honorable vocation and profession. It has been said that even the Christian ministry is not entirely free from those who sometimes stoop to unfair and dishonorable practices.

In my humble opinion, in nearly every case where the newspaper fails to properly interpret the motives and conduct of public officials, the real cause is the failure to obtain correct information upon which conclusions are predicated.

In my efforts to carry out the pledge I made to the people of North Carolina in the campaign, and which I solemnly renewed in my inaugural address, I realize very fully that I am dependent upon the press of the State to correctly interpret not only the motives, but my actions, if the public is to be correctly informed in respect to what I am trying to do. I hope, therefore, it will not be considered unworthy if I say I covet the full weight of your influence in the difficult work I have undertaken. I covet your aid in this matter, not because of any motive of personal advantage, but because I entertain the ardent desire to have your aid and hearty coöperation in serving the people of North Carolina.

Judged by the attitude of nearly all of the representatives of

the press in the past, I believe you will continue to be my co-workers in the task of giving to the people of North Carolina efficient, constructive, and progressive government.

I shall now comply with the request made of me to discuss with some degree of detail the more important measures enacted by the last General Assembly and which I conceive to be necessary to bring about the results involved in the pledges I have made.

BUDGET SYSTEM

(1) No reform instituted for improvement in the administration of either national or state governments has attracted such wide attention and received such universal commendation during recent years as that method of fiscal direction and control known as the budget system. In these days when expenditures by governments for both permanent improvements and current expenses have risen so rapidly as to challenge the attention of every thoughtful student, the experience of those governments which have adopted the system is sufficient to convince any fair minded observer that the principles and methods embodied in what has commonly come to be known as the executive budget system are absolutely essential, if efficient and economical administration of public affairs is to be effected and government credit conserved and protected from extravagant and oftentimes dangerous outlays.

The system has been in force in England and in many of the older and more developed countries of Europe for a long time. It has already been adopted with most beneficial results in many states of the Union, and also by the federal government. The latest government to adopt it is the territory of Hawaii. The principle involved is as old as civilization itself. It simply means that no individual or group of individuals can be prosperous, happy or successful, unless they live up to the principle that no one should spend more for ordinary current expenses than current earnings.

Charles Dickens in his wonderful and interesting book, *David Copperfield*, expressed this homely virtue rather forcefully in these words:

Annual income twenty pounds, annual expenditures nineteen pounds six shillings; RESULT: happiness;

Annual income twenty pounds, annual expenditures twenty pounds six shillings; RESULT: misery.

The great Scottish author, Robert Louis Stevenson, emphasizes the virtue in even more beautiful language.

There is one thing that I desire to call pointedly to your attention at the outset: the executive budget system has become so popular as an effective means of controlling the fiscal affairs of government, that certain reactionaries who oppose any plan to bring about improvement in government administration use the words "budget system" for the purpose of securing the advantage which the popularity of the system insures, without knowing or caring whether a true budget system is meant or not.

The true budget system similar to that now in force in North Carolina provides these essential elements:

(a) It is in effect a supervising department of finance under executive direction of the governor who supervises the financial affairs of the State very much in the same way the executive head of a large business directs the affairs of the various departments of that business. The General Assembly, as the responsible representative of the people (who are the real stockholders in government), defines the policies and prescribes the powers and duties which the governor shall exercise in carrying out these policies. When the system has been put in complete operation, the first thing which the governor does is to prepare the budget for submission to the General Assembly, after he has received financial reports and estimates of the various spending agencies of the State, and has made an examination in his own behalf as to the needs of these agencies, for the fiscal period beginning July 1, following the adjournment of the General Assembly. He receives from the various departments, institutions, and other spending agencies estimates of appropriations necessary for their maintenance and presents them to the Advisory Commission and then to the legislature with proper explanations and recommendations. This report, with the recommendations, submitted by the governor to the General Assembly, containing information as to the operations of the state government for the past fiscal period and estimates of expenditures and rev-

venues for the succeeding fiscal period, is generally known as the "Budget." The program consisting of recommendations by the governor as to both revenues and expenditures embodies the governor's ideas as to how much, in view of the general condition of the State's finances, should be spent by the various departments and other spending agencies who serve the State. It should also contain the view of the members of the Advisory Commission showing in what respects, if any, their views and recommendations differ from those of the governor. It is the duty of the governor in formulating his fiscal program to consider the requests of the departments and other spending agencies, in the light of all the activities of the State as one great operating unit, and not in terms of particular institutions or agencies, the directing heads of which are often so zealous in looking after the particular institution which they represent, that they lose sight of the interests of the State as a whole. It is the duty of the governor in making his report and recommendations to review the financial condition of the State, and make certain that under his proposals the State will live within its income and thus "balance its budget."

The financial statements which the governor, as director of the budget, submits in support of his recommendations should be complete and presented in such form as to be easily understood not only by the General Assembly, but by the public as well. Under the new executive budget act adopted by the last General Assembly, the governor will have the first opportunity in the fall of 1926 to prepare, for submission to the General Assembly which convenes in January, 1927, a complete budget covering all appropriations which are to become effective on July 1, 1927. Because the executive budget act was not in effect previous to the meeting of the last General Assembly it was impossible for the present governor to submit a complete budget program to that Assembly.

In justice, however, to the members of the old Legislative Budget Commission, which prepared the budget for the last General Assembly, it should be said that they performed very constructive and meritorious service in their recommendations made to the General Assembly of 1925.

The executive budget act adopted upon my recommendation

by the General Assembly of 1925 became generally effective on July 1, 1925, and will cover the fiscal year beginning July 1, 1925, and ending June 30, 1926, and all subsequent fiscal years.

(b) Another prerequisite of the successful budget system embodied in the North Carolina law is the permanent Budget Bureau, making the budget system a permanent supervising department of finance, with the governor as director.

The method by which supervision over all the spending agencies of the State will be maintained by the Budget Bureau is as follows:

After the appropriations have been made by the legislature and each spending agency knows how much will be available for it to expend, estimates of the way in which it is planned to spend the money must be submitted to the Budget Bureau. These estimates, which are prepared by every institution and department, show the amount and the distribution of the contemplated expenditures according to a standard classification, and in this way it will be ascertained how much each agency intends to spend during the entire biennium, the next fiscal year, and the first quarter of the first year, for personal services, supplies, etc. They will also show the estimated revenues both of the general fund and the special funds. Each department and institution will prepare a budget for its own operations and submit it to the Budget Bureau for approval.

With these biennial estimates is a request for quarterly allotment. This allotment sets the limit on the amount of the appropriation that can be used during the quarter. If unexpected circumstances arise and some institution needs more money, it can make a special request to the Budget Bureau, which will allow an increase in the allotment if it considers the reasons adequate and the appropriation available for the particular institution will justify it. Not only the appropriations made by the General Assembly, but also the special revenues collected by any institution or department must now be deposited daily to the credit of the state treasurer. Formerly, these special revenues were deposited to the credit of the institutions themselves and spent as desired. This meant that no supervision could be maintained over these expenditures, as the amount of the special revenues or the expenditures from them was not known until after the expenditures were made. In the case of

some of the institutions the only supervision at all was the annual audit. Now the special revenues will go through the state treasurer, where the amount of the special revenues are credited to the institutions depositing them, so that an institution may spend during the quarter its allotment plus its special revenues, but the special revenues will be spent before the appropriation.

As a means of insuring that those budgets are being lived up to by the institutions and departments there will be a monthly expenditure statement submitted to the Budget Bureau at the close of each month during the year. It will have the actual expenditures of the month, distributed according to the same classification as that used in the estimate sheets. This will permit the Budget Bureau to compare the actual expenditures with the estimated expenditures and the available appropriations and thus see to it that the spending agencies are living within their incomes. Any large discrepancies will be investigated and explanations asked. In the past some institutions spent so much of their appropriations in the first few months of the year that they would be in straitened circumstances during the last months, or would incur deficits by overspending their appropriations.

The supervision exercised by the Budget Bureau which has been described so far is largely negative in character. Its objective is to prevent an operating deficit in the general fund of the State, to prevent institutions and departments from exceeding their available appropriations, and to prevent them from spending too freely in the first months of the year and starving in the last.

The Budget Bureau has a more positive side in that it will assist the state agencies in operating economically and efficiently. Its official personnel acquainted with modern business methods and with the affairs of all the state agencies, and thus with the conditions of the State as a whole, will make surveys of the working of the various institutions and departments from time to time for the purpose of offering helpful and constructive suggestions.

If, for example, it should develop that a certain institution is spending a much larger percentage of its funds for heat, light and power than similar institutions in the State elsewhere, the Budget Bureau can investigate to see if the excess is due to

insurmountable obstacles or to an insufficient plant system. Investigations of this nature will enable the Budget Bureau to see that the state institutions are kept abreast of the practices elsewhere. As a result of the information accumulated in its investigations, the Budget Bureau will also be in a position to assist the institutions and departments in handling their other problems. Duplication in work will be revealed and means of coördinating activities will be suggested. All these considerations will be of assistance to the governor when he formulates his program for the following biennium for submission to the General Assembly.

From the time that the state government was established, the principal departments and many of the administrative commissions, boards, and other agencies of the State were not operated on a fixed appropriation basis. There were some seventy-five statutes on the books authorizing money to be paid out of the state treasury for various purposes by the departments and other agencies without limit as to amount. These general statutes allowing money to be spent for specified objects without limiting the amount of the expenditures, necessarily resulted in uncertainty as to the amount of the total expenditures by the State for any one year. This made it practically impossible for the legislature to prevent the total expenditures from exceeding the total revenues within the fiscal year, or the biennium for which the appropriations were made and the taxes assessed. It was thus impossible under the old system to have a balanced budget, which is absolutely essential in any scheme of sound fiscal policy.

As a part of the executive budget system, the legislature declared it to be the policy of the State to maintain a balanced budget to the end that total state expenditures should not exceed the total income of the State within the fiscal period. In furtherance of this policy the legislature repealed all statutes allowing general and unlimited appropriations and placed every department, institution and other agency of the State upon an appropriation basis. A provision was inserted in the appropriation bill giving the governor, as director of the budget, power to reduce all appropriations pro rata when this appeared to be necessary to balance the budget and to bring the total appropriations for all

purposes within the revenue actually collected within the fiscal period.

I have not found anyone who can make the slightest objection to the principle involved in the system. The only objection I hear is that it entails a change from the old methods of administration of the fiscal affairs of government which were in force when the State spent for all purposes less than an average town in North Carolina spends today. It is true that there are a very few officials and state employees in North Carolina who object to this system because it will take some trouble to install it, and because it results in discarding old methods to which they have become accustomed, and lastly, because it results in placing a reasonable check upon the spending of money. Fortunately, the group which is inclined to object and to discourage the adoption of the new plan are so few in number and so timid in voicing their opposition that it is becoming more and more difficult to identify them.

A typical practice on the part of those who are opposed to modern methods in government is to try to make it appear that the executive budget system lodges too much power in the hands of the governor. That is always the favorite method of the reactionary and the demagogue.

As a matter of fact, the governor has no power except that which the General Assembly, as the representative of the people, confers upon him. The work of the governor in preparing and submitting to the General Assembly a program for raising revenue and making appropriations for the conduct of the state government is recommendatory only. He develops the facts and presents them to the legislature with his recommendations. The legislature can adopt them either in whole or in part or reject them entirely, and the only recourse the governor has is the power of public opinion to which he can appeal, and, I believe, appeal successfully, if he can convince the people that his program is sound and for the best interests of the State.

In carrying out the plan, the governor is the servant of the people and not their master.

All students of democratic government agree that while democracy is the best form of government, it cannot function successfully unless adequate machinery is provided, whereby the people

in whom is vested all power can effectively exercise the sovereignty vested in them.

The executive budget system which became effective on the first day of July was enacted by the General Assembly, not because of the personal influence of any person, but because it was approved and demanded by the articulate voice of the masses of the people of North Carolina.

(2) The daily deposit act which requires all of the revenue collecting agencies to deposit all revenues belonging to the State in some bank to the credit of the state treasurer daily instead of permitting those agencies to retain the money for a month or more as has been the practice heretofore, will undoubtedly increase the available cash in the hands of the treasurer for current operations, and will, in the long run, save the State quite a substantial sum in the way of interest.

(3) Another most important measure was the enactment of a law consolidating all of the principal revenue collecting agencies of the State under the Department of Revenue. Under this plan the commissioner of revenue collects all the general fund revenue of the State, as well as all special revenues, including those applicable to the maintenance of the state highway system. This consolidation of the tax collecting functions under one department has already brought about considerable saving by reason of the fact that it has eliminated much duplication of labor and expense in administration. Complete results, however, cannot be obtained within the first few months for the reason that it will take some time to bring about complete coördination and eliminate overlapping. I believe that after the first year of operations under the new plan quite a large saving will result.

(4) Another very important measure was enacted in respect to the lapsing of appropriations made to departments and institutions by preceding General Assemblies. Under the old system appropriations for maintenance made to the departments and institutions did not lapse on June 30, the end of the fiscal year, but continued to be available under certain conditions after June 30. Under the new law all appropriations that have not been paid out by the treasurer at the close of business on June 30, of each year, will lapse, and whatever sums are on hand unexpended, revert to the general fund in the hands of the

treasurer. The institutions and departments must now close up the old year's business on June 30 and begin the business of the new fiscal year on July 1. In the past many of the institutions have been in the habit of overdrawing their maintenance appropriations and closing the fiscal year with a deficit. This practice often caused deficits in the general fund of the State and resulted in some of the institutions having to spend a part of the appropriation made for the new biennium in paying accounts and other obligations incurred in the last month or two of the previous fiscal year.

(5) Another most important measure enacted was the creation of a Salary and Wage Commission. It was found that salaries and wages of employees in the State's services were, in many cases, unequal; they were not always based primarily upon duties and responsibilities of the position with the actual value of the work performed. Employees in some departments doing the same kind of work as those in other departments received different salaries. There was no proper classification of the employees as between the various departments; and there was no prescribed rule as to working hours and other conditions of employment. This situation gave rise to complaints and dissatisfaction among some of the employees. The United States government and most of the progressive state governments in the Union have long since adopted a plan of personnel classification in government service. North Carolina has never undertaken this very necessary reform. The General Assembly created a Salary and Wage Commission, composed of five disinterested business men, authorized to devise a complete plan of personnel classification. The commission has been appointed and has entered upon the discharge of its duties. It is composed of men who have had long experience in matters involving compensation for personal service. It is an independent body with power to perform its duties independently of other departments of the state government. After the report of the commission is filed, it becomes the duty of the governor to approve or disapprove the same. The main purpose of the commission is to have the salaries and wages of state employees depend upon the value of service rendered the State. Employees doing like work under like conditions in the different departments will be placed in the same

class, and for each class of positions, a range of salary will be fixed which is intended to be fair to both the employees and the State. There will be no attempt on the part of the commission to prescribe standard and fixed salaries without regard to the amount and character of the actual service performed.

Classification by fixing a range of salaries including a maximum and minimum and leaving the particular salary within the range to be fixed upon the basis of service is a very different thing from arbitrary standardization.

The salaries will be so fixed as to reward faithful employees for their industry and efficiency. The salaries to be recommended by the commission are to be based on the assumption that the employees will work the full number of hours required by the regulation. Positions will be allocated according to classes, and standard rates of pay will be established for each class, providing a range between the maximum and minimum salary so that the particular salary between the maximum and minimum will depend upon the experience and efficiency of the employee, as determined by the head of the department. The length of service and the record of faithfulness of the employee in the past will be an important factor in determining the exact salary to be paid. It is believed that a most important result of the work of the commission will be the fixing of uniform hours of service and uniform conditions of service, such as vacation leaves, sick leaves, etc., and that this will bring about not only more efficiency in the service, but considerable saving as well, for the reason that more work will be done by the same number of employees than has been done in the past. The appointment of a Salary and Wage Commission has already resulted in the elimination of many cases of over-payment and many inequalities have already been removed by administrative action in anticipation of the action of the commission. There can be no doubt that when the work of the commission is completed it will be found that the dissatisfaction that has existed before, on account of discrimination in the salaries of employees in the various departments, will be removed and the general morale of the service strengthened and improved.

WAS THE LAST LEGISLATURE PARSIMONIOUS?

It has been suggested by some who are uninformed as to the actual facts that the last General Assembly was parsimonious and niggardly in making appropriations for current maintenance and for permanent improvements for the various institutions of the State.

Let us see what the facts are:

The Legislative Budget Commission appointed by the General Assembly of 1925, composed of the chairmen of the Finance and Appropriation committees and one other business man appointed by the governor, visited all the important institutions, investigated their needs, and, over a period from September, 1924, to January, 1925, conducted hearings of all the institutions, departments, and other agencies of the State and made its report to the General Assembly on January 30, 1925, fifteen days after I was inaugurated.

I had no part in the deliberations of the commission and knew nothing about the needs of the various institutions of the State except such as I obtained from the report of the commission. This report was taken up by the members of the Finance and Appropriation committees of the Senate and House of Representatives and after giving all the institutions and other agencies opportunity to be heard again as to their needs, those committees reported to the Senate and House a bill carrying appropriations they deemed necessary for the maintenance of the institutions and other agencies for the biennium beginning July 1, 1925. This bill was enacted into law with slight modification.

Without suggesting the amount of appropriations or the amount of taxes to be raised, I urged the General Assembly with all the power at my command to provide revenue sufficient to meet the appropriations for the ensuing biennium and thus balance the budget. It turned out that the total appropriations made by the General Assembly were in excess of the estimated revenue for the fiscal period for which the appropriations were made. Realizing this condition and declaring unequivocally in favor of the policy of a balanced budget, the General Assembly placed upon me as director of the budget, under the new executive act, the burden of balancing the budget for the ensuing biennium,

directing me to reduce the appropriations on a pro rata basis in such amount as would be necessary to make the total appropriations available balance with the total revenues available. This was an unpleasant duty imposed upon the director of the budget and one which he preferred not to exercise. In the performance of the duty, however, he found it necessary to give notice of a five per cent reduction in all appropriations, not only because he felt it necessary to carry out the mandate of the General Assembly, but also because he believed that the balancing of the budget was essential to a sound fiscal policy and for the best interests of the State.

In the first request made to the Legislative Budget Commission in the fall of 1924 the various departments, institutions, and other agencies of the State asked for a total sum of \$16,813,408 annually, exclusive of the amount necessary to pay interest, sinking fund and other fixed charges. The Legislative Budget Commission recommended and the legislature approved a total of \$10,070,518 only.

In order to provide for the appropriations made by the General Assembly of 1925, it was necessary to increase the total amount of taxes levied nearly 45 per cent. If the total amount asked for by the institutions and agencies on account of maintenance had been granted, taxes would have been increased approximately 100 per cent. The large increase in the taxes levied by the General Assembly of 1925 as compared with the amount levied by the General Assembly of 1923 was due to the failure of the General Assembly of 1923 to levy sufficient taxes to pay the appropriations made by that Assembly. What intelligent and fair-minded person will say that the General Assembly in 1925 was parsimonious and niggardly in providing for current expenses of the State, because it increased taxes only 45 per cent instead of 100 per cent?

The various institutions requested of the Legislative Budget Commission the sum of \$17,053,335 for permanent improvements for the ensuing biennium beginning July 1, 1925. The Legislative Budget Commission recommended and the General Assembly granted appropriations for permanent improvements amounting to only \$3,700,000, an amount sufficient to round out the twenty million-dollar program projected in 1921.

The General Assembly of 1925 authorized for highways, permanent improvements at the institutions and for other purposes an increase of approximately \$41,000,000 in the funded debt of the State as compared with the sum of about thirty millions authorized by the General Assembly of 1923.

Will any intelligent and fair-minded person say that this record characterizes the General Assembly of 1925 as parsimonious and niggardly?

It would be interesting to know what the General Assembly of 1925 should have done in increasing taxation, as well as the funded debt of the State to have gained the approval of those persons who have characterized it as parsimonious and niggardly.

No patriotic and prudent citizen of North Carolina who knows the real facts as the governor and members of the General Assembly know them would have favored any greater increase in the debt of the State at that time. Those who believe, as I do, that we should maintain steady progress in the development of our State, know full well that the only way to do so is to proceed along safe and constructive lines.

It must be remembered that our rate of progress is always dependent upon the ability of the taxpayers to withstand the increased burden of taxation and that this in turn depends upon the progressive increase in the production of wealth, which, after all, is the only safe rule whereby we can measure the ability of the taxpayers to meet the demands made upon them.

Any program of expenditures by the State or any local subdivision should be predicated upon the theory that the expenditures are needed, and that the resources will justify the expenditures. It is an economic principle as old as civilization itself that taxes must be levied according to the economic ability of the citizens to pay. If the cost of government is too heavy, the efficacy of government is soon destroyed. Public service first becomes a handicap and then an intolerable burden.

North Carolina has made greater progress in the last ten years than any state in the Union. Her natural resources are scarcely untouched. Her relative position in advanced development among the states of the Union is secure.

I have an abiding faith that she can and will continue to go forward, but in order to go forward steadily and safely she must

proceed along those lines which the accumulated experience of governments and peoples have demonstrated to be prudent and sound. Above all, she must conserve and protect her great resources, and among those none are more important or fundamental than her potential taxing power upon which her credit structure and ultimate safety so largely depend.

In conclusion, I should like to summarize the fundamental tenets of the administrative program, which I announced on the day of my inauguration to which I still adhere: (a) Current expenditures made during each fiscal year should be met by providing current revenues collectible in the same period, thus maintaining the state government upon a balanced budget basis; (b) government administration should be conducted along the lines of sound and constructive economy, so that all expenses may be watched carefully and maximum service obtained at minimum cost; (c) bonds should not be issued except for useful and necessary permanent improvements, and then provision should always be made for the payment of the interest and amortizing the principal within the life of the improvements.

If these simple, yet fundamental fiscal policies are followed, North Carolina will continue to maintain the great lead which she now holds among her sister states in the race for further progress and development.

The declaration of policy I have just outlined and the expressed determination to adhere to it has already borne fruit.

North Carolina bonds are already selling upon a more favorable interest basis than they have in years.

AN ADVANCED PROGRAM OF REFORESTATION

ADDRESS DELIVERED BEFORE THE NORTH CAROLINA
FORESTRY ASSOCIATION,
ASHEVILLE, N. C.

JULY 10, 1925

I do not restrict the term reforestation to the artificial planting of forest trees on a now devastated area, as it is sometimes understood by the layman, but I use the term in the broad sense

employed by the United States Senate when about two years ago it appointed a select committee of five "to investigate problems relating to reforestation, with a view to establishing a comprehensive national policy for lands chiefly suited for timber production in order to insure a perpetual supply of timber for the use and necessities of citizens of the United States." This committee, after an exhaustive investigation covering all the forest regions of the United States, reported that "The immediate aim of the forest policy of the United States should be to increase as rapidly as possible the rate at which timber is produced on the land suited to this form of use." The committee believed that the main lines of attack in accomplishing this purpose should be: (1) "To extend public forest ownership in areas where special public interests or responsibilities are involved; and also where the natural difficulties, costs, and hazards attending reforestation render it impracticable or very remote as a private undertaking. (2) To remove the risks and handicaps from private timber growing as far as practicable, in order to give the greatest possible incentive to commercial reforestation." Following this report the Clark-McNary act was passed which provided, among other things, for the coöperation of the federal government with the various states in the prevention of forest fires on private lands and to a small extent in the distribution of seeds and nursery stock of forest trees to farmers for planting. Under these two provisions, North Carolina is expecting to receive from Congressional appropriation for the coming fiscal year some \$30,000 for fire prevention and about \$1,500 towards the cost of starting a small state forest nursery. Fortunately the federal government allows wide latitude in the use of these funds and the State is expected to formulate and carry out its own program.

In my first message to the General Assembly after my inauguration as governor of this State, in advocating the conservation of our natural resources, I said in part: "Our forests are being rapidly destroyed through lack of a proper conservation policy. Commercial exploitation in the past has meant destruction instead of conservation. For example, I call attention to the plight of the once magnificent long-leaf pine forests, which for a long time were one of the most attractive and valuable natural resources of our eastern section. No one can contemplate the

progressive destruction of our forests for the past fifty years without experiencing a feeling of deep discouragement. It seems to me that there should be no further delay in providing a more effective policy of forest protection and reforestation. The pressing needs are: first, to educate our people as to the value of these forest lands, and, second, to lead them into correct methods of forest protection and reforestation. I feel sure that if the Department of Conservation and Development, which I propose, can be made to function in the manner I have indicated, a successful plan of forest protection and reforestation can be worked out."

It seems to me that the time has now come to bestir ourselves and enter upon a broader forestry policy.

Unfortunately, Eastern Carolina is not in the same position of prosperity as the western and middle parts of the State. Agriculture is not prosperous. The boll weevil has compelled the farmers of the coastal counties to give up the chief staple crop of this region and no reliable substitute crop has been found. Tobacco is not suitable in many of these counties, while serious diseases and lack of near-by markets are threatening some of the chief truck crops. There are no considerable manufacturing industries to provide local markets for agricultural products such as are found in the Piedmont section where our cotton and tobacco manufacturing and wood-using industries furnish occupation for more than 100,000 people who are obliged to buy from the farmers all the food necessary for themselves and their families.

It is exceedingly important, therefore, in Eastern North Carolina to undertake to develop the natural resources of the region, outside of agriculture, in order to compensate for the absence of industries. One of the greatest, if not the greatest, potential resource of this region is the forest. It is essential that we now enter upon a policy of forest protection and timber production upon the swamp and other lands of this region which are not needed for agriculture. If this policy is pursued intelligently and adequately, it will result in the production of hitherto unrecognized wealth making these forests assets of the greatest possible value.

It has been estimated that, with adequate protection from fire and with simple methods of forest management, the pine

lands of Eastern North Carolina would yield an average of 500 board feet per acre per year. That would mean approximately thirty cords of pulp wood in thirty years or twenty thousand feet of lumber in forty years, or at present prices, a revenue of about \$2.50 per acre a year or about one hundred times as much as the estimated cost of protecting the area from fire.

But there is no likelihood that prices of standing timber in thirty to forty years will be only what they are today. There is no telling to what height they may climb. The demand for pine and gum for pulpwood is only just beginning and we are just entering upon the age of paper. Poplar, ash, oak, sweet gum and other better quality hardwoods are in greater demand each year by our wood-using industries which are importing from distant states a rapidly increasing proportion of these woods.

And what about our departed naval stores industry? Fifty years ago Wilmington was the center of production of "tar, pitch and turpentine." Now we produce a negligible quantity. The same destructive turpentine methods followed by fire and hogs which swept the long leaf pine from North Carolina is still driving this species before it through other parts of the South to final extinction. Can the industry be restored? Undoubtedly it can; but it will be at the cost of artificial planting, at least in part. One hundred and forty years ago, France began the reclamation and fixation of the dunes by planting forests upon them. The country was quite similar to our sand banks in the neighborhood of Nags Head. Today that country, which had up to that time been a barren waste of drifting sand and salt marshes, is not only producing the larger part of the European supply of turpentine from its pine forests, but it is supporting a permanent population of village and rural residents. The same can be done in Eastern North Carolina.

The protection and development of growing forests is the foundation stone of the future prosperity of this and every other similar forest region. The people must be taught that burning of the woods periodically either purposely or indifferently not only destroys present profits but imposes a burden upon the future. The average farmer appreciates what he has and understands the value of his staple crops because he has initiated them. It is harder, however, for him to realize the value of a crop which

takes from twenty-five to fifty years to mature and of which he does not see the beginning or cannot look forward to its maturity; that the protection of his forests, insuring a thrifty stand and full crop of timber for the future is better protection to his family than life insurance or other recognized long time investments. In Europe where cutting has been going on in the same forest for hundreds of years the yield of timber is constant and uniform, dependent only on the ability of the soil to produce the yield. But their standing timber as well as young growth are insurable risks, and in case of a fire the insurance company pays the damages. In this country the rates would be prohibitive, if it were possible to insure at all, which it is not. When through education and efficient forest fire protection, the insurance risks on timber can be brought down to a level of those on houses and barns, we shall perhaps consider our forest protection work effective.

The farmers and other rural residents of the forested regions of our State can only be brought into a more prosperous condition by inducing them to make use of their potential assets and converting them into commodities which are commercially valuable. I do not expect to see agriculture a generally profitable industry in Eastern North Carolina until the farmers supplement their agricultural production with crops of valuable timber from their uncultivated land. The policy I have been discussing is absolutely necessary for the permanent prosperity of both the eastern and western sections of our State. The Piedmont section of the State is less dependent on its forests because it has become a manufacturing region, but there is pressing need also in that section for the development of the policy I mentioned.

The gospel of conservation, of protection from fire and wise use of our forest resources must be carried in a convincing way to every landowner and every user of wood, whether resident in the country or in town. A campaign of education designed to reach every individual must be provided. The rural schools must be made the center of rural betterment generally. From these centers must go out information upon every phase of the social and economic life of our farm dwellers. Already elements of agriculture are being taught in many of our rural schools but instruction in forestry is absolutely lacking. In other words, we

recognize the need of improving the methods of management for less than one-half of the land upon which our people live while the other half of the land included in farm forests is absolutely neglected and no effort is made to secure a regular or permanent revenue from it. Our various state and federal rural betterment agencies should be supplemented by having properly instructed organizations carry forestry information to the people on the land.

I have already expressed my faith in a plan for a state radio broadcasting system for distributing information direct to the rural dweller. Receiving sets, as cheap and effective as they are, can be installed in every school and will soon be the fireside companions of every farmer. At night while he is searching the air for musical strains from Pittsburg and Miami, he will be glad to turn to the clear utterances of the state officials and experts at our state departments and institutions, talking upon such live subject as forest fire prevention, cutting and thinning methods for second growth pine, changes in the market demands and prices for lumber and pulpwood as well as the other subjects relating to the welfare and prosperity of our people.

We have so far neglected to inform our people through the ordinary channels concerning the value and needs of this great natural resource. We have expanded our staple agricultural crops out of all proportion to the demands of the market. It is humiliating to have to admit that a twelve million-bale crop of American cotton brings more to the producers than a fifteen million-bale crop. We have, without thought of permanent results, in many instances, cleared land of forest growth which would have brought larger profits in the long run by leaving it as it was.

There are counties in this State where much of the land has been destroyed by erosion following the clearing off of the forested slopes in order to raise two or three annual crops of tobacco. There are areas in Eastern North Carolina, cleared at much cost, which have produced large crops of corn for a few years and then become worthless for farming.

There should be not only a temporary but also a permanent need before forest land is cleared. An adequate farm policy should take into consideration every acre of the farm whether

cleared or uncleared and each acre should be put to its best use.

Nature must be allowed and encouraged to do all she can. Give nature the same opportunity of working to produce timber as the farmer gives her to produce a crop of cotton or corn and prosperity will come back to our forested regions.

It is estimated that there are now some twenty-one million acres of land in this State which are or should be producing timber. Approximately half of this is included in forests on farms, namely those that are under the management of our rural people.

While state and federal governments are expending millions to help farmers better understand the production of agricultural crops of increased size and greater value, only a pittance has been spent even on the first, yet all-important, step of protecting the forests from fire. Last year more was spent on forest fire prevention than ever before, yet the State only provided \$20,000, the counties which were coöperating with the State \$8,000 and the federal government, also coöperating with the State, \$20,000, a total of \$48,000; yet a conservative estimate of cost of adequately protecting the forests of the State from fire is approximately half a million dollars annually.

The damage done by forest fires last year, according to the best available figures compiled by the State Forest Service, amounted to the alarming total of \$1,423,500. This represents more than 2,600 reported fires, covering an area of about 325,000 acres of woodland.

At present, the most important function of the Forestry Division of the Department of Conservation and Development is the prevention of forest fires, and the education of the public to an appreciation of the situation is the chief method employed. A campaign of education throughout the State must include every possible means of presenting the forest fire situation to the public so that they will rapidly come to fear a fire in the woods as much as they now fear a fire in their own homes. More attention must be paid to the teaching of the children of the schools through the textbooks. Certainly every child leaving school ought to have some knowledge of what forestry is and of why fires should be kept out of the woods. All of our teachers should have a clear idea of the need of forest protection and opportunity should be made for them to teach this to their pupils, who in turn may

impress it upon the adults at home. Such occasions as Arbor Day, American Forest Week, etc., should be emphasized; while courses in biology, in history, in economics, and in agriculture at our colleges should all find a place for the important subject of forestry.

A campaign of education, however, cannot be conducted without cost and the people must be brought to realize that costs paid to secure protection from forest fires are no more a drain on their resources than an insurance policy paid upon their houses and barns or the upkeep of the city fire department for the protection of their urban property from fire.

I am willing to stake my reputation on the statement that if the forests of this State are properly protected from fire for the next twenty-five or thirty years, our timber crop will be worth as much or more than our cotton crop.

To recapitulate: forest fire prevention and other methods looking to the conservation of present forest lands must continue to be the matter of primary consideration. Without this no other branch of forestry can succeed. The protective system this year covering inadequately twenty-five counties in the State should be extended in greater or less intensity to all parts of the State, but even this cannot succeed without an accompanying campaign of intensive education.

Although of secondary importance it is now time for the State to begin to encourage the landowners in the replanting of their own lands, where this is advisable, providing them with seedlings of the most desirable species at cost and expert advice as to methods of planting should be the State's part in this program. The educational value of such a planting program is worth much more than it will cost.

The whole of this program should be bound together and supplemented by a strong and continuous campaign of education throughout the State. Forest protection and the value of our timber resources should be brought in some way to the attention of all the children in the public schools. In addition to that more definite and constant instruction should be given in all of our institutions of higher learning. This important subject should be presented in an intelligent and forceful way to every summer school where teachers are congregated. The woman's clubs,

the men's civic and business organizations and if possible all groups of our citizens should be reached with a practical presentation of this subject.

It is, of course, realized that a program of this kind will cost some money, but there is no way in which the State can make a more profitable investment of its revenues than by providing timber for the future use of our industries, regulating streams, providing pure water and beautiful recreation grounds for the present and future use of our people.

If the State will create and maintain constructive leadership in this highly important undertaking, I believe the private landowners and local authorities will cooperate in financing the enlarged program which I have suggested.

NO DANGER OF MILITARISM IN AMERICA

ADDRESS DELIVERED AT FORT BRAGG

JULY 15, 1925

The present system of military training is not for the purpose of encouraging war, as some seem to believe. Personally, I believe in the abolition of war and I would not for a moment do anything to encourage what is generally known as militarism. I thoroughly believe in the plan of international organization to prevent war, as proposed and advanced by Woodrow Wilson. I am in favor of the League of Nations and every other honorable and legitimate means of minimizing the dangers of wars, and if possible eliminating it altogether, but until some such measures are made effective, I believe in military preparedness for national defense, but not in the form of a military establishment set up to foster the spirit of military aggression.

I believe heartily in the present American system, exemplified in the kind of training you are receiving here. This contemplates a small regular army supplemented by a citizens' reserve army provided by the military training of our young men. This kind of preparedness constitutes the best guaranty against war. It is the very antithesis of that species of militarism fostered by the German military machine before the World War.

It is true that one of the functions of a citizens' army such as that training here is to furnish a trained personnel which may be quickly and effectively utilized in a national emergency when the peace and security of America is endangered by a foreign foe. The functions of such an army are broader than that however. It provides physical culture, discipline, and training in the duties of citizenship generally. I believe the training you will receive here will make you more useful and more effective citizens, because it will produce a high type of manhood, trained, experienced and disciplined in the spirit of coöperation and solidarity for every useful service.

In America we have no king or other hereditary ruler, the people themselves are the sovereigns. I am not afraid, therefore, that any spirit of militarism will ever take possession of America, because she is not only a peace loving, but a peace practicing nation, in which public sentiment—the voice of the people themselves—is the supreme law.

There is no danger, therefore, of any objectionable war spirit gaining control in America, because public sentiment will not permit it. This fact was demonstrated beyond question by our experience from the beginning of the World War in 1914 until America's entry in the war in 1917. During this period a considerable number of our people led by a few able and influential men tried to lead us into the war before the masses of the people sanctioned it, but the effort was in vain. The overwhelming majority of the people stood firmly against the early clamor for war and did not change that attitude until it appeared that war was necessary in defense of our own liberties. When we finally went into war we had no great army. We depended for the most part upon our citizen soldiers who came from every walk of life and formed the greatest army of democracy that the world has ever seen. Our present system of military training has been likened unto that of Switzerland. I can find no better argument for the maintenance of our system than the experience of Switzerland. The Swiss military system embodies the same principles of the training of the citizen army which we are trying to pick up and practice, with this difference, however, that in Switzerland military service is universal and compulsory. There is no standing army, however; instead there is a citizen army composed

of what are usually termed militiamen who are trained to defend their country against invasion and all males between the ages of twenty and forty are liable to duty. Switzerland has existed in the very midst of the cockpit of Europe for more than a hundred years without becoming embroiled in war.

She passed through the last great conflagration without having to take part in it, and notwithstanding the fact that the contending armies of the nations had built their breastworks and dug their trenches up to her frontiers on all sides, she maintained her neutrality and protected her country from invasion and probable destruction, because she was able to mobilize along her own frontiers a citizens' army of seven hundred thousand well-equipped and well-trained soldiers who were ready and able to war against war.

If Switzerland had believed in the doctrine of non-resistance, no doubt her efforts to maintain her neutrality and avoid participation in the great conflict would have been futile.

The philosophy of non-resistance constitutes one extreme while the philosophy of aggressive militarism constitutes another. Democratic America believes in preparedness of the kind that you are training for here, not for the purpose of engaging in offensive warfare upon other nations, but for defending herself against the enemies of mankind for the same reason that we maintain a police force or a fire department. A fire department is maintained and money spent to employ and train firemen and provide equipment not for the purpose of encouraging wholesale burning, but for the purpose of protecting our property and our lives against a potential danger which at any time may become real.

We maintain our police force, our jails, and our penitentiary not for the purpose of encouraging crime, but for the purpose of preventing crime by protecting society against those who would make war upon it.

The military system of America, organized as it is, represents not the forces of military aggression, but the sovereignty of the people in the same way that our courts and our civil government represent that sovereignty.

It must not be forgotten that it was largely an army that came from the farms, the fields, the mines, the factories, and the

professions soon after the outbreak of the World War that, after a few months' training, was able and ready to do battle with the best of the Prussian guard.

The valor displayed at the battles of Chateau-Thierry, Belleau Wood, and Verdun will forever shed immortal lustre and renown upon the record of that democratic army of citizen-soldiers that America sent to the World War.

THE NATIONAL GUARD A DEFENSIVE FORCE

ADDRESS DELIVERED TO THE NORTH CAROLINA
NATIONAL GUARD AT CAMP GLENN,
MOREHEAD CITY, N. C.

JULY 17, 1925

There are many times when the danger of wholesale breaches of the peace render it necessary to call upon the National Guard of the State to maintain law and order. On many occasions in the past history of North Carolina our National Guard or some units of it have been called upon to prevent threatened mob violence or wholesale breaches of the peace when the local authorities were unable to cope with the situation. In every case the National Guard has acquitted itself with distinction and honor to the State and to the service. I have a peculiar interest as governor of the State in the National Guard, and particularly in seeing that it is kept up to the standard in numerical strength and general efficiency. I realize that I need it, as an ever-ready force, to be called in performing the responsible duties imposed upon me by the constitution and laws of North Carolina in preserving the peace and dignity of the State to the end that all of the people of the State may be protected in the enjoyment of life, liberty, and the pursuit of happiness. There have been times within the last few months when I had knowledge that there was a probability that the strong arm of the State would be necessary to maintain law and order and it was very comforting and reassuring to me in my official capacity as governor to realize that I had at my command for instant service the splendid units of the National Guard represented here today. I wish I could

make the people of the State understand as fully as I understand what they owe to the National Guard as a continuing guaranty against wholesale disregard of the laws of the State. The very fact that the governor has at his command this powerful and effective force creates a psychological condition in the minds of those who would disregard our laws so that it becomes necessary to call it into action upon rarest occasions. But for the existence of the National Guard it is conceivable that a group of lawless persons might band themselves together, for some reason that might seem sufficient to them, and break down for the time being the supremacy of the law and of all constituted authority. A moment's reflection should prove to any intelligent person the serious consequences of such a situation.

It must be remembered that ours is essentially a government of laws; that the supreme sovereignty rests in the people themselves and that they can assert their sovereignty only through the laws that they enact for their own government and for the protection of their lives, their liberties, and their property rights. It follows, therefore, that when the laws are disregarded and broken or the constituted authorities of the State become unable to enforce the law, the sovereignty of the people is repudiated and insulted. The National Guard as an organized force in a democracy like ours represents the sovereignty of the people just as the governor, the courts, the police officers, and the jails represent their sovereignty. As a matter of fact, all of the instrumentalities represent the voice of the people, because they have been set up by the people to maintain orderly government by imposing the laws which they have enacted in the exercise of the supreme sovereignty vested in them. I would like to have you know, as I would like to have all the people of the State to know, that I regard the preservation of law and order in the State as one of the most sacred duties imposed upon me as chief executive by the constitution. Of course, it must be understood that the people themselves have divided the responsibilities in connection with the maintenance of law and order between certain local authorities acting in their local jurisdictions and the state authorities within the jurisdiction of the State as a whole. Under the law the obvious inability of the local authorities to maintain peace and order must appear before the governor is justified in

calling upon the higher power represented by the organized militia now called the National Guard.

There are some well meaning and very conscientious persons among us who seem to object to the maintenance of any military organization in the State, because they believe, mistakenly, I assert, that the maintenance of a National Guard and the training and the general manoeuvres of the kind you have here encourage war. I am sure, and I believe that the overwhelming majority of the people of North Carolina are just as sure, that the North Carolina National Guard is not a military machine, in the sense that Germany and the other warlike nations of Europe maintain military machines. They know that our so-called military system, as it is now constituted, is composed of a small regular army of well trained soldiers, ready upon an instant's notice to defend our national interests if they should be jeopardized, the National Guard, or organized militia of the various states, and the Citizens' Reserve Army, composed of the young men who attend the various training camps such as the one now being conducted at Fort Bragg. No one need fear that such a system will promote militarism in a democratic republic like ours. These forces do not represent, nor can they be made to represent, the will of any king or arbitrary ruler. They represent the people in whom all sovereignty is vested under our system of government, and it may be safely assumed that no expedition or active service of any kind not sanctioned by the voice of the people will ever engage the attention of such a force.

The National Guard of our State is designed primarily as a home or state guard, furnishing its trained personnel as a defensive force, ready to be called into the service for the State or the Nation when our rights are threatened from within or without. The National Guard is also essentially a citizen army, because its personnel is made of those who come from the fields, mines, factories, professions and the other many walks of life. It is composed of these peace loving and peace practicing men who love liberty, who abhor war, but who will fight if the freedom and liberty of our State or Nation is threatened. It is only in an emergency of that kind that war becomes an honorable pursuit.

The organized militia of the state of North Carolina has always responded to the call of the Nation when necessity arose. As

evidence of this I have only to remind you of the splendid service of the North Carolina units in the World War. The famous Thirtieth Division, which is given full credit for the part it played in breaking the Hindenburg line, was composed largely of National Guard units of North Carolina, South Carolina, and Tennessee. Such an organized force as the National Guard does not promote the spirit of offensive warfare. It is on the contrary one of the best guaranties against militarism, and has often constituted a force against war in the past history of nations. For example, a military system such as the one we maintain has been maintained by Switzerland for more than a hundred years and has enabled that peace loving little country to keep out of war. But for the fact that Switzerland was able to mobilize her citizen army of several hundred thousand men along her frontiers during the World War, she might have been annihilated by the contending forces in the last great world conflict. She was able to war against war, because the democratic army which she maintained was ready to fight to prevent the other nations from fighting each other upon her soil.

PRESERVATION OF HISTORIC LANDMARKS EXALTS PATRIOTISM

ADDRESS DELIVERED IN ACCEPTING FORT MACON FROM
THE FEDERAL GOVERNMENT AS A GIFT TO
THE STATE OF NORTH CAROLINA, AT
FORT MACON, NEAR MORE-
HEAD CITY, N. C.

JULY 17, 1925

In accepting this old fortification, we must not lose sight of the ancient and interesting historical character of the place. It represents in a very real sense an ancient landmark in the record of the past. I shall not attempt to repeat what has been said so fully and so finely by the speakers who have preceded me in respect to its past history. Constructed nearly two centuries ago to protect our then young State and Nation from foes from without, it served a most useful purpose, first against the Spanish

buccaneers, then in the Revolutionary War, the War of 1812, and finally during the unfortunate War Between the States.

It is now realized that the tide of time has so changed all things that Fort Macon is no longer useful for the protection of the American coast against actual or expected attack, and, therefore, it remains, from the standpoint of a fortification, a worthless ruin of brick and mortar.

We are here today, however, to receive it back from the United States government, to whom it was ceded by our State in 1803, not because it has any material value as a fort, but because it stands as an ancient monument to the patriotism of our forefathers who constructed it and dedicated it to the defense of a youthful nation.

The only purpose we have in accepting it from the federal government is to maintain it as a place of interest and as a recreational center for the people of our State who cherish a sentimental regard for the ancient landmarks of the past. Our acts here today are motivated by sentiment, nevertheless.

One of the safeguards of free government is to exalt patriotism by perpetuating in the memories of the present and future generations, the work of our forefathers who builded our State and Nation. One of the most effective ways to show reverence and regard for the work of our forefathers who performed so great a part in the building of our mighty Nation is to preserve the ancient institutions of the character of the one we view here today.

As we contemplate the past history of these ruins, we should remember the important part played by those who patriotically gave so much of service in the building of the nation. We should remember that the nation we call America comprehends more than we seem to realize. We should remember that it is not our great natural resources, our great wonderful industrial development, or our unparalleled gold reserves that constitute the nation we call America. America includes all of these and much more. It includes our past history, our traditions, the genius and enduring qualities of our people, our moral and religious structures, and all of the institutions both ancient and modern which constitute our present-day civilization.

This ancient fort here is a part of the thing we call America,

because it is a part of our past history. The spirit of our people is enlivened by their reverence for the shrines of patriotic service such as Fort Macon. No nation ever has or ever can succeed finally if it ignores the ancient stepping stones by which it attained greatness. And let us not forget that Fort Macon, as useless as it seems today, represents one of the stepping stones by which our State and Nation have attained the proud position they hold in the world today. And, so it is a very fit and a very laudable thing for us to celebrate the return of this old fort to our State to be preserved as one of her shrines.

While it is our duty to do reverence to those who built this ancient fort by celebrating the occasion of its coming back into the possession of the State, the most important thing after all for us to remember is that this is not so much a day of celebration as it is a day of dedication. In remembering the patriotic action of our forefathers in building and maintaining this fort as a service to their country, we should not forget that there is a far greater duty imposed upon the present generation to dedicate themselves to the laudable undertaking of making North Carolina a greater state, and America a greater nation. The citizens of today and tomorrow cannot show their full appreciation of the precious heritage handed down to them by their forefathers by simply celebrating and preserving the ancient footprints they have left upon the sands of time. While it is our duty, therefore, to reverence and celebrate this occasion, the most important thing for us to do is to perform successfully and wisely the duties and responsibilities of citizenship that have been cast upon us in this new day and generation.

The good citizen should continually strive to bring our government nearer to the goal which our forefathers had in mind, where equality, justice and righteousness in the administration of public affairs shall be the cardinal rule. Fair and constructive criticism of the defects of government, without appeal to the passions and prejudices of the people or attempt to array class against class, is not only a duty of good citizenship, but a privilege accorded good citizenship under our democracy. Good citizenship too calls for an active interest in our institutions, our schools, public health work, social service work, and the other lines of endeavor carried on by our government in its effort to continue

the upbuilding of our great Nation, the foundation for which was laid by our forefathers—the pioneers of the early days in which Fort Macon served its usefulness. To “carry on” is the inspiration that we should get from such shrines as this which is placed in the care of our State today.

It is with a very genuine sense of gratitude and pride as the spokesman of the people of North Carolina that I accept Fort Macon as a public park and recreational center, to be enjoyed not only by the present generation, but by the generations of the future.

NORTH CAROLINA'S RESOURCES AND HOW TO ADVERTISE THEM

ADDRESS* DELIVERED BEFORE THE NORTH CAROLINA
ASSOCIATION OF REAL ESTATE BOARDS AT THEIR
ANNUAL CONVENTION IN CHARLOTTE, N. C.

SEPTEMBER 3, 1925

Irrespective of the nature of his activity every man who labors within his state depends upon its land.

It is as the land produces that he prospers, in agriculture, industry, commerce or profession. It is as the land continues to possess the power to produce that he can consider that his prosperity has a future.

Those who deal in land, therefore, have an inspiration and a responsibility of a special nature. They are special trustees of a common need. They are dealing with an asset which is indispensable to all. Their business touches practical patriotism, for as they deal wisely and to the best advantage with the basic asset, they benefit their commonwealth, perpetuate its institutions, make possible its progress.

North Carolina land is an empire with which wonders have been achieved and whose potentialities are incalculable. It is a resource in many respects scarcely touched, in other respects the victim of grievous mistakes. It holds innumerable opportunities

*Because of Governor McLean's inability to be present, this address was read by a member of the convention.

for the pioneer in many lines of effort. It calls for exploration and development. It promises much to the immigrant. It calls for capital in volume far beyond the power of the present population to supply. Richly as it produces and wonderfully as it has been developed in many ways, we are only beginning to sense the future it may found, if only we deal with it generously.

Of this land of ours there are 52,286 square miles. Of this great area 48,666 square miles are above and 3,620 are under water. In the land as distinguished from the water area are the rich fields of the Coastal Plain, an agricultural paradise of soil and climate; there are the hills and valleys of the Central and Piedmont sections, themselves highly productive, but endowed with peculiar industrial advantages whose development by men of courage and initiative has made North Carolina world famous as a state in which faith and energy have achieved miracles; there are the mountain sections in which the outstanding value today is the realization of their beauty and climate as a lure to tourists, but whose undeveloped resources of mines, forests, minerals and water power prophesy an era of manufacturing and industry in the light of which the present busy activity will count as the first steps toward its destiny.

It is this land that provides for us the things with which we must work, the resources with which we must deal, the values of which we are the stewards.

On it, in 1880, we made farm products of a value of \$52,000,000 which, by 1923, had grown to \$513,000,000.

In 1900 the value of the money crops grown on these lands was \$69,000,000; in 1923 these same crops sold for \$436,000,000.

In 1880 the true value of the State's property was estimated by the census at \$461,000,000; by 1924 it had increased to \$4,500,000,000.

In 1900 bank resources were \$15,362,182; in 1924 they were \$471,854,564.

From this land and its material our five hundred textile mills are producing annually manufactured products of a value of \$318,368,000; our tobacco factories an annual output of \$214,830,348; our furniture factories annual products of a value estimated at \$50,000,000.

Upon the streams of the State millions of invested capital have

developed over 540,000 horse-power for industrial use in the form of hydro-electric energy, which in 1923 amounted to 1,076,662,910 kilowatt hours. What this one natural resource means to the industry and wealth of the State can be gathered from the fact that in January, 1924, the output of electric energy in the State was 4,440,356 kilowatt hours for each of its thirty-one days—power that, according to the estimate of the United States Geological Survey, was equivalent to that of 6,660,524 able-bodied men working steadily eight hours per day, selling at a price equivalent to a wage per man-power of something like one-tenth of one cent per hour.

In mineral production mines of North Carolina produced in 1900 products valued at \$1,604,078; in 1923 these products had risen in value to \$11,050,257, and especially in the case of clays, shales and non-metallic minerals, development has only just begun.

In barest outline, these are a few of the things pertaining to the land with which North Carolina must deal, improve and capitalize. They are facts which are cause for pride in themselves and which have made possible the great road system, the advance in education, the general thrill of inspiration and of hope which is animating our people. But the fact cannot be blinked that our accomplishments in making our lands directly productive, in utilizing their products in industry, in making the most of our natural assets are not remotely proportionate to the development which these assets themselves justify. In this there is no reflection on what has been done by the far-seeing men who have brought North Carolina up to the hour of a greater opportunity. It does mean that if that opportunity is to be realized in its full sense and in accordance with the enlightened demands of the people for still better educational and social conditions, we must seek in the outside world for the men and the capital to aid us in the comprehensive use of the things we have.

This means, of course, that North Carolina must advertise.

First California and its magic city of Los Angeles, and now Florida, with Miami the loadstone that is keeping our own hard-surfaced roads teeming with south-bound tourists, have shown how the persistent telling of a story of good news will in the end produce a contagion of interest. Advertising is the modern

magician whose services no one can afford to refuse to avail of. But, like a magician, its power must be employed with care, must be exercised with control and restraint. Advertising recklessly launched may be a veritable Frankenstein which destroys its creator.

I realize better than most just how much North Carolina needs the right kind of advertising. I realize, also, how it has been advertised far more effectively than most of us think. In every county the Chamber of Commerce has been doing a great work. Associations such as real estate boards are effective far beyond the limits of their own special aims. Newspapers which make a point, day in and day out, of printing constructive facts serve to pile up by very iteration a subconscious knowledge that after awhile becomes cumulative sentiment. Then there is the advertising value that always attaches to a success. The roads of which the State is proud have alone given North Carolina a reputation and won for it a good-will many times exceeding in value all the money they have or will cost. Our educational revival, our industries, our resort developments are news, and as such gain place in the national press—advertising of the first grade, which no amount of money could buy. We must not think that we have not been advertised. It is because we have become so well known in these ways and by good repute that it is important that advertising hereafter be made a conscious policy.

Just what form this necessary advertising should take is a problem that will demand the very best thought by the State, which must soon adopt it definitely in principle and practice.

Without going into details, there are some essentials upon which any such campaign must be based.

We must have an agency concerned with the State as a whole and yet capable of giving accurate information on demand as to the resources, the commercial and business possibilities, the soil, the climate and the social advantages of any of its counties, communities or cities. To some extent every county and city has this information concerning itself and its own agency for distributing it. Yet there is within the State no one agency capable of setting forth this information quickly and succinctly as it is needed.

We must have the facts and figures for all state localities in

relation to their assets as they may be interesting to prospective industry. Whether it be a hydro-electric company wishing to know the facts as to power streams, a textile mill desiring to know the quality of water, a manufacturer wishing information as to raw material and labor, a hotel corporation or a home-builder seeking knowledge of the things pertinent to decision, the information should be in the hands of the State to give.

These basic facts, condensed, tabulated and put forward simply for ready assimilation must, in addition, be compiled by state agency in a form that can be made to fit the times and keep step with progress and changing conditions.

In course of time such an agency might properly issue publications designed to advertise the State as a whole or to emphasize peculiar sectional or industrial advantages. It might include something in the nature of a state news bureau to work through established channels of publicity. But advertising our advantages must depend first on ascertaining specifically what they are and in making that information available for those who can properly use it, wherever they reside.

Such an agency is contemplated in the new State Department of Conservation and Development, formerly the Geological and Economic Survey. Its organization has not yet been worked out or completed. At present it is following the important lines of maintaining an organization for the protection of forests from fire, of investigation of and report on mineral resources, especially those which promise most in industry, and of investigation of water resources, particularly in gathering the important data respecting stream flow. Ultimately, it is my hope that this department will be enlarged in scope so that while continuing its scientific activities as they affect practical questions of conservation and development it may be the clearing house through which all state departments will coöperate in providing all essential truths as to the State itself, its resources, its people and its activities.

In North Carolina there are hundreds of thousands of acres of land capable of producing rich crops, if only we could bring to them the right settlers. There are millions of acres unsuited for agriculture which should be growing young timber. In the western counties there are streams capable of producing over a

million horse-power, which are yet unharnessed. There are vast mineral deposits, granites, clays, fine pottery clays, iron ores, which are either untouched or marketed as raw products when they should be the basis of going industry. There is not a community in which progressive men are not having practical visions of development. Everywhere improved roads are multiplying these opportunities for the realization of resource. And everywhere there is the delay that weighs the heart of the ambitious citizen who sees clearly and yet is unable to act, because there are neither the men to do the work nor the capital to finance it.

If we analyze the wonderful progress that North Carolina has made in the last decade, we will see that one of its chief benefits has been the bringing of the State to the point where its story is a matter that has caught the interest of the world and about which the world is curious. Of ourselves we have wrought wonderfully with the land; it needs to gain for it the destiny to which an eager generation looks forward, that we have the help of the world in sharing our future. To secure that aid we must provide the means by which the world can readily and easily ascertain what we have and what we are; and we must in some effective way enter into the keen competition by which other states, scarcely one of which possesses either our natural resources or our proved ability to deal with them, are reaching out for desirable population and needed capital.

Esse Quam Videri is a motto which truly speaks the North Carolina character and temperament. But the time has come when, if we are to be within the scope of our advantages, we must tell what we are and what we have and what may be done with it without forcing the world at large to discover these things for itself.

The next four years should be in North Carolina an era to surpass any that has gone before in progress and development of every kind. So much has been done that among a busy people there are not now enough men to do the work that has been blocked out. We have utilized and developed our resources until there is a depletion of our own surplus capital for investment. We need men and money from other states to help us work and prosper. To secure additional population and capital

which will be constructive and safe, the obligation is upon us to put forth a prospectus of our resources both natural and industrial that will be attractive but true, that will justify its premises and make no promise that cannot be kept.

For this advertising, I pledge my earnest and never-failing interest and every possible aid in accomplishing a task whose proper performance will not fail to benefit directly every individual now living and working in the State or who comes to it with the honest purpose deserving of welcome as a newcomer and fair treatment as a citizen.

FRIENDSHIP OF TWO EMPIRE STATES OF THE SOUTH

ADDRESS OF WELCOME DELIVERED ON THE OCCASION OF THE
CELEBRATION OF THE ARRIVAL OF THE MOTORCADE
COMPRISING THE GEORGIA CONTINGENT HEADED
BY GOVERNOR WALKER AND OTHER
OFFICIALS OF THAT STATE

SEPTEMBER 14, 1925

Governor Walker:

It would afford me great pleasure to welcome you and the other distinguished guests from Georgia to our State on any occasion, but I assure you it affords me peculiar pleasure to welcome you here upon this auspicious occasion.

At the outset, I should like to assure you on behalf of the people of North Carolina of the sincere appreciation of the fine spirit of coöperation and good will which actuated you in organizing and bringing into our State the splendid motorcade which you have the honor to command.

The people of North Carolina rejoice, as I am sure the people of Georgia rejoice, in the cordial relations that have always existed between these two great states. Our peoples have been bound together by the closest ties of common interest and friendship from colonial times down to the present day.

During the colonial period, the people of Georgia and the people of North Carolina were united in interests and aspirations and they enjoyed the same blessings and suffered like perils.

In the great war for national independence, not only geographic

relations, but every other consideration required Georgia and North Carolina to stand together, not only for their own defense, but also in defense of the young nation of which they formed a part. The people of the two colonies in those early days were menaced alike by British men-of-war at their ports, by hostile Indians on their frontiers, and by Tories and loyalists in their midst. It was natural, therefore, that attacks from all of these hostile sources were resisted by the combined forces of the two colonies. Georgia was the most convenient for attack while North Carolina was the strongest in resources and at the same time the most inaccessible. Historians have well said that Georgia was the battleground and North Carolina the recruiting ground in the early stages of the Revolution. The English having entered Georgia by way of Savannah in December, 1778, with a large force overwhelmed the small army of 1,200 Americans under General Robert Howe, of which the First North Carolina Regiment was the main component of his strength. Georgia fell into the hands of the enemy, but its fall was simply the beginning of a campaign that proceeded by way of Camden, the Cowpens, Kings Mountains and Guilford Courthouse, and finally resulted in complete victory for the Americans at Yorktown.

Throughout these campaigns the soldiers of Georgia and the soldiers of North Carolina shared in common the privations and hard fighting which generally fell to the lot of American soldiers in that momentous war. Thousands of North Carolinians enlisted in Georgia regiments and Lochlan McIntosh, a Scotch general from Georgia, commanded for some time a North Carolina brigade after the death of General Nash at Germantown.

It is interesting to recall today a minor dispute that arose between the two states, in this vicinity, soon after the close of the Revolutionary War. The immediate cause of the dispute was the disposition of a small strip of land approximately twelve miles wide and two hundred miles long just south of the present boundary line between the states of North Carolina, South Carolina and Georgia, a part of the disputed territory having been organized into your county of Walton. After considerable effort to settle the disputed boundary line in 1807, it was agreed by the two states that the line should be surveyed and established

by Dr. Joseph Caldwell of North Carolina and Joseph Meigs of Georgia. North Carolina's contention finally prevailed and the dispute was amicably ended. The only other dispute, great or small, that has arisen between the two states is of recent origin. For a long time Georgia claimed and held the important title: "The Empire State of the South." In the last few years, North Carolina has been inclined to forget the modest motto upon her Coat of Arms, and to dispute with Georgia the coveted title I have just mentioned. But we have not come today to dispute with you; we have come to extend to you the glad hand of genuine welcome and to thank you for the great part which you are playing in making the great Appalachian Scenic Highway the means of a closer union between the *two great empire states of the South*.

These mountains, for a long time, created a barrier that interrupted the free social and business intercourse between the people of Western Georgia and Western North Carolina, notwithstanding the fact that the inherent qualities of the people of the two states are now and have always been the same, and the ties of kinship and friendship between them have never been severed. The pioneers who settled the western sections of the two states sprang from the same stock. The same tide of migration from Western Pennsylvania and other northerly sections that came to a standstill for a while in North Carolina just prior to the Revolution overflowed into Georgia and South Carolina soon after the Revolution. Thousands and hundreds of thousands of the people who make up the great population of your State in this day descended from North Carolina ancestry, and I have no doubt that many of you who compose this motorcade are descended from North Carolina ancestry.

As we contemplate the racial and other characteristics which the people of the two states hold in common, I am sure you rejoice, as all the people of North Carolina rejoice, that at last the natural barriers of travel have been removed and we have been brought closer together by the great highways with which modern conditions have blessed us. This great Appalachian Scenic Highway is said to have more points of historic and scenic interest than any other highway east of the Mississippi River; is most important because it passes through the entire eastern section of the United States. The section of it in which

we are particularly interested today is that which has its beginning in your historic and metropolitan city of Atlanta, and connects at the Georgia line with that great North Carolina highway, known as route No. 10, and runs thence over route No. 10 to Murphy, Andrews, Bryson City, Sylva, Waynesville on to Asheville, where it leaves route No. 10 and proceeds by way of Weaverville, Spruce Pine and Cranberry to the Tennessee line. The total length of this highway from the Georgia state line to Asheville is 197 miles and from Asheville to the Tennessee line, 91 miles, or a total of 228 miles in this State of which about 130 miles have been hard-surfaced.

To date, North Carolina has expended upon this highway approximately five million dollars and is proceeding as rapidly as possible to complete the remainder. We are delighted to know that Georgia is determined to complete the part which lies within her borders.

I should like to tell you—not by way of boasting—but simply for your information and encouragement that while North Carolina is proud of the progress she has made in the last ten years in every line of human endeavor, she is particularly proud of the great progress she has made in education and road building. North Carolina now has in her state highway system 6,500 miles of which over 2,000 miles have been paved or is in process of paving. This great highway of ours, known as route No. 10, begins here and ends on the shores of the Atlantic Ocean, a distance of 600 miles of which 500 miles have been paved.

Notwithstanding this great record of construction, I am happy to inform you that under authorization made by the General Assembly of 1925 our program of construction is continuing without abatement.

As a matter of fact, we have spent more money in highway construction and maintenance in the past eight months than during any period of our history. Our program of construction, notwithstanding its magnitude, is laid out upon safe and sound lines. One of the amazing things about our state highway system is that the taxes derived from the sale of gasoline and license tags on motor vehicles is sufficient to pay the interest upon our bonds, create a sinking fund for payment of the bonds at maturity, provide ample funds for maintenance, and still leave several million dollars for construction purposes.

Governor Walker, I am delighted to know that since your great State has recovered from the agricultural depression following the World War, that you have entered upon a program of highway construction of large proportions, and I believe it would be helpful to both your State and mine to have engendered between us a friendly spirit of rivalry in connection with our highway program for the future. In the great work that you are doing in Georgia, you may be sure that you have and will continue to have our sympathetic interest and good will.

I suggest to you, however, that if you intend to keep pace with North Carolina in highway construction, you will have to "arise early in the morning."

In conclusion, let me again thank you for coming upon this great errand of comity and business intercourse, which I believe will prove to be of lasting benefit to both states. While you and your party are within our borders, you may rest assured that we shall spare no effort to make your stay as pleasant as our resources will permit.

POTENTIALITIES OF WESTERN NORTH CAROLINA

ADDRESS DELIVERED AT THE TOE RIVER
FAIR, MITCHELL COUNTY

SEPTEMBER 16, 1925

Here at Spruce Pine, which has trebled its population and multiplied in business within five years, should be found an example for a new type of city in North Carolina—a mining community made permanent and utilizing its advantages with respect to minerals as a basis for departure in manifold progress. The old-time mining town of the Golden West was frequently as impermanent as a desert mirage. We build better when we utilize mineral wealth as a means of assuring permanent values in activities connected with other natural resources.

In Avery, Mitchell and Yancey counties are produced the greater part of three minerals, each of which is a basic necessity in a variety of industries—feldspar, mica and kaolin.

In 1924, these three counties produced all the feldspar sent out from North Carolina—95,000 tons of a value of \$640,000,

and that was 47 per cent of all the feldspar produced in the United States.

In 1923, you produced most of the mica mined in North Carolina, of a value for the crude of \$254,000, and that was over half the mica mined in the United States.

Yancey and Mitchell produce most and the best of the State's kaolin, which in 1923 had a value of \$369,000.

The real facts as to these minerals are, of course, known to all of you, if not the precise figures showing what the industry means in dollars and cents. You know to what extent the development of these mines and the industries connected with them—notably the plants which manufacture the crude mica for shipment to industry—mean in the life of your communities. What, I think, is worthy of your thought and enterprise is the duty of developing these and other resources lending themselves to industry to the point that your own counties and the State as a whole may receive from them the maximum, and the logical, profit.

In the case of feldspar, I am told that whereas the crude product sells for something like \$6.50 a pound, the ground feldspar brings from \$15 to \$18. Yet there is in North Carolina, which produces about half the feldspar used in industry, only one grinding plant.

Likewise, the mica, the values which are quoted for the crude product are trebled when your plants manufacture it in the first step for use in the trades and industries.

Kaolin, essential to pottery and porcelain, returns to the makers of these commodities many times its value as represented when it is sold from our mines.

The great Cranberry iron mine, producer of high-grade magnetite ore, is another example of a resource marketed for the most part in its least valuable form. It is mined with us; it is smelted in Tennessee. In the same way, Irwin, Tennessee, grinds North Carolina feldspar and collects the additional value.

I am aware that these industries are young. They have had a marvelously rapid growth. They have gained primacy for the State quickly. But they suggest powerfully how much it is possible to do with the great reserves that yet lie in your mines—once the basic minerals are made to support North Carolina

industries at the source of raw material, which will apply them to the manifold uses and the finished products to which they are adapted. Why not potteries for the kaolin and feldspar, why not manufactories for the electrical equipment to make use of the mica, why not smelters for the Cranberry and other iron ore deposits? We must think of natural resources always as something which, if not developed to the ultimate, are to that extent wasted or neglected.

One of your greatest resources has, I am informed, scarcely been used at all. I refer to your potential water powers on Toe River and other streams. The modern magician is white coal, that once harnessed for power, is inexhaustible and self-renewing. No greater civic duty rests on any section blessed with power-producing streams than that of seeing that they are put to work in the interests of industry and of social service and that their development be on a scale to get from them the greatest service in the manner to give the greatest public benefit.

Western North Carolina already rivals Florida as a resort section. Your mountains are alive with tourists and visitors, intrigued by good roads, claimed by beauty, invited in many instances to remain citizens to take advantages of wide-spread opportunity. This section already shares in good roads and will soon be one of more attractive stopping places on the great Appalachian Scenic Highway. No section that is identified with such famed spots as Linville Gorge, Blowing Rock, Little Switzerland, Roan Mountain and the crest of the Blue Ridge could adorn such a route or offer greater opportunity for the creation of other famed resorts. In bending every energy to the utilization of the gifts of nature, it must not be forgotten that the most gracious incident of a more general prosperity is the ability to travel and the will to enjoy a reasonable leisure. To this class of the prosperous and the sanely happy no section offers more in satisfaction than Western North Carolina, and of that favored section none has more than you in equipment of natural charm.

Incidentally, it is a pleasure to know that all three of your progressive counties are now aligned with the state and federal governments in the effort to prevent forest fires. Economically, it is a sad day for any community when its forests have vanished.

That community is economically wisest and most forehanded which makes sure that a forest cut over is left to be a forest regrown. Forest fire prevention is the first step toward the conservation of forests which will follow on a general understanding of their place in our life and happiness. You still have areas of virgin forest which should be conserved as points of greatest pride. It is a pleasure to know that with respect to this fundamental industrial and scenic asset you are joined with the forces of progress and conservation.

My ambition as governor of this great State is not only to conserve and protect what has already been developed, but also to aid in developing our great natural resources which, up to the present moment, have scarcely been touched.

NORTH CAROLINA BECOMING INDUSTRIALIZED

ADDRESS DELIVERED AT THE SECOND ANNUAL DIVERSIFICATION
DINNER, MADE-IN-CAROLINAS EXPOSITION,
CHARLOTTE, N. C.

SEPTEMBER 29, 1925

A North Carolina woman, several times a grandmother, recently was complaining about the prevailing vogue in silks. She wanted to see old-style fabrics come back. She sighed for a renewed fashion in calico or gingham. The prevalence of the extensive display of silk stockings gave her concern. She freely admitted that she did not know what the present generation is thinking about—or coming to.

“What,” she wanted to know, “is to become of the cotton mills if everybody wears silk?” From which you may deduce that her interest was more a matter of missing dividends on mill stocks than concern for prevalent taste and manners.

Of course, we all know that in a synthetic age silk is a flexible term. All the silk worms since the days of Confucius could not spin the thread for the fabrics that the women of America require in their program of maintaining the preëminence of their charm. Back of every silkworm is a cotton stalk, or a fir tree, or chestnut pulp, or a chemist in a laboratory. Generally speaking, however,

the fabric in the sheen is the same at bottom as that which used to produce the print calico the country store used to retail at five cents the yard.

In other words, this present age of silk is nothing more than "King Cotton" at a masquerade ball. He's the same old fellow. He's our oldest inhabitant, our best friend.

I bring you no news when I mention the textile depression which turned the grandmother who wears silk stockings to an advocate of cotton wear for her sisters. I tell even less than that when I refer to the well-known fact that the women are going to be the judges of what they wear and buy. There is just one thing for the textile industry to do about it, and that is to give the women what they want. Sometimes a man will buy an unbecoming hat because the merchant is his personal friend, but never so with a woman.

Textile manufacture in North Carolina still is our greatest industry. It has been closely pressed, so far as the value of its produce is concerned, by the manufacture of tobacco.

For instance, in the year 1923, North Carolina took a cotton crop of a value of \$157,080,000, and before our mills were through with it had turned out manufactured products valued at \$229,670,691. But in the same year it took a tobacco crop of \$81,144,000 and produced from its products almost equal to the output of our cotton mills, of \$214,830,348. Think for a moment on these figures and you will see that manufacture of raw tobacco of about one-third the value of raw cotton brought in the manufactured state a price almost equal to that of the goods which represented our economic use of our cotton fields. Why are we not establishing as much difference in value between the pound of cotton we gin and the pound of cotton as it comes in goods from our mills as there is between the pound of tobacco on the warehouse floor and the same weed when the factories of Durham and Winston-Salem have placed it before the customer?

This question is asked in no fault-finding spirit. He is a man lost to the facts and lessons of history who will not concede that the industrial progress of the State, its present high rank in the company of commonwealths pushing toward their stars, is based on the genius of a scattered company of textile manufacturers who, with small capital, with untaught labor, but

with a splendid confidence took the only thing the State had—which was cotton—and on it builded the upstanding empire which is our State of today. These men did in poverty with their staple what an organized England in its richness had been doing with the material the South had furnished in the raw state. They began the logical process of manufacturing the product on its home ground; of saving profits of handling and manufacture to the land that produces the material; of demanding from competition the natural rights and advantages incident to the source of supply. In the world of industry, England, whatever its future may be, will remain the example of the great principle of making marketable to the ultimate the raw material. England imported it perforce. We had and have it. Our next step is to see that in the refinements of manufacture—in the quickness to see new demands, to fathom new styles, to please the fair sex, if you will—we shall live up in modern conditions to the acceptance of competition which our pioneer textile manufacturers initiated and enforced. Here in Charlotte, you have the example of a modern city with so many diversified industries that it is stamped with permanence. But what does industrial Charlotte trace back to except its pioneer cotton mills? All through Piedmont North Carolina towns and cities have a like genealogy. The manufacture of textiles in a large measure built modern North Carolina. It made possible its schools, its educational revival, its roads, its institutions, its cities, its wealth, vigor and happiness. It were a sad thing should this great benefactor in industry become feeble.

I have no such fear. Cotton and cotton manufacture are chief actors in one of the fiercest competitive wars in history. What England did for generations in the world market, New England has been attempting to do in the market of the United States. New England in textiles was laps ahead of our start. For years we sent her raw material only. Then we began to save her first processes of manufacture. Our yarns went into her cloths. She collected dollars where we found dimes. Our rough fabrics she bleached and printed. Our cotton became her mercerized silk. But we have been learning. It is now our rôle to put into practice the knowledge we have acquired.

It is a recognized fact that, in the depression which textile mills

have been suffering, those suffered most whose products represented the least mutation from the raw to the finished products. Yarns and other unfinished goods of all sorts, whose markets are in a large part those in which the buyers are manufacturers who carry the process farther, have felt the depression acutely.

Mills, on the other hand, which have specialized in the higher grades that sell for a higher price have managed to keep their heads above water and to keep away from the red ink side of the ledger. Which is to say that cotton manufacturing in North Carolina has taken the first step and is now ready for the second, which is the establishment of a textile economy to produce in the finished state anything that can be made of cotton. Whether it be to meet the new demands of fine fabrics, of bleached cloths, of mercerized goods, we have not done the most with our cotton crop and our manufacturing opportunities until we have spun and woven and processed it in the forms the ultimate consumer is most eager to obtain and to pay for.

The textile industry in the State can count for its future upon three vital and compelling factors, two of which might be termed moral and one physical.

First, the tradition of the pioneers who had the genius to perceive an industrial future for an agricultural people, and to risk their lives and what little capital they possessed or could command to bring it to pass. Present-day industrial North Carolina is the answer of the dreams their work made true.

Second, the adaptability of a native labor that had the power to learn, the capacity for skill, the imagination to succeed and prosper. Ninety per cent of New England labor in textiles is either foreign born or the children of foreign born. Ninety-nine per cent of our labor is of old pioneer stock, assimilated and Americanized, contented and ambitious as it obtains its fair share of common benefits. We cannot set any pattern that this self-respecting labor cannot learn to fashion.

Third, climate and living conditions featured by space and air and comfort away from slums and congested quarters of cities and settlements, and from the point of view of manufacturing economy the asset of hydro-electric power, already a tremendous asset in the life of the State and destined to double and treble its capacity within the next few years. In developed

water powers, North Carolina has for years ranked as the fifth state in the Union. With over 550,000 installed horse-power, an annual output of a billion and a quarter hydro-electric kilowatt hours, it is not surprising that we are on the heels of Massachusetts as a textile state or that the New England cotton mill industry is gradually seeking to change the base of its operations to the South.

Great as this development of the economic principle of "white coal" has been, there is even greater promise in those sources of power which are as yet untouched.

Successful industry, after all is, of course, a give and take proposition, a battle of enterprise, of equipment, of supplies and strategical position. Particularly in textiles, the competition is of the kind that shows little quarter. And in textiles the heavy artillery is power, and the modern power is that inexhaustible energy of the flowing stream—that works quietly of itself day and night and in and out of season, that is self-renewing, unimpaired and not subject to strikes. In power we have gained a headway already distinguished for its results in expansion and economy, and in power we have a future which makes it certain that any period of depression will be only an incident in our industrial life.

What the State as a governmental agency can do in fairness to invite the capital we need to supplement our own over-active dollars; what it can do to call the attention of the world to our opportunities and to make available the data of our resources; especially, whatever it can do to promote the development in the fullest degree of public usefulness of the power streams that are the very sires of industry, I pledge you it will be influenced to do to the extent of my authority and ability.

It is, however, vital that we do not in this movement take pause, and that we do keep step, and step ahead.

We have in whole an industrial plant of amazing potentiality and variety.

It is for us to see that what the world wants—be it silk, or what not—we shall provide in finished form in our own mills, instead of marketing our raw materials abroad, where the foreign merchant is enriched by the processes of converting and selling them to the ultimate consumers throughout the world.

WATER POWER DEVELOPMENT

ADDRESS* TO THE ASHEVILLE WATER POWER
CONFERENCE, ASHEVILLE, N. C.

OCTOBER 2, 1925

I regret that engagements make it impossible for me to be present in person at a conference which I am convinced is pointed toward a realization of hitherto undeveloped resource that in the next generation will not only make over our mountain section but in material fashion work an advance of a revolutionary character in our State as a whole.

The facts are that there are in Western North Carolina streams of potential waterpower promising a development of some 1,500,000 horse-power.

What does that mean in terms of capital investment?

One hundred dollars per horse-power or a billion and a half adequately to utilize your streams.

Yet experts who know tell me that for every dollar spent in harnessing a horse-power on a stream, there is called for ten dollars expenditure in the industry necessary to put it to work.

I am speaking, of course, in terms of the future, but this conference in which you are to get a vision of Western North Carolina water power contemplates a billion and a half investment to get ready to do business, ten billions in equipment to operate, and a transformation in the creation of towns, cities, industrial communities, trade, commerce and population incalculable in significance.

In the Piedmont we have seen a miracle develop in less than a generation through the one industry of harnessing water power. There is along one North Carolina railroad what is almost literally a street of factories over twenty miles long. The little cities for which our State is famous blaze up at the traveler over our hard-surfaced roads, so many high lights in our spread of business and prosperity. He is utterly without imagination who can pass one of these thriving settlements at night and not thrill at the thought of the silent power coursing through the wires from some distant

*This address was not delivered in person.

stream which once lost itself impotently in the sea. Think of the age-long time in which this energy went silently to waste. Better, think of the perpetuity through which it is destined to serve men and to liberalize and quicken their life!

In the State as a whole we have put to work some 500,000 horse-power in the production of electric energy.

In Western North Carolina you have approximately three times that energy awaiting equipment for your service. Think of the transformation that the half million harnessed power has worked and you will get a measure of the possibilities with which you are dealing when you come to consider and survey the future that awaits your section when once you have tapped the resources of your streams' momentum.

For the first time, at this meeting, you are to have something in the nature of a practical and scientific statement of what this power—this energy—can be made to mean in terms of industry. We have not, I think, fully appreciated the enormous value to the State of what is known as the Tennessee River survey, in the prosecution of which the federal government is spending \$350,000 in order to plan for the development of the Tennessee River basin and its tributaries. What is this "basin?" It includes the course of the Tennessee River, which, beginning at Knoxville, is 650 miles long, passes Chattanooga, crosses Northern Alabama, touches a corner of Mississippi, flows northward across Tennessee, through the western end of Kentucky and empties in the Ohio. Its sources are the Blue Ridge Mountains of Virginia and Tennessee, but four of its most important tributaries are in your own mountains of Western North Carolina. The French Broad, the Big Pigeon, the Little Tennessee and the Hiwassee rivers are essential parts of this tremendous terrain to the discovery of whose physical assets our government has set its hand.

Major Fiske will present to you some of the details of plans which have been worked out in a survey of the North Carolina rivers and streams essential to the economic development of the Tennessee River basin. The reservoirs which will hold the waters which now spend themselves without economic return will be suggested. The industrial possibilities growing out of them will be apparent. The regulation of stream flow which

would result will appeal to the imagination of a people just emerging from the hardships of an epochal drought. The Tennessee River basin has been mapped. Airplanes have flown over the mountains taking pictures. Engineers have examined your streams with the eye single to their employment as conservator of a great new river system. Dam sites are suggested and economic factors taken into consideration. You are to have a spread of scientific information about what is your very greatest asset.

This is a conference. No plans of such magnitude could be fixed or accepted in the first instance. There are scores of problems which must be considered. We cannot, for instance, imagine a great lake extending from Asheville to Hendersonville without counting the objections that run with the benefits. We cannot think of filling a valley with water without counting up the costs in the resulting inundation. Here, however, is a great project in which we as a state and people are vitally interested. We must examine it carefully but hopefully with open eyes. The government is giving us what we have. Very largely, it will depend on our own capacity for vision and enterprise what we do with it.

My own reaction to the Tennessee River survey is that we are peculiarly blessed in the opportunity to have presented data which we could have collected for ourselves only by infinite labor and expense. I consider that we have here a unique economic opportunity.

In the treatment of water powers everywhere we need most of all their development in such a way that this enduring and self-renewing source of energy shall be availed of to the utmost. The data which Major Fiske has collected for the government is not only an inspiration to business and industry and a guide to investment, but it should be the basis of a considered and helpful policy on the part of the State to making every potential water-power an actual factor in our industrial life.

NORTH CAROLINA EXPECTS ITS UNIVERSITY TO FURNISH CONSTRUCTIVE LEADERSHIP

ADDRESS DELIVERED AT THE SEMI-CENTENNIAL
CELEBRATION OF THE REOPENING OF THE
UNIVERSITY OF NORTH CAROLINA AT
CHAPEL HILL, N. C.

OCTOBER 12, 1925

This semi-centennial celebration of the reopening of the University, after the fateful periods of the Civil War and Reconstruction, recalls very vividly to our minds the unfortunate experiences through which the sons of the University and all the people of our State had just passed. The most terrible civil war in all history had ended, the heavy loss of life and property and the unhappy outcome of the terrific struggle had left everyone bewildered in mind and broken in spirit. Then followed a period of reconstruction, many aspects of which were worse than the war itself.

When local self-government and tranquillity were finally restored, it was natural to suppose that education and the arts would be entirely neglected for a time; that all the energy of the people would be necessarily concentrated upon the great task of rebuilding our industrial system; in allaying the passions and prejudices engendered by the war, and in accumulating sufficient material resources to supply the ordinary necessities of life, until complete rehabilitation of our social and industrial systems could be effected.

Our people were then too poor to supply the funds for an adequate system of public education. Notwithstanding these disheartening circumstances, the University was reopened in 1875 because there existed then, as there had always existed, a firm determination on the part of our people to establish finally an adequate system of public education with the University as a cap-stone. No finer or more worthy tribute to the temper and character of our citizenship could be imagined than this: as soon as the semblance of self-government was restored, the first thought of the people was the rehabilitation of the State's

educational system which meant the reopening of the University as the prime factor.

As a part of this aftermath of the war, many problems of economical and social readjustments, the natural products of every abnormal upheaval, began to press for solution. The University did not fail the State in this great crisis, but constantly supplied the wise counsel and safe leadership which enabled our State to pass successfully from that troublesome period down to this new era in which we see the unmistakable evidence of unprecedented prosperity and development on every hand.

No lover of education, for example, can ever forget the educational reawakening which took place in our State twenty-five years ago under the matchless leadership of Aycock, McIver and Alderman, all worthy sons of the University.

Today, I cannot help but feel that we are in the midst of another epoch in the life of both this University and the State it seeks to serve.

For in this decade, following another great war, the greatest conflict of all time, the state of North Carolina is faced with problems of change and readjustment vastly greater and more portentous than those growing out of any local conflict.

May I, therefore, summarize, as briefly as I can, some of the things that the State expects of its University in the period which lies ahead.

In the first place, I believe that the State expects its University to supply the sound and constructive leadership necessary for the continued development and advancement of our system of education. Education like every other great force in life is a matter of growth. Its development is often retarded for the moment by social and other underlying causes. While our people are justly proud of what has already been accomplished in the expansion and development of our educational system, they are determined to press steadily forward until the citizenry of North Carolina enjoys as good educational advantages as can be found anywhere. This attitude of our people, after all, is the best assurance of continued educational progress. In this connection I should like to recall the sentiment so well expressed by the celebrated Scotsman, J. M. Barrie, when he said:

Mighty are the universities of Scotland and they will prevail. But even in your highest exultations, never forget that there are not four (Aberdeen, Edinburgh, Glasgow and St. Andrews) but *five*; and that the greatest of these is the poor, proud homes we came out of, which said so long ago: "There shall be education in this land." She, not St. Andrews, is the oldest University in Scotland and all the others are her whelps.

The people of North Carolina have said: "There shall be education in this land," and while we have set our faces resolutely toward the continued progress in education, let us not forget that the moral and religious character built in the "poor, proud homes we came out of," is the surest foundation upon which this University and the other institutions of higher learning in our State can build most securely for the future peace, happiness and prosperity of our people.

In the second place, the State expects its University, as the head of our educational system, to supply wise and constructive leadership in providing improved methods of government administration. The challenge of the future to every student of this institution, is the challenge of service—service to the State, either in the capacity of a public representative or as a private citizen. It makes no difference in which capacity you serve, so long as you serve well and faithfully.

In the third place, the State expects of its University social guidance. In recent years, society in its generic sense has become more and more a problem of civilization itself. We are no longer isolated rural communities, each member of which is bent upon his own little duties to the exclusion of the larger interests of the group; on the contrary, we are a large concourse of people with varying and often conflicting aims, imbued, however, with the prime determination of doing our part in building a larger and finer commonwealth.

It should be the aim of the University, as I see it, to aid the State in bringing about a more sympathetic understanding among the diverse elements in our citizenship; of harmonizing the discordant factions, if any exist, and of smoothing out by painstaking care and tactful treatment, differences of a social or of a religious nature which may threaten to disrupt the peace of our people and to divide them into belligerent self-conscious groups. In short, the State has a right to expect of its University full

support in all matters of social concern which may affect the peace, happiness, and prosperity of its citizenry.

Lastly, the State has a right to expect of its University moral, and intellectual leadership. To effectuate this, every bit of discovered knowledge, physical or metaphysical, must be put in practical, usable form and thus made a vital part of our everyday life. Progress in education, in social service, and every field of human endeavor, should be translated into elementary terms, so that such knowledge may become the common property of every intelligent citizen. The strength and power of the State University must always rest in its desire and ability to serve successfully the people of the State. This is the kind of intellectual leadership that should be considered the true function of the University.

There is always a close relationship between higher education and higher public service; therefore, in the readjustment of the State's finances; in the development of our resources to meet the normal growth in which we are all so vitally interested; in the solution of social problems which a complex civilization has thrust upon us as upon the rest of mankind; and in all matters which are necessary for the welfare of the people, the State has a right to look to the University and to receive from it inspiration and help.

The State owes the University the reciprocal duty of maintaining and supporting it in such full measure that it may successfully perform the duties I have just outlined and that its continued growth in power and usefulness may be steady and enduring.

To our visitors who have honored us by coming to felicitate the University upon this historic occasion, I wish to extend, on behalf of the people of North Carolina, the heartiest expressions of thanks and good-will. We are most pleased to have you gentlemen with us, because we know we are all working toward the same worthy goal: an educated and cultured citizenship serving successfully the larger aims of our State and Nation. I believe, as I am sure all of us believe, this to be the true function of a great institution of learning in a democracy like ours. I can assure you, therefore, Dr. Chase, members of the faculty and of the student body, that the State feels a very deep and abiding interest in this University. Your work here has become a

necessary part of the State's development, and the most humble citizen should feel an abiding interest in it, because it is a vital part of that intangible thing we are accustomed to call the State.

As spokesman for the time being of the people of the State, I wish to congratulate the University for its achievement in years. With all good citizens, I rejoice that it has grown old gracefully and vigorously.

And so we are happy today to respond in a very sincere way to the generous felicitations that have been extended to us, because we realize, as every intelligent person must realize, that a greater University means a more modern system of education, since a modern system of education is indispensable if our State is to attain the conspicuous place which her incomparable resources so justly entitle her to occupy among the great states of this Republic.

NORTH CAROLINA FARMS NEED DIVERSIFICATION

ADDRESS DELIVERED ON OPENING THE
STATE FAIR AT RALEIGH

OCTOBER 13, 1925

I have no doubt that many North Carolina farmers smiled broadly when they read recently that the cotton manufacturers were meeting to discuss the diversification of products too long confined to the yarns and the coarser grades of cotton goods. The North Carolina farmer has been listening to this kind of advice respecting his own activities for so long a time that he probably has a feeling akin to relief when he hears of other industries being fed out of the same spoon. But because changing economic conditions have made it imperative for our textile industry to do with its mills what the tiller of the soil has had held up to him as the only means for his salvation, it does not follow that the necessity is less insistent in agriculture because it has become more imperative in the case of the cotton manufacturer. Diversification in its broader aspects, the dropping of slipshod methods, the sheeplike following of the old custom of planting one money crop, the blind following of other wasteful precedents, is still the prime problem of agriculture. Its satisfactory solution

is more than ever a necessity when industry encounters the same problem in acute form; for as we become industrialized the farm more and more becomes a pertinent factor in a common equation.

In a day when it can be said that the country as a whole was never more prosperous, some few things stick out as prominently as a wart on a knuckle.

One is that due to economic conditions following the war and arising from it, agriculture is not generally prosperous in America.

Another thing is that other industry is, as a whole, in a prosperous condition, especially the labor which it employs, and that this prosperity in itself tends to increase the cost of farming, to limit the supply of farm labor and to emphasize a burden which the land must bear as a result of changing trade currents in the world at large.

Since industry cannot hope to continue prosperous over a long period without the essential markets for its goods which the agricultural population must supply, this relative poverty of land use has its distinct industrial, as it has its clear public significance.

In this readjustment of values and profits there is no question of mystery. It is due to a disarrangement of normal conditions in respect to our trade with foreign countries, to which in times gone we exported regularly our surplus of raw materials and farm products of all kinds. Formerly we exported to Great Britain, Germany and France the bulk of their food products, buying in turn their manufactured products. Since the industrial changes that were brought about by the war, we have practically ceased to buy manufactured materials from abroad; and foreign countries, their purchasing power weakened, have ceased to buy their food and meat products from us. Since the peace the great foreign manufacturing countries such as England and Germany have been selling their manufactured products to other agricultural nations, Australia, Canada, Argentina, and in turn taking their raw materials and agricultural products so largely as possible from the markets in which they sell.

In other words, we were thirty to forty years ago an agricultural and raw materials nation which imported the bulk of manufactured products.

Now, taking the country as a whole, we are a manufacturing nation and as industrialism has spread it has tended to restrict and limit our foreign markets for farm products and other raw materials.

The result is an over-production which is based on high costs incident to industrial prosperity and increased wages but which cannot command the prices dictated by the expense of doing business, if agriculture is to continue a paying proposition.

In this transition period, we must either reduce production or secure an increased foreign demand, for which, for the reasons stated, there is little hope.

The most promising, in fact the only, remedy is a substitution of agricultural products of higher grade in place of the low grade commodities and the marketing of our products in the finished state, the goal at which the textile industry is now pointing its energy and ingenuity, as well as reducing the cost of production relatively to the price at which the commodity is sold by more efficient methods of distribution. The basic cost in agriculture is labor, and labor is becoming progressively more scarce and progressively higher priced because of restricted immigration and other causes. It is manifest that in these circumstances there must be intensive return from all labor employed. The difference between the acre that produces a bale of cotton and the three acres that produce the same amount with three times the labor is the difference between economic independence of land tillers and bankruptcy.

In the case of corn, these high labor costs practically inhibit in North Carolina its production and sale at a profit in the raw state. But corn sold in Western phraseology "on the hoof," that is, in the form of hogs converted into meat products and cattle for the production of dairy products, promises a profitable return.

In the growing of cotton, again, it is a deplorable fact that mills which do make the higher grades are compelled to seek practically their entire supplies outside of North Carolina. The longer staple, the better grades necessary for this more profitable manufacture are almost wholly unavailable on our North Carolina farms, in spite of the fact that much of our cotton land is capable of producing them. In the Piedmont and other cotton growing

sections the longer staple of more tensile strength is not only a possibility but a duty, to be obtained by care in seed selection, by proper handling, by proper ginning, by reasoned and effective marketing. I have seen—and it is a frequent spectacle—scores of teams, two mules and two men to the wagon, waiting hour by hour their turn at a country gin, while the costs in equipment and labor ate up any hope of profit for the cotton when marketed. We leave our cotton in the weather, we bale it with trash, we permit it to be gin-cut, and for such higher grades as we grow there is no staple market, because we grow of these not nearly enough to create a stable market and supply the demand. For the most of the cotton crop which North Carolina produces, there is such treatment as has been bequeathed from the days of cheap store labor and from the regime of the shiftless tenant farmer. When we see the phenomenon of a 9,000,000-bale crop bringing more money than one of 14,000,000 bales, our answer is that we have employed a labor and expanded an industry that did not justify its cost. No better example than this could be had of the truth that the hope of the cotton grower is to seek his profit in better quality, cleaner handling and more economic methods of intensive production.

What is true of cotton is more markedly true of the other great staple crop—tobacco. This is the aristocrat of our crops, calling for knowledge, experience and intelligence in high degree in both the production and marketing processes and repaying the application of these qualities in liberal fashion. We have the soil and climate to produce the very highest grades of bright tobacco. Too often we produce as much as 90 per cent of the lower grades, which are sold for the most part in China and Japan. When these markets fail, from internal disorder or other causes, the bulk of our tobacco crop fails to bring a return sufficient to pay for the cost of production. Yet on markets glutted with low grade tobacco that brings an average of about 15 cents per pound, here and there will be found a farmer whose crop yields him an average of 40 cents or more. This is the result of anything but "luck." It reflects, on the other hand, the deserved profit of the intelligent and thrifty farmers who have studied their land and its capabilities, who have watched their cultivation, who have paid attention to proper curing and, perhaps, have had

the foresight and ability to properly grade their crop before bringing it to the auction floor. What these exceptional farmers accomplish could be made the rule instead of the exception if our growers of tobacco studied their business, knew what they wanted to do with their crop and worked intelligently toward that end. In no agricultural crop is the spread between the hit-and-miss method and intelligent production so great and the difference in price so marked as is the case between the low and the high grade of tobacco. And whether there is quality production or the meagre return from slovenly or thriftless methods is a matter for the most part dependent solely on intelligence in methods of handling on the part of the grower.

North Carolina farms, of course, need diversification in the usual sense of the word and need it badly. Our State buys annually some \$250,000,000 of foodstuffs from abroad, practically every dollar of which should be saved by the growth of these commodities and products on our own land. Every North Carolina farmer that buys corn or hay commits economic waste. Recently I have seen California peas, practically the same as native varieties with which our native vines were loaded, selling in small measure on North Carolina markets for \$6.00 a bushel. Our soja beans, sold for two and three dollars a bushel, come back to us in "pork and bean" cans at a cost that would seem fabulous if we could calculate it. In many prime trucking sections our farmers are still depending on staple crops which they produce at slight, if any, profit, and neglecting their major opportunities. Again, many products pass from the farmer to the commission man for negligible prices, to be resold on other markets for many times the amount of their purchase cost in bulk, simply because the farmer has not provided himself with effective means of marketing. But this diversification, if we think of it, is only a part of the principle of treating the farm as a business and, if it doesn't pay with one treatment, seeking for it the treatment that will pay.

We all know, in every community, some farmers who seem to have a kind of magic which enables them to maintain a relative success and security, regardless of bad seasons and price depressions. It is often a very simple wizardry, such as any good bookkeeper or thoughtful executive could explain; a simple

planning for results and study of costs and regard for experience and knowledge of conditions. Sometimes this may be instinctive in the man, but the principle is there and it underlies his action.

How can we reach the average farmer on whom the prosperity of all of us depends to give to his most important work the attention, the care and the analysis that are necessary in any other business? We may answer that education is the real remedy, but we have then to encounter the human equation of getting a great and important part of the population to accept the instruction necessary. Government agencies, direct or indirect, may and do make available for all who will study and learn the principles and the knowledge of soils, of cultivation, of farm methods and economy and of profitable marketing which are essential to produce the better product and obtain for agricultural effort an equal return when compared with profits accruing from other industry. Agricultural colleges can and do teach these methods and give instruction in the application of science to the soil. We are every day acquiring a more and more complete understanding of agriculture from the point of view of production, but how far we have advanced toward winning the average farmer to take advantage of this knowledge is problematical.

For this lack two things are perhaps responsible. One is that the average farmer for one cause or another is a poor reader. We know how hard it is to get the farmer interested vitally in the meetings and teachings and demonstrations which the government provides at great cost for his benefit. Another thing is that the farmer is an individualist—a fine and proper quality in itself but one that has its drawbacks when it is applied to a pursuit which is in natural competition with every other trade, calling and industry—all without exception more and more highly organized. No legislature, no governmental agency, no practice of “cussing out” the buyer of his products, no good-will and respect for the farmer is going to help him greatly until he decides to help himself. He can do that only when he learns his situation, takes account of his disadvantages and realizes his opportunities to improve his methods, by thinking and acting in his own interest as his trade competitors do.

I do not hesitate to say that if this difficult interest is ever

captured, it must be through the schools. In some way we must work back through the rural schools as community centers which the interest of the child establishes to the parent whose chief concern is in the mental and material advancement of this same child.

We may thus plant information in the homes as we arouse the curiosity and satisfy the inquisitiveness of the child. I believe the radio can be made to serve this elusive end. The result must come in time, if our farmers are to survive and keep pace with the ever advancing scale of wholesome living. How to hasten it is a problem that I, as governor and as a farmer myself, invite the aid of the whole people in solving and I welcome their thought in suggesting and testing its solution. It is only as the farmer comes to think of himself in business and to use business methods in his daily tasks that the people as a whole, in industry, trade or the professions, will remotely approach a proper use of and profit from our State's rich endowments. A prosperous agricultural industry is the prime necessity not only in North Carolina but in America today.

NORTH AND SOUTH CAROLINA FREE FROM LABOR DISPUTES

ADDRESS DELIVERED BEFORE THE BI-STATE ASSOCIATION
NORTH AND SOUTH CAROLINA BROTHERHOOD
OF RAILROAD TRAINMEN AND LADIES
AUXILIARY, CHARLOTTE, N. C.

OCTOBER 21, 1925

I count it as a very fortunate coincidence that I have had intimate experience with railroad workers and such close association with those who operate railroad trains that I can appreciate their problems and sympathize with them in their interests and their aspirations. I built, and for fifteen years operated, a small railroad in North Carolina, and this with other contacts which I had brought me in the closest association with railroad employees generally. I can lay claim therefore to some degree of knowledge, growing out of both observation and experience of the men who operate the trains, who watch the tracks and yards,

and who, in both high and lowly positions perform their all-important work of safeguarding the lives and property that constitute the tides of travel and commerce which ebb and flow through our great arteries of transportation.

When the invitation to address you was extended to me, I gladly accepted, notwithstanding the fact that it imposed upon me quite an effort to come to Charlotte in time to speak before this body and return to Raleigh to fill an important engagement which I have this evening.

I have come therefore to speak to you in a rather informal way in order that I might have the opportunity of greeting you and expressing to you in person, the real sense of fellowship and brotherhood I feel towards you and your organization.

At the outset, let me say just a few words by way of commendation of the Brotherhood of Railway Trainmen. In summarizing the purpose of the organization, I can do no better than quote from one of your own authorities: "The Brotherhood of Railway Trainmen is maintained for the purpose of promoting the general welfare, social, moral and intellectual interests of its members and through their united action to be able to protect its members in their employment and when disability or death occurs to care for the dependents of its members." These are the altruistic principles of true fraternity. The fact that your organization comprises practically 180,000 members, carrying over \$300,000,000 in benefit insurance; that it provides for not only death benefits, but disability insurance and pensions, and that it has paid out \$65,000,000 in claims since its organization, is ample proof that it stands in the very forefront among the great fraternal organizations of the country. You have every reason to be proud, and I am sure you are proud of this record of philanthropic and constructive service.

From my rather intimate acquaintance with the general character of the Railway Trainmen in North Carolina, I am very sure that the personnel of your organization in this State is of a very high class. They have so developed their efficiency and so maintained their independence and self-respect as to justify the confidence of their employers and of the people generally. Engaged as you are in an employment of paramount national importance you have believed in and have taken pride in the

value of your work to such an extent as to increase very greatly the pecuniary value of your services. It is because you and your co-laborers in railroad service have been actuated by the high ambition to exalt railroad labor and claim for it adequate reward that the operation of the American railroad has become one of the wonders of the world. In the higher standards which you have established for yourselves, you have utilized your talents in the way that the sacred parable teaches that one's talents should be used. Partly as a result of your effective service, the railroads have been enabled to increase the volume of their traffic; not only gross revenues, but net revenues have risen and the great railroad industry of the country is now more prosperous than at any time in its history.

It should not be forgotten that you and other railroad employees have contributed in no small way to the new stability and sounder hope for the future in which the railroads find themselves.

There is also another aspect in which you have contributed to the sum total of the benefits accruing to yourselves and to the public you serve. I refer to the part you have played in demonstrating the results which skilled labor can achieve under modern conditions; and how effectually it can contribute to the general welfare of modern society.

There was once a tradition, if not a definite belief, that the kind of labor in which you are engaged—the labor that demands overalls and greasy hands—was in some necessary sense too menial to be engaged in. There was manifestly a rather hypocritical attitude concerning manual labor which is best expressed in the fact that every man approved of it highly except for himself and his own family. Happily this attitude has long since changed. Today, honest manual labor is exalted everywhere; it is conceded to be the source of all wealth and without it the world could not live nor could industry perform its miracles.

Skilled labor at the present time is generally productive and prosperous and considered in terms of pecuniary reward in a far more fortunate position than clerical and professional employment.

In this superficial comparison, it is well to remember that the true distinction between the labor of one man and the labor of another is not so much in the task at which it is directed as in the

force, skill and intelligence with which the task itself is performed. The railroad executive is quick to admit his absolute dependence upon reliable skilled labor for the operation of his lines. Intelligent trainmen know that the force behind the great trains they operate is the brain of the executive and the money power of the investor.

In this day honest labor, whether purely mental or wholly manual sympathizes with the demands of the hour that work must be well done, and whether the tool be a pick or a pen, a railway switch or a typewriter, the driving force must be an active intellect reinforced by a high resolve to serve faithfully and efficiently.

We often speak of the "dignity" of labor, but it is only as labor becomes skilled and intelligent that it can be correctly called dignified.

I have no inclination to discuss on this occasion the age-old contest in which there is apparently every sign of final solution—the conflict between labor and its employer.

The railroad brotherhoods have done their part towards bringing about common understanding and concord between these two necessary allies of progress just as they have done much to tear down the false barriers which once attempted to place labor in a subordinate position in our common life.

I can say not only with frankness, but with genuine pleasure, that the people of North and South Carolina have been peculiarly blessed in that there has been an absence of serious conflict between employers and employees. We have been singularly free from riot, sabotage, sedition and injunctions in labor disputes.

At times we have seen labor militant and set in its determination, but the battle has usually been one of opinion, always stopping short of real lawlessness. I believe that the prime reason why we have had so little of serious conflict has been due to the homogeneity of our people. Almost our entire population comprising as it does both employers and employees are native born. Our labor is generally characterized by the enduring qualities of life—honesty, friendliness, morality, religion. There is a kinship between our people whether they live on the farm, in our cities, or in our railroad centers, and there are ties of understanding and sympathy which bind us together in a

common brotherhood no matter what may be our occupation or particular calling. These are the real qualities that make for peace, coöperation and stability and enable us to contend with each other in friendly rivalry, without forming ourselves into self-conscious combative groups.

To you and others who comprise the great army of employees in railroad service, we owe much for bringing about and maintaining these pleasant relationships. A generation or so ago, your ancestors were found among the men who laid the rails that spanned the Carolinas and made over these two old commonwealths into empire states, full of hope and industry. Your brothers in the spirit made up the train crews that linked the mountains to the sea and transformed the Carolinas from a state of isolation into the great industrial areas we see today.

There is another important aspect of your service, I should like to call pointedly to your attention. No class of workers carry such grave responsibility as you who man our railroad trains. You have constantly in your care the lives and property of a large part of our population, as you at top speed, maintain through the day and night, your endless processions of passenger and freight trains. I never enter a pullman berth without thinking of the great engine rushing through the night carrying its hundreds of passengers asleep in confidence and contentment, because of the faith in the reliability of the engineer and the crew, and the watchfulness of the signal men and the far away train dispatchers. In the bobbing lanterns of countless humble track walkers, I often wonder whether it is possible for us to grasp the full significance of their responsibility. I wonder if you who constitute the most important factor in the entire equation—that is, the factor we call the “human element,” realize that after all, we must depend upon the skill, the courage and the conscientious devotion to duty of the trainmen who guard and protect their sacred burdens of human life until the great machine they drive, panting as with human effort, comes safely to its journey’s end.

When I remember the record the trainmen have made in the performance of their sacred duty in the past, I always feel confidence and genuine reassurance. I have found them in the main

strong in mind as well as in body, alive to their responsibilities and faithful to their trust.

As spokesman for the time being of the people of North Carolina, I have come to express to those of you who come from our sister state as well as to those who contribute in such full measure to the life and character of our own beloved Commonwealth, our heartiest greetings and good will.

THE NEGRO AN IMPORTANT FACTOR IN THE INDUSTRIAL AND COMMERCIAL LIFE IN AMERICA

ADDRESS DELIVERED AT THE NEGRO STATE FAIR,
RALEIGH, N. C.

OCTOBER 22, 1925

There is no longer a real race problem in the South. It exists only in the minds of those, white and colored, who are seeking selfish advancement; who are trying to intimidate others, and have no better weapon than the cowardly appeal to racial prejudice and racial antipathy. When some marplot attempts to discuss the matter it is better to ignore it entirely. The only real "race problem" of the Negro race is the same problem as that of the white race or any other race—the earnest effort of the leaders of the race to lead their people into realms of better citizenship. That is the problem the solution of which is the aim of every forward-looking citizen, be he white or colored. In its more serious aspects, therefore, the problem is not social but economic.

The Negro has become an important factor in the industrial and commercial life of America. They own property in the United States today valued at more than two billions of dollars. In North Carolina alone the tax returns of Negroes who hold property are no mean consideration. Persons who have lived out of North Carolina for the past decade and have recently returned have remarked on the apparent and remarkable prosperity of the Negro element in our population.

The Negro is a most valuable element in our population because he controls our labor supply, in the agricultural districts especially. Here in the South his coöperation is vital, if not essential, to our agricultural advancement. The use made of this tremendous power—the supply of farm labor—will depend upon the coöperation and sympathetic consideration of the leaders of both races.

It is my duty and yours to do all we can to bring about a better understanding between the two.

It is a most significant fact that the patriotism of the American Negro has never been questioned. There are no specious political sects and revolutionary cliques among them. This cannot be said truthfully of many other racial elements in America. Bolshevism and dual allegiance are unknown among Negroes because they are born and bred in the truest and finest of American principles. Their faith in America cannot be shaken. They know too well that their own happiness and prosperity, as well as that of every other citizen, are due to their adherence to true American ideals.

No race in the world's history, starting under such a great handicap, has ever made the social, industrial and intellectual progress that even approaches that of the Negro race. In the bonds of slavery—nothing more than chattels—a half generation ago, the race is today an important and valuable element in our civilization. How we are best to contribute to the continued advancement of the Negro is, I think already in the process of development. Here in North Carolina and the South we, the white folks, are quickly coming to a proper appraisal of the Negro's part in our growth. We are acknowledging his worth as a citizen, his spirit of coöperation, and his vital contribution to our industrial progress.

I think I perceive a very hopeful sign in the attitude of our people toward the Negro. The white leaders in the South today are earnestly seeking to offer him coöperation, counsel and direction. They want him to feel, I believe, that since we are of the same section and of the same civilization, our problems are not antagonistic but mutual. We can have no real progress in this State or any other Southern state unless we reckon the Negro as a vital element in our economic life. His destiny and ours are inseparably linked.

We have spent and are spending millions on the education of the Negro and practically all of this money is furnished by the white people. They contribute large sums willingly for the education of the Negro, because a government of white men in North Carolina knows that so long as the Negro is ignorant, so long as he is wasteful and inefficient, just so long will the State be the loser on account of the failure of the Negro to make his full contribution to the advancement of the general social and economic structure of the State. I have often felt and still feel, that we have made a mistake in our failure to pay more attention to the vocational education for the Negro. We have given him instruction almost entirely along academic and theoretical lines, placing special emphasis too much on subjects which are irrelevant to his needs and paying too little attention to the vocational training in those matters which will confront him in practical life. There are many industries in which the Negro is particularly capable, the principles and practice of which might profitably be taught in the schools. Because agriculture is our basic industry in North Carolina, and also because the Negro is generally engaged in agriculture, agriculture should receive preferential consideration in every system of vocational training for the Negro. He should be taught in the fundamentals of farming and of stock raising, because once these principles are founded in the mind of the Negro adults and Negro children, it will result in their advancement as citizens of our State. Hampton Institute and Tuskegee have become leaders in this practical phase of education. While these institutions do not fail to encourage and fit for higher positions by teaching academic courses, the first consideration is to teach every student some vocation and thereby develop in him the natural quality and ability which he can employ in order to make of himself the most useful citizen.

From my long experience with and observation of the Negro, dating back to my early boyhood, I am thoroughly convinced that one of the most serious drawbacks of the Negro is his lack of thrift. His faults are those of self-indulgence which is always accompanied by a spendthrift temperament. He finds it hard to visualize the future, so far as his needs are concerned. Too often he not only lives from "hand to mouth," but spends a week in advance of his work. He lacks, in a very marked degree, the

ability which the white man possesses of "laying up for a rainy day"—the quality of accumulation or planning ahead. This lack of thrift in a Negro, therefore, constitutes his greatest problem, a problem which will be solved only when the Negro better understands its urgency and attacks it with the fixed determination to solve it. It is this lack of thrift in the Negro race which helps to give North Carolina its high percentage of farm tenancy. I would not be understood in what I have said as failing in appreciation of the many instances of thrift shown by members of the Negro race. Many of you have shown the ability to compete, to acquire wealth and to raise living standards to a degree which will compare favorably with the most thrifty members of the white race. In what I have said in regard to lack of thrift I have had in mind the general rule applicable to the race as one large group and not to any individual member of that group.

Many members of your race have succeeded in the learned professions, they conduct sound business, they manage banks and financial institutions. Here at this Negro fair, we have abundant evidence of the long road that the Negro has traveled since he came empty-handed out of a state of slavery. I want you to know that the people of North Carolina are proud of your accomplishments.

I feel that the time will never come when your State with its government in the hands of the white people will fail to respond to your needs. But I know, as I am sure you know, that in the last analysis, your future destiny is to a large extent in the hands of your own people.

As governor of this State and for the time being the official spokesman of its citizenry, I want to assure you that it is one of my ardent desires to do all I can to bring about the general advancement of your race in every line of endeavor.

JAMES BUCHANAN DUKE HAD A VISION

ADDRESS DELIVERED AT MEMORIAL SERVICES TO
JAMES B. DUKE, HELD IN CRAVEN MEMORIAL
HALL, DUKE UNIVERSITY

OCTOBER 25, 1925

Not in many generations has North Carolina produced a man of more business acumen or broader vision than the late James Buchanan Duke. Such men are not everyday products. They cannot be forecast like the reappearance of some planet but develop in our midst unheralded; and, when we have analyzed their achievements, it would seem that they were given to the world to play a peculiar role in the age in which they lived. So it was with Mr. Duke.

North Carolina has produced many unusual men. Some have achieved distinction in this particular field or that and have occupied enviable positions, eliciting the admiration of their fellows. We have developed great leaders in this State, but the life of Mr. Duke represents an unusual growth and a remarkable development which few of our citizens have attained.

In most respects the boyhood of Mr. Duke was not unlike that of others of his age. He was a fair type of the North Carolina country boy who found himself struggling to combat conditions that followed the Civil War. His early home was the farm. However, if followed closely, this boy's struggles were unusual, not in themselves, but in the lessons they taught their combatant. Out of these struggles he emerged, the stronger to play the part in life that destiny had ordained.

Born in comparative poverty and without the advantages which wealth and high social position could give, but endowed with a native ability and the enduring qualities of life, he became a great captain of industry, who fought his way to distinction by sheer energy and an indomitable will to overcome obstacles. Uncommon business judgment was one of the first traits he developed and displayed.

The story of Mr. Duke's life affords a striking example of what the American boy with the right kind of stuff in him can attain.

He was not a theoretical formula but a vital, living specimen. He was not visionary but he had a vision.

It has often been said of Mr. Duke that he was not an educated man. I can hardly agree with that assertion. While it is true that he held no degrees, won no diplomas, pursued no advanced course in academic training, yet he had that form of education that teaches men to appraise, utilize and put into dynamic action material and spiritual values. Considering higher education in its broader aspects, therefore, I should say that Mr. Duke was a highly educated man. He possessed many of the qualities which only hard training can give.

First, Mr. Duke was a merchant. He understood fully the difficult technique of buying and selling to advantage, and that was one of the great factors that contributed to his early success. He was a great builder. No man could have built such great and successful enterprises unless he had possessed constructive ability of the highest order, fortified by a background of exceptionally broad vision.

I think, perhaps, that one of his most important traits of character was his capacity to lead other men into paths of great achievement. No man can win great success in life who does not have his councilors; he must be capable of calling into play the energy and skill and advice of others to succeed in business or in any other endeavor. Duke possessed this trait—this ability—to a marked degree. He was able to select the men who would enable him to translate his vision into actual accomplishment. As evidence of his capacity in this respect, we need only to call the names of his co-workers, not only in amassing the great fortune which he left but in administering that trust after his death.

While he was a great business man and money-maker, Mr. Duke was not content with that. He visualized needs on the part of humanity that would continue after he had passed on and sought to do his part toward supplying that need. So he did not stop with the building of great industries. He did not halt his endeavors when he had given the world the energizing forces of harnessed water power converted into electricity. These were physical things. He went further. He took observations of the future, realizing that humanity, to enjoy industry, must

have something more, something spiritual. His real passion, therefore, was based on spiritual values, as expressed in manhood and womanhood.

Unlike many others whose lives did not count for as much as did the life of Mr. Duke, he did not, when he had amassed his fortune, retire to a life of ease for the physical enjoyment it could afford him. His mind was fixed on higher things. He brought back his riches to his mother State and laid them in her lap with the provision that they should be used to bless and to benefit her children and children's children in the enduring things of life.

The material benefits of Mr. Duke's generosity are already apparent, but no one can visualize the benefits which he has bestowed on future generations any more than one can see in the tiny acorn the spreading oak, except through the eyes of faith and anticipation. The division of his munificent bequests—part for hospital work, the relief of suffering; and part for education, the growth of the soul, shows most eloquently what interests lay nearest his heart in the last years of his life. For the next hundred years—even longer—there will not be a citizen of the State, young or old, who will not feel the benign influence of his contribution to the great work of making North Carolina a better State in which to live.

As spokesman for the time being of the people of North Carolina, I desire to express in their behalf a deep sense of appreciation which, I have no doubt, they feel on account of the material contribution Mr. Duke has made to the State's growth and developments. And yet the work of erecting great power plants and other monuments to capacity, energy and industry, was secondary compared with what Mr. Duke did for the soul of North Carolina as expressed in its young men and young women, for whom he set higher standards in real Christian education—or with what he did for suffering humanity by providing the means for combating disease and alleviating physical suffering, even as that emancipation of the mind which comes from education affords the soul sweeter peace.

REFORMS MADE IN THE STATE ADMINISTRATION

ADDRESS DELIVERED BEFORE THE COUNCIL OF THE STATE
FEDERATION OF WOMEN'S CLUBS, DURHAM

OCTOBER 27, 1925

In organizations like this, particular attention should be given to training in the duties of citizenship—including the study of government administration. The problems of government have too long been left in the hands of the few.

Every citizen of the State is vitally interested in the manner in which the business of the State and its local subdivisions is conducted. One of the crying demands of the hour, therefore, is to evolve some plan whereby the average citizen can be induced to take a more active part in these matters. The need is particularly pressing in the case of the women who have only recently assumed the most sacred of all the duties of citizenship—that of the exercise of the franchise.

When I received the invitation from your president to address this very important organization of the women of the State and had given my acceptance, I asked for a suggestion as to the theme upon which I should address you. I was much pleased to have the suggestion that I should discuss some of the measures which I have been trying to put into effect in connection with the administration of our state government.

I shall proceed, therefore, to discuss in a rather informal way some of these measures.

During my pre-primary and pre-election campaigns and in my inaugural and other addresses to the General Assembly, I laid down the following program for the administration of the state government during my term, which I have often referred to as the fundamental tenets in my political creed:

(1) The General Assembly should provide a fiscal policy whereby current expenditures for the operation of the state government during the biennial fiscal period beginning on July 1, after the adjournment of the General Assembly, will be met by current revenues, collectible within the same fiscal period, thus maintaining the state government upon a balanced budget or fiscal period basis.

(2) The administration of the state government should be conducted along the lines of sound and constructive business economy; expenditures should be watched carefully and maximum service rendered at minimum cost. I conceive it to be the highest duty to see that the citizenry is healthy, happy, intelligent and productive; hence a comprehensive system of public education, an efficient program of health work, rural betterment; a complete system of highways, care of the afflicted, adequate law protection and the creation of sound public sentiment toward all matters touching the general welfare of the State, are all affairs of first concern in government. To see that measures designed for such improvement of the life of the citizenry as a whole are adequately met out of the State's finances is not extravagance; it is the only kind of sensible, constructive economy.

(3) Bonds should not be issued except for useful and necessary permanent improvements and provision should be made for the payment of the interest and amortizing the principal within the life of the improvements, out of current revenues.

(4) Every program of government expenditures, whether for current expenses or permanent improvements should be predicated upon the theory that the industrial resources of the State and the accumulated wealth of the taxpayers justify such expenditures. It is a fundamental principle in government economy as old as taxation itself, that taxes must be levied according to the ability of the citizens to pay. If taxes are too heavy, public service is first a handicap and then an intolerable burden, finally resulting in the destruction of the beneficent purposes for which government was created.

If these simple, yet fundamental principles are followed in the conduct of our federal, state and local governments, progress will be steady, sound and enduring. I have been trying since I became governor to translate into action the pledges I made to put these policies into effect as far as they relate to our state government. I earnestly covet your help and coöperation in this task.

DURHAM MUST DEVELOP WITH DUKE UNIVERSITY

ADDRESS DELIVERED AT THE BANQUET OF THE
DURHAM KIWANIS CLUB, DURHAM, N. C.

OCTOBER 29, 1925

I have always felt a peculiar pleasure in visiting Durham because it is associated in my mind, as it must be in that of every man conversant with the history of our people since the Civil War, with the spirit of independence and self-reliance that has flowered in the industry which has opened the door to opportunity and expression on the part of our people.

It is not too much to say that Durham first gave to the tobacco industry its permanent status as one of the prime sources of agricultural and manufacturing wealth in the South. Its pioneers, the Dukes, Blackwell, Carr and others, ventured into new fields and bequeathed a primacy in the world in a resource that gave hope and realized it for thousands. In those brave days Durham was inspirational to a breed of young men of energy and vision, who worked mightily with pride in their town and confidence in themselves. This, your community, was one of the very first places in which the phrase, "The New South," found justification in deeds.

Today, Durham is at the threshold of another and an even more significant future than that which made your city an example of industry. It is becoming that one of the great pioneers in your industrial life should have made possible the educational nucleus which he has so magnificently endowed.

It was a part of the genius of the Dukes that in bringing Trinity College to Durham more than a quarter of a century ago, they should have seen that what they had done for you materially needed the complement of spirit and culture which only a great educational center of liberal thought and learning could supply.

Durham within the last few weeks has been in the eyes of the world because of the princely gifts to Duke University expressed in the Duke Foundation and the provisions of the will of James Buchanan Duke. Perhaps this is the greatest donation ever given to such an institution. At any rate it is of a magnitude whose effects no man is today wise enough to prophesy. All

that can be said with certainty is that it marks the beginning of another great era of expansion, both on the part of your University and your city. It means the broader, fuller, and comprehensive life possible only to a community in which every human aspiration, whether of trade, commerce, science or learning, will be within the scope of natural ability and human effort.

In this future I see the state of North Carolina as a distinct sharer in your peculiar benefits. Duke University cannot expand as it will without a consequent expansion of Durham along many lines hitherto untried. It cannot send its impulses out through our people without their being reflected in our State as a whole. It cannot educate and equip a single boy or girl, whose influence will not serve to raise the human equipment of North Carolina.

Especially will those provisions of the endowment which provide for medical instruction and hospitalization prove a boon to our State. They will provide the scientific instruction in the methods of modern health and in the means for alleviation of diseases and suffering which every community feels the need of more severely as it comes to appreciate what that need demands. They will provide a means of mercy to actual thousands of the suffering and will promote for all time a sounder standard of sound living of infinite value.

A word about a species of thoughtless hysteria which has afflicted some few individuals. These fear that in some way the excellence of the equipment of Duke University may work harm to the University at Chapel Hill, the State's central institution of higher education. Their fears, we know, are groundless. North Carolina has been liberal with the University, to the extent of its resources and ability. It can and will be liberal in the future. But anyone who has studied the educational situation in our State knows that in higher education there is no room for a spirit of captious competition. Every college, denominational and otherwise, is overrun with applicants for admission. High schools are sending out 10,000 graduates a year. The University is growing beyond the capacity of its enlarged buildings. There is room for all the denominational colleges, for Duke, for the University, and for other institutions yet undreamed of. In your natural pride and pleasure at this great gift you need not feel that there is room for any intelligent

jealousy arising from your good fortune. Our expanding public school system demands teachers, trained men and women. They must come from our institutions of higher education. Duke University has a magnificent opportunity for State service in helping to supply this imperative demand.

Mr. Duke outlined to me a few months before his death his guiding motives in connection with Duke University. If his purposes are carried out, as I have no doubt they will be, the result can be only a general advancement in education and culture of our people as a whole, and a relief of the sick and suffering in line with the teachings of Christianity.

As for the University of North Carolina, it will live and grow in the next century as it has lived, survived and expanded in the last century and a half. The State will see that it holds its place among the great universities of the country and it will not suffer because other institutions expand and prosper.

IMPROVED METHODS IN STATE ADMINISTRATION

ADDRESS DELIVERED AT THE NINETEENTH ANNUAL MEETING
OF THE ASSOCIATION OF LIFE INSURANCE PRESIDENTS
IN NEW YORK CITY

DECEMBER 3, 1925

I want to say at the outset that I feel it is a very distinct honor to have the opportunity to address this body of distinguished business men. I say "distinguished" because I realize that you are in charge not only of one of the great business activities of the world, but that you are in a very real sense public servants as well. The business that you are engaged in is very distinctly impressed with a public trust.

My Scottish friend (referring to the chairman of the meeting), was very generous in his reference to me. I am going to tell it on him—perhaps all of you may not know it—that while his name may not appear to be as distinctly Scottish as my own, he is a Scot, an Ulster Scot. I only have the advantage of him in one respect. That is that I am Highland Scotch on one side and Ulster Scotch on the other.

That reminds me of a little experience I had a few years ago in New York. I was stopping at the Vanderbilt Hotel. I stepped out in front of the hotel, and a man, a perfect stranger, came up to me and looked at me rather carefully and said, "Stranger, I wish you would lend me a dollar." I looked at him and he looked like a perfectly healthy specimen of manhood, robust, and I saw from the papers that there was plenty of opportunity for work in New York. So I hesitated and said, "Well, why should I give you a dollar?" He said, "Well, I am in hard luck, and I think you could give me a dollar and not miss it." I said, "Well, I don't think I can do it."

He looked at me very carefully from my feet up to my head and said, "What nationality are you?" I didn't think that that had anything to do with it, but in order to be entirely safe I said, "I am Scotch-Irish." He said, "You mean you are half Scotch and half Irish?" I said, "No, that is a common understanding, but that is not the real meaning of Scotch-Irish." He said, "It don't make any difference, I have got the advantage of you anyway. You may be half Scotch and half Irish, but I am half Scotch and half rye." I have no doubt he was correct in that respect.

Sometimes an intended criticism when fully analyzed becomes a positive compliment. For generations, we have been hearing from various sources, chiefly foreign, the patronizing statement that America is a nation whose thoughts are centered on business and money-making. Even in our own country we now and again get an echo of this unfavorable comment upon the so-called utilitarian spirit which it is alleged causes America to be pre-occupied with the material things of life. Occasionally we meet an apologist for American ways who seems to hold the view that there is something indelicate about thrift and solvency, whether in private or public station. But after all, must we not deal in a sane and practical way with the large groups of individuals represented in organized society, just as we have to deal with individuals or small groups in everyday life? Obviously, we must organize our public activities, we must recognize rights, we must relate obligations and immunities, we must—in dealing with these complex organizations of modern society, comprising the governments of the nation, the forty-eight states and local

subdivisions—adopt some definite and practical rule of business conduct.

If today America has developed a business structure which looks on the world as its legitimate territory; if she can boast the largest fortunes, the greatest wealth per capita, and the highest standards of living among the laboring classes; if she has accumulated over half of the world's gold supply; if her natural and industrial resources are without parallel in the history of nations, the answer is that on the whole she has fostered individual ambition and initiative and left her citizens reasonably free to enjoy the fruits of their enterprise and to pursue happiness in their own way. Obviously, this full grant of individual initiative could not forever remain free from all governmental regulation, for the reason that in the fierce competition of individuals there was born the natural arrogance of the victor and the consequent necessity for the application of reasonable restraint and correction. In this connection it is needless for me to do more than suggest to this audience the danger that threatens when political government undertakes to intervene too drastically in the conduct of individual enterprise. I believe we are approaching more and more that ideal state in which the legally constituted authority recognizes that sound public policy decrees the greatest possible measure of freedom for individual and commercial ambitions; and in which business men have the vision to perceive and recognize the government's legitimate concern that the relation which exists between it and private enterprise should always be helpful and constructive. The principal purpose of private enterprise is to provide methods whereby the needs of individuals may be supplied efficiently and economically, while government is established to provide the processes whereby the needs of society in general may be met without imposing too heavy a burden upon those who support government.

During the last half-century every great industry has undergone a complete transformation in methods of operation and management. As civilization has become more complex, the facilities and methods of transacting private business have changed to meet the increased demands upon it. Science, research and invention, day by day, have enlarged and multiplied the demands and technique of modern business.

Even to mention such discoveries as the internal combustion engine is to call to mind stupendous investments in highways which are themselves the application of a new governmental policy and which carry with them effects on transportation and living conditions, which the human mind of today can only conjecture. Aeronautics and radio activity are pregnant with prophecies which as yet defy our imagination. Electricity, especially in the form of energy distributed from streams and rivers, already has worked an industrial miracle and perhaps is destined to produce soon a fundamental change in our requirements for fuel, for mechanical power and for transportation, as well as for our domestic and industrial needs in general.

In the past half-century the business of government has grown in complexity and in the number of activities with which it has to deal, upon a scale comparable with the growth of private business. It is evident, therefore, that governments everywhere are taking on new functions and are engaging in ever-widening activities in order to meet the demands for a constantly increasing degree of service to the people. The great industrial age in which we live has imposed new and vastly more complex duties upon government. With the utilization of steam and electric power, the telephone and the radio, the person who would live the life of an individualist, avoiding participation in the affairs of society as represented in government, is doomed to disappointment.

To meet these new obligations our democracy, if it is to survive and maintain its position, must show a constantly increasing ability to meet the test imposed upon it by providing a system whereby government, with its greatly enlarged functions, can be economically, honestly and wisely administered.

Experience has demonstrated that success in private business is largely dependent upon the application of certain well-known rules involving organization, management, and business economy. If we can learn to apply in large measure the same rules to the conduct of government, it is certain that we can produce the same results, approximately at least, in government as in the management of private enterprise. This application of business principles to government is both logical and evolutionary. Today the business of government is so intimately involved with the daily life of the citizen, the ramifications of both are so interre-

lated, that neither can progress and prosper without the sympathetic support of the other. In times past the people have been inclined to give scant attention to more businesslike methods of conducting government because revenues were small and were largely derived from indirect sources. Recently, however, taxes, federal, state, and local, have so increased that they have become directly related to the conduct of private enterprise; and as the cost of government is therefore becoming more and more an important factor in our economic life, we are naturally becoming more interested in devising plans whereby such cost may be reduced without, however, interfering with those wholesome functions of government which are so necessary to the continued progress and well-being of the people.

It was only recently that constructive statesmanship in the United States began to force popular appreciation of the truth that, while the multitude of things which government was called on to do and the increasing magnitude of its fiscal operations were such as to make it a vital factor in the activities of every home and business, the system of government in force in most jurisdictions was created for the purpose of dealing with the simple functions required of government in our early history. Then came the realization that to attempt to run modern government with the machinery and methods adapted to colonial days is as absurd as to attempt to manage a large business enterprise according to the loose practice of operating a country store fifty years ago.

It is encouraging to note the acceptance of this truth by an increasing number of our state and local jurisdictions in the past few years.

In my own state of North Carolina, we have only recently gotten away from an old and inelastic system, perhaps more emphasized in its failures to meet modern requirements than was the case in many other commonwealths. There were approximately seventy-five departments, institutions and other agencies administering the State's affairs. Many of these had been given overlapping duties and responsibilities which caused much duplication of effort and outlay. We had no centralized control and no adequate supervision was lodged anywhere. This condition was due, first of all, to the fact that we were one of the

original thirteen states settled by a population of pioneers, distinctly Anglo-Saxon in characteristics, independent, conservative and with a deep passion for local self-government. The system survived for a long period, because the entire South, and particularly North Carolina, had been reduced to an unfavorable economic position due to destruction of its resources by the Civil War, such as I do not feel has ever been equaled in the history of governments.

Before the Civil War, we were preponderately an agricultural people, whose chief investment was in the lands and in the slave labor necessary to make the lands profitable. When at one fell stroke the slaves were freed and the hundreds of millions of dollars invested in them confiscated, the land itself became practically valueless. So far as the actual destruction of property essential to carrying on organized society is concerned, nothing that happened in France or Belgium during the World War can be compared to what happened in most of the states of the South, including North Carolina, as a result of the Civil War. The functions of government were necessarily restricted and the outlay for its maintenance was exceedingly small.

In 1875, ten years after the close of the war, and when the reconstruction period ended, the total cost of running the state government in North Carolina was only \$448,000. Now the various agencies of our state government alone require an expenditure of more than thirty million dollars annually, to enable them to function through a hundred channels of service to a population that has become highly industrialized and prosperous. Last year we paid the federal government \$167,000,000 in taxes—an amount exceeded by only three states in the Union—one, of course, New York. We manufactured textile products valued at \$400,000,000 and tobacco products valued at \$300,000,000 and furniture valued at more than \$50,000,000. We have developed 585,000 hydro-electric horse-power which supplies the mechanical energy for over five hundred factories. In five years we have expended forty millions of dollars in expanding the plant facilities of our charitable and educational institutions and over a hundred millions in the construction of a state highway system.

I have referred thus briefly to the material progress of my State merely to emphasize the reason why we envisioned the need

for more modern methods in government administration, as contrasted with the simplicity of our needs in former days, when the activities of our government were restricted and to a large extent paralyzed by the exigencies of the period following the Civil War. It was because we had grown prosperous and had expanded our government services so rapidly that the obligation to modernize and reform the methods of administering government became insistent and imperative and further delay could not be tolerated.

In my campaign for governor last year the keynote was "Improved Methods in State Administration." I tried to stress the fact that our evolution in state services and our increase in economic resources had brought about a corresponding need for radical changes in our governmental methods. I urged that the time had come to apply to the administration of the State's affairs the same principles and methods of business economy necessary for private enterprise to prosper and serve. At my request more than thirty measures were enacted by the General Assembly of 1925, having for their object improvement in the methods of government administration.

The most important measure enacted into law was an act establishing an executive budget system whereby the budget bureau in the executive department becomes a supervising department of finance and business administration under the executive direction of the governor, who supervises the financial affairs of the State very much in the same way that the executive head of a large business supervises the various departments of that business.

The governor as director of the budget is given continuing oversight and control of the fiscal affairs of the State and its various departments, boards, and institutions, so that he is not only the supervisor of the general fiscal operations of the government, but also director of economy and efficiency.

Other legislation supplementing and making the executive budget system effective consisted of acts:

(a) Repealing numerous existing statutes authorizing the payment of money from the treasury without limit as to the amount or the time within which the money could be expended.

(b) Requiring all revenue-collecting agencies of the State to

deposit daily with the state treasurer all moneys belonging to the State.

(c) Consolidating all of the principal revenue-collecting agencies under the Department of Revenue.

(d) Providing for the lapsing of all appropriations for maintenance unexpended at the end of the fiscal year.

(e) Establishing a complete system of personnel classification whereby all services are classified and a range of salaries fixed upon the basis of the actual services performed.

As a part of the executive budget system, the legislature declared it to be the fixed policy of the State to maintain at all times a balanced budget, to the end that total expenditures for the fiscal period should not at any time exceed the total amount of income available within the same period. In furtherance of this policy, the legislature repealed all statutes allowing general and unlimited appropriations and placed every department, institution, and agency of the State upon a definite appropriation basis. A provision was also inserted giving the governor, as director of the budget, power to reduce all appropriations pro rata when this appeared to him necessary to bring the total appropriations for all purposes within the limits of the revenue actually available within the same fiscal period.

In brief, we have safeguarded the principle of a balanced budget by providing that there must be no appropriation without corresponding provision for revenue to meet it.

We have adopted also the definite state policy that bonds shall be issued only for useful and necessary permanent improvements, and then provision must be made for the payment of the interest and amortizing the principal out of current revenues within the life of the improvements.

Under constitutional provision the aggregate obligations which the State can contract are limited within safe and conservative bounds and sinking funds for the payment of the principal of all bonds issued must be set up and safely invested. To make these constitutional requirements effective, the last legislature established a Sinking Fund Commission, composed of the governor, the treasurer and the state auditor, who are required under the severest penalties to collect and invest all sinking funds provided by various acts authorizing the issuance of bonds.

It is believed that a careful examination of the laws of North Carolina, including those enacted by the last legislature, will disclose that rapid progress has been made in adopting improved methods for the administration of the affairs of our State.

Our people have arrived at the definite conclusion that it is as necessary for the executive head of government to have adequate supervision and control over the various departments of the government, for whose success he is held responsible, as it is for the head of any great business to have such control and supervision. To withhold necessary power from the chief executive, mainly because it is possible for him to abuse it, is to weaken the most important function of our system of government. Diffusion of executive power does not safeguard against official abuse, as was once thought, but only serves to disguise and conceal it. Responsibility must be lodged somewhere, so that the people, who are the real sovereigns in a democracy like ours, may know whom to hold to account if that responsibility is not adequately and honestly met.

It frequently happens that no need remains so long unprovided for as the one about which there is the least controversy. Granted that we need better methods of administration in our state and local governments, who will or can provide them, except experienced business men? Yet at the very outset we are faced with the fact that government service brings but a modicum of the rewards that honest service and outstanding ability command in private pursuits.

Our business men find themselves more and more concerned with income, franchise profits and other levies, yet the average reaction in such cases is criticism of government without appreciation of the fact that if government is to be conducted economically and efficiently, it can come about only when business men seek to understand and actively participate in the solution of its problems.

In this connection, it seems to me that there is a place in American life for a new kind of constructive patriotism. Why should not great business organizations like yours take up seriously this important aspect of patriotic service—the matter of supplying a trained personnel for government administration? We have throughout the country great schools which provide

instruction necessary for the management of business and industry, technically and theoretically. Is there not a more important place in our educational system for training in the principles and technique of efficient government administration? Why should not our business men appreciate more fully that the duty to interest themselves in the conduct of government is in reality no more than ordinary regard for an important element of overhead cost in the management of their business?

It seems to me that there is no better example of the manner in which government and business touch in mutual interest and accommodation than the great life insurance companies represented in your association. Long ago it was recognized that in a distinctive way the business of life insurance is fixed with a public trust that requires public supervision, because, in all of its essential elements, life insurance, with its possession and control of billions of dollars of assets, represents what may be termed a great investment trust or savings institution, maintained for the protection of humanity against the hazards of disease and death. It represents a laudable effort of the individual to care for his family and to safeguard their future, by invoking the aid of the benevolent principle of mutuality and coöperation.

Obviously, government, as the organized instrument of all the people, has a very definite interest in providing general safeguards for an enterprise which so completely embraces and concerns the welfare of the people as a whole. Yet so wisely has this supervision been exercised, so carefully has over-regulation been avoided, so constructive and broadminded has been the attitude that has existed between government and the able business men who direct their affairs, that these great life insurance companies are the best examples of business supervised by government and yet left free to represent the last word in individual initiative and sound business management.

Business men and taxpayers in the past have contributed in no small measure to the burdens they have been called on to bear and the difficulties against which they have had to contend, by avoiding politics and public service as something apart from and antagonistic to business. It must be remembered that government administration in the end is nothing more than politics in its broader acceptation and that government will fail to maintain

its proper relationship to sound business economy just as long as it is left to function without consideration of that sound knowledge and experience which can be supplied only by those who have made private enterprise successful and prosperous.

Sound business methods and government administration should be more closely interrelated, because the successful conduct of both business and government is based upon the same broad principles. They are in a measure, dependent upon each other. Business cannot thrive under governmental methods that are inefficient and inadequate. For this reason, then, it does not seem amiss for me to make a personal appeal to the members of this association.

You represent a line of business activity closely related to the life of every citizen. You encourage thrift and sound economy; you encourage preparedness against disease and death. Your business holds the confidence of perhaps more individuals than any I might mention. You have worked out, on a sound and minute scale, formuals and calculations as to man's expectancy, as well as to his physical and mental efficiency.

You are vitally interested in government administration because many of your great companies are distinguished for their patriotic willingness to aid governments in constructing programs of public improvement, involving vast loans that constitute a substantial part of your investments.

Consequently, I know of no group of business men who are in position to wield greater influence in the effort to bring about the adoption of sound standards of government administration.

It is this thought I would like to leave with you for earnest consideration, as I am about to conclude my remarks.

When business men—you, and those engaged in other helpful and constructive business pursuits—throw the weight of your experience and influence on the side of efficiency in the management of public affairs, you will be doing a service that will entitle you to the lasting gratitude of the American people.

This embraces coöperation in its most effective form, politics in its broadest sense—patriotism of the practical kind which every good citizen owes to his government.

After thanking you for the fine attention you have given me, I want to make, in all sincerity, a definite appeal to you to aid, if you can, to appoint a committee of the association, if that is

permissible, for the purpose of trying to work out a plan whereby some definite effort may be made to improve methods of government administration—and particularly local government—all over the United States. There is no demand more insistent today than that, and it is going to become more and more insistent.

It would be helpful if you were to do something that would help supply a trained personnel. Perhaps some of you have had the experience that I have had—public men often have that experience now—of going in with a desire to change and to improve the methods of administration, and you find that you haven't trained, competent help to do it. Why? Because government service will not remunerate able business men and those that you need to put these things into effect. They have to work for small salaries, and I know from experience that it is very difficult to find men of ability and men of experience who are willing to make the personal sacrifice to serve government for one-third or one-fifth what they could get for that service in private business.

NORTH CAROLINA NEEDS DAIRY PRODUCTS

ADDRESS DELIVERED BEFORE THE ANNUAL CONVENTION OF
THE NORTH CAROLINA ICE CREAM MANUFACTURERS'
ASSOCIATION, RALEIGH, N. C.

JANUARY 13, 1926

Any man of middle age will recall of his boyhood the red-letter days when ice cream was served as the climax of the exceptional dinner.

What a difference today, when ice cream is everywhere available, a daily diet of thousands on thousands of our people, served enticingly, quickly and in any quantity at remarkably small cost!

Then, ice cream was an adventure and a luxury; today it is one of the more important and wholesome of those necessities within the reach of all, which yet have the quality of luxury in everything except their cost.

In North Carolina in 1924 the manufacture of ice cream reached a total of 1,512,000 gallons and in 1925 it is estimated that this figure was increased to 2,000,000 gallons.

It is not my purpose to go into the figures of your activities in the production of a wholesome, appetizing product marketed under sanitary conditions and already fixed in popularity as a sweet, high in food value and in health-producing results from its use. These things, a part of your business, you will know better than I. It seems to me, however, that the ice cream manufacturers of the State can well afford to consider how in the conduct of their business they can encourage and promote in North Carolina a better and more efficient production of the raw material which enters into their product.

I refer to the need that large sections of our State are feeling for a diversification of farm activities which will establish dairying as an important occupation upon the land. In a number of counties of the Piedmont and in Western North Carolina the problem of first, a sufficient number of dairy cows and then a ready market for their product has been solved by some sixteen creameries, coöperative and otherwise, to which farmers who have begun to understand the economics of milk cattle deliver their product for sale. In 1925 these creameries produced a total of 1,677,000 pounds of creamery butter. Six cheese factories produced 80,000 pounds. In or adjacent to every city and many of the large towns there are, of course, local herds of dairy cattle which supply the immediate needs of the people for a daily milk supply. But in the light of our use of milk and dairy products these activities are woefully negligible, spelling one of the sharpest economic losses suffered by our people whenever they import raw material which they should produce at home or fail to manufacture home products into the finished article which multiplies value. I have not the figures at hand to show the amount that North Carolina pays out annually for imported dairy products, but a simple deduction will show that it is an immense one. For instance statistics show that in 1924 the people of the United States consumed of all dairy products 106 billion pounds. This would make the consumption of North Carolina, according to its population, 220,000,000 pounds annually. These figures not only reveal the immense financial drain sustained by the State in sending abroad for these products, but suggest even more strongly the economic loss arising from our neglect in establishing dairying as one of our major industries

in connection with our use of our lands. Ice cream manufacture in the State is beginning to keep at home a considerable amount of wealth which we once sent abroad and promises to do an increasing work in establishing sound values and increasing employment, but even here, I understand, that you are forced to send to other states for much of the material out of which you produce your products. As in the case of butter, cheese or other dairy products manufactured, to supply ice cream under the best economic conditions for the industry itself and for the people of the State, it will be necessary that it draw its supplies of raw material from home instead of foreign markets.

That North Carolina has not long since become a state in which dairying provides one of the most valuable instead of a relatively negligible land uses has been due to a number of causes—the lack of large cities, indifferent means of transportation, want of markets and a lack of coöperative facilities. At bottom, however, the real cause of our lack of initiative in this respect has been an adherence to ancient farm practice of depending on the hit-or-miss method of one or two stereotyped crops, often without regard even as to whether the prices obtained were or were not greater than the cost of production. There is not a section of the State in which there are not, generally speaking, the conditions on our farms which suggest dairying as a profitable economic pursuit. Any livestock undertaking is based on economical feeding which requires fertile soil and suitable weather conditions, including plentiful rainfall. These essentials North Carolina possesses in remarkable degree, especially in the eastern part of the State, where dairying as a farm occupation is, practically speaking, unknown, and where there is yet to be made a beginning of the creameries which have begun to establish the example of success in the Piedmont and western sections.

In the eastern counties a failure to develop a dairy cattle business on the farms is more than a mere neglect to make the most economic use of natural resources of a fertile soil especially adapted to the corn, soybean and peavine hay, soja and velvet bean, millet, rye and oats. It is more than a disregard of a climate so mild that pasturage is possible for practically every month in the year, in contrast to the six months in such great dairying states as Iowa, Michigan and Minnesota in which

cattle are kept in winter quarters. Such a failure to establish the markets afforded by creameries and to put dairy cattle on the farms means in that section the disregard of one of the most important methods of diversification absolutely necessary if the farm is not to fall into hopelessness. No longer can the East depend on cotton. The increased cost of production, the uncertainties of a speculative market, the scarcity of labor and the invasion of the boll weevil make a change in method immediately necessary, if this great, fertile and potentially rich section is to avoid an economic disaster reacting severely on the prosperity of the State as a whole.

The North Carolina Bureau of Animal Industry estimates that a good average grade cow, priced from \$75 to \$100, will produce in Eastern North Carolina 600 gallons of milk, the fat of which brings \$111.36, to which must be added the value of 4,300 pounds of skim milk at 40 cents per hundred, \$5.00 for the calf and \$30 for manure, making a total income of \$163.56 per year. Subtracting \$110 as the cost of feed, the profit remaining per cow is \$56.56.

To introduce Eastern North Carolina to dairying, it will be necessary first to assure a sufficient supply to support a market for quantity production; next to secure transportation by collections by truck to near-by creameries. And, as an essential basis to a profitable industry, an improvement of the grade of stock on the farm.

Recently there was in Raleigh a visitor from Mississippi, Mr. Kenneth Wishart, who a few years ago began advocating diversified farming and dairying in his county of Monroe. He finally succeeded in getting a small dairy in operation. Of him the *Wall Street Journal* said editorially:

In less than a decade a wonderful change has been wrought in that county. Corn and other grain, alfalfa, soy and velvet bean and other crops are growing on every hand. Herds of pure-bred dairy and beef cattle, droves of hogs and flocks of sheep and poultry are to be seen on the farms. Big red barns and silos are comfortable to look at. Aberdeen, the county town, has some of the finest hard roads in the country, new schools, new hotels, swimming pools and other civic improvements. In its stores the farmers can be seen buying goods for cash while the banks are showing increased deposits. Cream checks have wrought this change.

Not only has diversified farming and dairying brought about the prosperity described, but as a result of increased soil fertility and intensive methods of cultivation, agriculture in general is bringing in far greater returns. In a county that a few years ago felt itself ruined by the boll weevil, it is not an uncommon feat for farmers to produce two bales of cotton to an acre!

Agriculture along old lines has been for several years unprofitable. It will continue unprofitable until our farmers learn diversification is not a fad but a business habit. Stock, especially dairying, is wherever suitable conditions obtain, the most profitable method of getting out of old and uneconomic ruts. We need in the State at large and especially in the East a constant preaching and encouragement of this common-sense gospel. Manufacturers of ice cream, the aristocrat of dairy products, can do a public service as well as helping materially in their own future expansion by doing everything possible to bring to pass the day when every gallon they distribute will reflect the employment of a North Carolina cow.

IMPROVED HEALTH CONDITIONS BRING MATERIAL PROSPERITY

ADDRESS DELIVERED BEFORE THE TRI-STATE MEDICAL
ASSOCIATION OF THE CAROLINAS AND VIRGINIA AT
THE 28TH ANNUAL SESSION AT FAYETTEVILLE

FEBRUARY 16, 1926

It is a high honor, I assure you, to be present on this occasion to extend to the members of the medical profession of our sister states of Virginia and South Carolina our friendly salutations.

I cannot hope to express adequately the sentiments of warm regard and genuine friendship which the people of my State entertain for the people of the states which lie to the north and to the south. It is sufficient perhaps to remind you that in the history, in the aspirations of the peoples and in the tried comradeship that always accompanies friendly intercourse, there is an unbroken record of over three hundred years of common interest and genuine kindredship between our people.

Although many distinctions between the three states during the friendly contests for position which we have waged with each other have often been pointed out, it cannot be forgotten that throughout all of the vicissitudes, through which we have passed from early colonial days down to the present, including five wars, our peoples have thought and worked and fought as brothers. We have exchanged men and ideas; we have contributed to each other in man power and money power; we have struggled together, triumphed together and suffered defeat together. We are in all essential particulars people of the same blood and characterized by the same aspirations. The invisible boundary lines between North Carolina and Virginia on the one hand and North Carolina and South Carolina on the other are unmarked by any actual barrier.

Albemarle, the first permanent settlement in North Carolina, was the result of the overflow of population from earlier settlements in Virginia into the fertile river valleys of the South.

North Carolina and South Carolina were identical until 1732.*

The whole history of the three states constitutes a fine record of mutual intercourse, assistance and courtesy.

On several occasions during the early colonial days, Virginia and South Carolina came to the rescue of the infant colony of North Carolina when it was menaced by the Indians. Later North Carolina returned the favor in the same spirit of mutual helpfulness.

Throughout the trying period of the Revolution and in the fateful days of the Civil War the blood of the brave soldiers of these states was mingled on many hard fought battlefields.

One reason why the three states have had so much in common is due to the homogeneity of their Scotch-Irish population. These hardy immigrants, coming by way of Pennsylvania, traveled through the valley of Virginia along the great Yadkin Road and settled in the Piedmont regions of Virginia and North and South Carolina, so that even prior to the Revolutionary War the character of the population and the genius of the people were identical.

Since these remarks are addressed to a convention of medical

*In 1711 North and South Carolina were separated, and were given individual governors. See *North Carolina Manual 1913*, pp. 321-322.

men of the three states, it is interesting to recall that Hans Martin Kalberhahn, the famous Moravian physician of Salem, whose activities were at their height in 1760, was the leading physician of the Piedmont section of the three states. Tradition tells us that his patients came from Virginia and North and South Carolina, traveling for the most part over Indian trails for a distance of hundreds of miles.

Perhaps the most appropriate thought which the people of these three states should have in common at the present time is that in this year occurs the 150th anniversary of the Declaration of Independence and the 100th anniversary of the death of Thomas Jefferson, the author of the great document. Jefferson, of course, was the greatest exponent of the political principle which we call democracy in government, and which at the present time prevails so generally throughout the civilized world. This great principle was most valiantly defended and extended by another great statesman, Andrew Jackson, the mention of whose name is likely to precipitate friendly rivalry between North and South Carolina. For the purposes of this auspicious occasion, when North Carolinians and South Carolinians are dwelling together in peace and unity, imbued with the same spirit of high resolve, I shall waive aside the ancient controversy as to the place of Jackson's birth and solemnly declare that he was the joint product of the two states. And I further declare that that fact alone affords glory enough for both North and South Carolina.

I should like to say just a few words to the physicians and surgeons who are gathered here without regard to the state of their nativity.

The history of the practice of medicine begins with the history of civilization itself and during this long period the doctor has never failed to contribute his full share to the upward progress of the human race. No profession has had the satisfaction of recording a greater degree of advancement for the benefit of mankind in the last half century than the medical profession, in which I include surgery. During the last twenty-five years the average span of human life has been extended from forty-three to fifty-eight years. This remarkable achievement has been largely due to what we usually call public health work; that is,

the adoption by large masses of the people of scientific methods for the prevention of disease. At the present time the attention of the people of America is particularly directed to the South as the scene of amazing development of material resources. The three states represented here are contributing their full share to this marvelous era of southern development. I have no purpose of indulging here in any boasting about the progress which has taken place in North Carolina, further than to suggest that what we have accomplished in a material way up from the despair and poverty that characterized the period following the Civil War to the confidence and prosperity of today, is an achievement in which we may feel just pride because it was born of the unconquerable spirit of our people. The word development which we use so often to describe our progress is itself repugnant to chance and accident. On the contrary it implies forethought, enterprise, labor and the survival of the fittest. Development and progress therefore require serious reflection as to cause and effect. I say to you in no manner of flattery, that the profession which you gentlemen represent, actively engaged as it has been in the conservation of health and life, laid the foundation on which all our statistics of economic growth, which we now express in hundreds of millions and even billions, was erected. Without the popular education of the people in the scientific and practical methods of health and hygiene which you and your brethren have fostered, we would have failed of our man-power in the moment of our greatest opportunity. The great factory whose gleaming lights indicate full production to meet increasing demand is the result of capital and business acumen. But it was the medical profession and the public health service that contributed in a large measure to the supply of intelligent labor, with sound stomach and steady nerves that enables it to successfully meet its task. A state that realizes that its prosperity and happiness depend on the effectiveness with which its citizenry serves, develops and uses its natural resources, must include in its economic equation, the everlasting truths that successful ambition and productive energy are possible only when the necessary man-power is conserved by the application of modern rules of health and hygiene.

There are many things about North Carolina's development

and progress which I might narrate for the benefit of this intelligent audience, but none to my mind creates more meat for constructive thought than our recognition of that essential factor in our progress which we usually refer to as public health work.

It is significant also, as we built health by precept upon precept, as we spread the larger common perils and the information as to available preventives, as we taught our people to know that their ills were due to their own preventable negligences, so a thousand and ten thousand fold we prospered in our material resources. I wish I had the time to give you the figures showing what has been done by our public health service in North Carolina in the last twenty-five years. I could cite you figures by the yard and prove to you that every subtraction from disease and death has meant an addition to life, hope and material prosperity. I will not tire you with statistics, but invite you, if interested, to look to the records of the health work in our State and see the parallels between agricultural values, industrial expansion, banking resources, highways and educational progress, which have kept pace with our improvement in physical well-being, in this great work of the prolongation of life, the prevention of disease and the consequent saving of our man-power. These achievements have been the result of state action through the agency of our public health department on the one hand and the whole-hearted, unselfish and constructive coöperation and assistance rendered by the medical profession of the State on the other hand.

The rank and file of the physicians of the State not only gave their time and encouragement in order to promote and make effective the plans and benefits of the public health service, but in many instances cheerfully sacrificed a material part of their own livelihood.

I think that Pasteur was the greatest benefactor of the human race that has lived in the past thousand years. He has not only done more to conserve human life and health than any man that ever lived, but he has made possible some of the greatest constructive achievements of the world in the last hundred years. Out of his discoveries have grown all or nearly all of the wonderful germ isolations; and the marvels that are every day practiced in surgery were made possible by the understanding of antiseptics as a cure

for deadly microbes. It was he who made it possible to live in Cuba in safety, in Central and South America; it was he who made the Panama Canal possible and the jungles of Africa habitable. I feel that I cannot more appropriately close my remarks than to repeat the fine words used by him, in the address he delivered when the great institute which bears his name was opened, in epitomizing the ideal for which he labored:

Two opposing laws seem to me now in contest. The one, a law of blood and death, opening out each day new modes of destruction, forces nations to be always ready for the battle. The other a law of peace, work and health, whose only aim is to deliver man from the calamities which beset him. The one seeks violent conquests, the other the relief of mankind. The one places a single life above all victories, the other sacrifices hundreds of thousands of lives to the ambition of a single individual. The law of which we are the instruments strives even through the carnage to cure the wounds due to the law of war. Treatment by our antiseptic methods may preserve the lives of thousands of soldiers. Which of these two laws will prevail, God only knows. But of this we may be sure, that science, in obeying the law of humanity, will always labor to enlarge the frontiers of life.

STATE ADMINISTRATIVE METHODS IMPROVED

ADDRESS* DELIVERED BEFORE THE GREENSBORO MERCHANTS
ASSOCIATION AT GREENSBORO, N. C.

FEBRUARY 19, 1926

I believe I will receive more sympathetic coöperation and support from the people of the State in the work that I am trying to do if I take them into my confidence occasionally and tell them of the difficulties that must be encountered in an effort to faithfully perform the duties of the office of governor. It is generally understood in North Carolina that the office of governor has always imposed very great physical and mental strain upon those who have occupied it. After an experience of one year, I am prepared to concur in the conclusion reached by former governors. I am quite sure that since the beginning of the Aycock administration and continuing down to the present day the duties of the

*This does not include the entire address as it was not procurable.

office of governor of North Carolina have gradually increased and become more onerous year by year. Naturally, I feel that the work has become more burdensome since my term began because of the very large increase in the work imposed upon the governor in connection with the operations of the executive budget system and other measures provided by the last legislature for a more businesslike administration of the state government. It may be of interest to you to know that since entering upon the discharge of my duties on January 14, 1925, I have averaged more than ten hours a day of as hard work as I have ever done in my life. During a part of the period I have worked fourteen hours a day. I have no doubt that your first impulse is to ask why this was necessary. It would be almost impossible to answer your question fully unless you should have the opportunity of following me through the routine of official duties for two or three days. Those who have been associated with me in my business life, I feel sure, will tell you that I have always been a hard worker, but I can say very frankly that I have never worked as hard as I have since I assumed the office of governor. While I was in Washington during the war, there were periods in which I performed the duties incident to three positions—managing director of the War Finance Corporation, assistant secretary of the treasury—in charge of internal revenue and customs, and chairman of the Secretary of Treasury's Railway Loan Advisory Committee. In these positions I handled a much larger volume of work than I have ever handled since I became governor; and, yet that work entailed less than half of the physical and mental strain entailed by the work of the governor's office.

This was due to the difference in the systems of administration in the state and federal governments. In the latter it is not necessary for the official who is charged with the performance of administrative duties to conduct a campaign in regard to every change of policy that he deems necessary. All he has to do is to decide questions and then give instructions which are promptly carried out. Taking into consideration our system of state government, which has been in operation since 1868, particularly the lack of coördination between the various departments and institutions, it is rather remarkable that the new measures have

produced so little friction and adverse criticism. I am very glad to be able to say that the departments and institutions of the State, with a very few notable exceptions, have given me their hearty coöperation in the work of putting into effect the executive budget system and the other measures for the improvement of state government enacted by the last General Assembly. I am very happy in the thought that by the time another six months' period has elapsed, the few who came to scoff and find fault will remain to praise and to approve. It must be remembered that the new measures did not go into effect until July 1, 1925, and in the case of the Salary and Wage Commission, the orders are not effective until November 1, 1926.

AUTOMOBILES AND THE STATE HIGHWAY SYSTEM IN NORTH CAROLINA

ADDRESS DELIVERED BEFORE THE STATE CONVENTION
OF THE NORTH CAROLINA AUTOMOTIVE TRADE
ASSOCIATION AT WINSTON-SALEM, N. C.

MARCH 17, 1926

If you study the history of civilization, especially the history of human progress for a hundred years, you will see that the physical, economic and political life of mankind has undergone great changes, and that there is a vast difference between the living conditions as they now exist and as they existed a hundred years ago. A century ago the masses were extremely limited in their movement and in their vision. The town or village limits marked off the scope of activity of the average man. Roads were poor. There were no railroads, telegraph or telephone. Transportation was often penalized by heavy tolls and restricted by constant risks to life and property. Poor communication meant lack of organized effort, small productivity per capita, low standards of living and lack of training and culture among the masses. Immobility caused isolation, inconvenience and retardation of progress in every line.

Life today, with its improved methods of transportation and communication, presents the opposite picture. Cable, telegraph

and telephone lines, encircle the globe, carrying intelligence instantly over land and under the sea; steamships and railroads move man and the products of his labor to every country. Human vision today comprehends the world as completely as it does the apples one holds in his hand. Travel and communication have been made safer; life has been made more mobile—physically and intellectually. The material products and intellectual accomplishments of one country are shared quickly by every other country. Under these circumstances the automobile is a necessity, because it provides the means of taking care of the lighter traffic which cannot be handled quickly or economically by the railroads and steamship lines. The automobile industry, therefore, is now and will continue to be one of the great key interests of our country. It will continue to grow in volume and usefulness as long as the human race continues to go forward.

In view of these considerations, let us for a moment consider in some detail the benefits which the people of this country derive from the automobile, using North Carolina as an example to illustrate conditions as they exist to a more or less degree in South Carolina and the other states of the Union.

It is not necessary for me to attempt to recount before this intelligent audience the amazing progress which North Carolina has made in every important line in recent years. The industrial progress which has taken place in the State in the past ten years is probably unparalleled in the history of the world, but you are too familiar with it for me to trespass now on your time and patience to recount it.

One of the outstanding things that we have accomplished is the building of a system of state highways, which has received the universal acclaim of progressive men, not only throughout the United States but beyond the seas as well. I have only casually referred to these great accomplishments, for the purpose of calling your attention to the contribution which the automobile industry in which you are engaged has made to the wonderful record of progress which all North Carolinians view with pardonable pride.

As is well known, the great bulk of the funds for constructing the state highway system has been provided by bond issues,

though this fund is supplemented by a comparatively small amount received from the federal government. There is, of course, no ad valorem tax levied upon either land or personal property to build or maintain the state highways. The cost of maintaining the roads, the payment of the interest on the money borrowed to construct them, and the retirement of the serial bonds issued for the construction of the roads is paid entirely by funds derived from license taxes on automobiles and the tax on gasoline.

At the present time there are approximately 375,000 passenger automobiles and trucks registered in North Carolina and the license fees, together with the gasoline tax, will be approximately \$12,800,000 for the calendar year (fiscal year) ending June 30, 1926. This is amply sufficient to maintain the state highways, to pay interest on the bonds issued for construction, and to provide a sinking fund for serial payments for the retirement of the bonds as they mature, and leave a surplus for construction of over \$3,500,000. The outstanding fact is that we will have, when completed, a wonderful system of state highways, the total direct and indirect cost of which will have been paid by those who operate automobiles and trucks, and without imposing any taxes whatsoever upon property or other subjects of taxation. Those who use the state highways for ordinary vehicles, though allowed the free use of the roads, pay no part of the original cost of maintenance.

As an evidence of the overwhelming importance of the automobile industry in North Carolina, I call your attention to the fact that the total investment in railroad facilities and railroad equipment in the State is approximately \$232,000,000 as against approximately \$500,000,000 invested in facilities and equipment for automobile transportation. This includes the cost of state highways, but not the amount invested in private and county roads and city streets used largely by automobiles and valued at approximately \$100,000,000. This comparison is particularly significant in view of the fact that our system of railroads in the State has been in process of development over a period of more than seventy-five years, compared with a period of approximately fifteen years in which automotive transportation has been in process of development.

During the calendar year 1925, the State expended for the construction of highways about twenty-six million dollars, the largest amount ever spent in the history of the State for that purpose. The work of construction is continuing without abatement and it is likely that twenty-five million dollars will be spent for construction during the calendar year 1926. Of course, we intend to complete the system as rapidly as possible and I think that it will be nearing completion at the end of my term.

ELECTRIC POWER DEVELOPMENT IN NORTH CAROLINA

ADDRESS DELIVERED AT THE FOURTEENTH ANNUAL
CONVENTION OF THE SOUTHEASTERN DIVISION OF
NATIONAL ELECTRIC LIGHT ASSOCIATION,
PINEHURST, N. C.

APRIL 27, 1926

It is still less than a century since the first of the railroads set in motion the force that so speedily resulted in the unification of the states into an effective and powerful nation.

That force was communication. It not only spread population, but it made for its cohesion in an American civilization. It not only made the desert and the wilderness accessible, but it peopled and redeemed them. In a length of time historically as the tick of a watch it has brought a community of interests, ideas and ideals which has rendered regional differences matters of charm instead of suspicion. It has touched the sources of wealth and so released the dreams and aspirations of men for action that every year sees an increase in the fundamentals upon which all Americans agree. Well may one of the first historic railroads be preparing with pride to celebrate its centennial! For it will mark a hundred years of a service fabulous in economic results but even more remarkable in its human and humanizing aspects.

If in a hundred years the railroads have so consolidated the adventures of the pioneers as physically to bring into one coördinate nation the vast territory between the Atlantic and the Pacific, the Great Lakes and the Rio Grande, how much more

marvelous is the contribution to the common life of applied electric energy!

The railroad centennial is almost at hand; that of lighting and of power is still a generation in the future. There is nowhere in history a record of transformation in so many respects as that resulting from that decade of inspiration in the use of electricity, from 1875 to 1885, which saw the first telephone, the first arc, the first incandescent light and the first hydro-electric power station.

It is not for me in this company to dwell upon the growth of the mammoth industry you represent, on the broadening field of electrical invention, or on the vision of the future which must light the imagination of the dullest mind. An industry that in less than fifty years can command a capital investment of seven billion serving over sixteen million customers; that can expand its field from the two or three services of the eighties to the manifold adaptations of electric light and power in 1926; that can achieve the romantic conquest of the air, bring the power of a mountain waterfall into the factory, go into the homes and kitchens—even put the curl into the bob of the modern flapper—truly, an industry of that kind is at fifty years in the very infancy of its age.

What it will mean in the almost certain day when the steam engine will have been displaced by the motor; when the very mules in our fields will have given way to the juice from rural lines; when homes all over the land will not only hear but see every nationally important convention, conference or artistic presentation, I leave to your much better qualified imagination. I feel that my better chance of giving you something of interest and value is to tell you somewhat of this state of North Carolina, for which electric light and power have done so much and where I believe there are the opportunities in our resources and activities and a sympathy and understanding among our people which hold a promise almost without limit.

Twenty-five years ago there was not in the whole state of North Carolina a single central electric plant in the modern sense. The first, on the Catawba River near Charlotte, was a frank experiment. Not an industry, except a few mills using water-wheels, knew any source of power except its individual

steam plant. Only a few of our cities were lighted, and they with infrequent and uncertain arc lights, while in the homes the incandescent was still too expensive a luxury except for the well-to-do. In the smaller towns and in the rural districts Mr. John D. Rockefeller was still doing a profitable business through the oil can.

Today there is a conservatively estimated total hydro-electric power installation of 600,000 h.p. on North Carolina streams.

Today there is an output of electrical energy which reaches the total of 1,500,000,000 KW hours per year.

Today electric power and light utilities have installed in this State 433,711 h.p. and in addition deliver the output of 411,300 h.p. installed in other states, and this 845,000 h.p. available for industry for civic uses and for the homes is carried over two thousand miles of high power transmission lines.

What the release of this store of clean, economical and reliable power has meant to North Carolina is reflected in what North Carolina industry has been achieving.

Over five hundred textile mills give employment to 90,000 people and manufacture products of a yearly value of \$400,000,000.

Great tobacco factories, the largest in the world, make North Carolina the premier state in the manufacture of the solacing weed and produce products which have a value of upwards of \$300,000,000 annually.

Several of our towns, notably the city of High Point, are centers of a furniture industry important in the nation, the value of whose products is in excess of \$50,000,000 annually.

In 1923, according to official figures of the United States Department of Commerce, the total value of our manufactured products was \$951,911,000.

The marvel of these figures, the lesson of which has not been lost on the nation, so that progress and development are becoming cumulative as time goes on, is that the industry they reflect should be powered to the extent of 75 per cent by the electric utilities that so lately as twenty years ago were, practically speaking, nonexistent.

In the heart of this great power region to which the Catawba is the chief tributary is the heart of the textile industry, travelers

by train and automobile, become accustomed to rural scenes, suddenly find themselves racing past factory after factory, mill village after mill village, as through the streets of a city. Not for nothing do Mecklenburg and Gaston counties boast of Manufacturers' Avenue, along the length of which there is scarce a whiff of smoke.

Whether in the emphatically industrial Piedmont region, in the agricultural and resort sections of Eastern North Carolina, in the wonderfully beautiful recreational and industrially awakened mountain region, the story is the same: the transmission line spreading like a beneficent network, feeding and releasing with the gift of power the power and initiative of a busy people.

North Carolina is, I think, remarkable among states for the manner in which it manages to do big business without creating big cities. Of the cities not a single one has a population of as many as 100,000 people, but there are scores of small cities, and, literally, hundreds of busy, industrious, alert and energetic towns. It is in these intimate centers of our population that the changes due so largely to the advent and popularization of electric energy suggest themselves. A few years ago these places were dark. They were down-at-the-heel. They were touched with the intolerance of isolation. They lived apart, suspicious, narrow in their viewpoint. Today even the smallest of these towns has the look of a city in miniature. At night they are bright with lights. They have their own places of amusement. Their homes are well kept, their streets paved. Comfort and hope radiate from them. In this revolution which has done so much for our people the light and power company has had its great share. The spirit of electricity is quickening to social life, suggestive of the hypothesis that somewhere in the mystery of the electric current must abide the secret of life itself.

North Carolina is the second state in the number of farms. The "plantation" has all but passed, and the large farm is going. As the farm becomes of smaller acreage, it follows mathematically that the economic balance can be maintained only as the land itself receives a more intensive and intelligent tillage. No more than the small town is this average North Carolina farm now isolated. Here, too, the electric light has come, and here is a great future field for the use of electric power.

The farmer in this State is slowly but surely coming to see that it will not do to raise a million bales of cotton and sell it for \$100,000,000 and 361,000,000 pounds of tobacco of a value of \$83,000,000, or total crops of a value, as in 1925, of \$318,000,000—*if* these sales values are produced by lax business methods, disregard of markets and marketing, and undue expenditure on labor costs until the profit has vanished from the operation. On the farms of North Carolina can be grown practically everything that the land produces between the Canadian border and northern Florida. We have a climate of a delightfully temperate character, mild in the winter and without oppressive heat in the summer months. On Smith's Island, near the mouth of the Cape Fear River, the near-by Gulf Stream gives sub-tropical conditions under which the palmetto tree flourishes; on the high reaches of our mountains there are growing naturally the firs, spruces and balsams which distinguish the "Great North Woods." To make the best use of the infinite variety of his lands, the farmer of the future must seek to treat them economically with regard to small acreage and an increasing shortage of farm labor.

This question of the North Carolina farm which has adopted the higher standard of living which comes with education, with communication and with the new oneness and understanding of rural and civic communities will, I believe, find its solution largely through the service it will in time receive from the great electric utilities. There is a field for the current in farm life capable in the end of producing results even greater than those of which the lane of factories in the Piedmont is the symbol. Particularly in the eastern part of the State there are now lying idle lands not only fertile and capable of producing valuable crops, but capable, also, of supporting a vast dairying industry. To this as one of many points of departure of North Carolina farming practice are pointed the natural advantages of cheap and easily produced feed, a climate which permits of all-the-year grazing, good markets and a demand for dairy products that causes our people to import far more than they raise of these necessities. To this, as to many another rural need which will make the average farm a small factory run by electric energy, is pointed, also, one of the most beneficent developments of the industry you represent.

The next major development of North Carolina streams for hydro-electric power must come in the mountain region, hitherto touched in this respect in the most casual way, considering the opportunities available. It is estimated that west of the Blue Ridge there are undeveloped streams capable of providing 1,000,000 horse-power, or 40 per cent more than are now installed in the State as a whole.

When these streams—the French Broad, the Hiwassee, the Little Tennessee, the Pigeon, and others—are developed the result will be the creation of another great industrial area comparable to that for which Piedmont North Carolina is now famous. All of these streams are included in the Tennessee River survey now being conducted by the Engineer Corps of the United States Army. Plans have been prepared, and already the Federal Power Commission has on file a number of applications for important projects. Owing to the nation-wide interest in the mountain region of the State as a recreational, mining, agricultural and timber region, the stage is set in the west for a concentration of capital and a display of human energy which carries all the signs of working a further transformation in a State that has within twenty years been literally metamorphosed materially and, to a great extent, in the spirit of confidence with which its people face their problems. In this coming development of Western North Carolina nothing, in my opinion, will play a greater part than the utilities companies on whom will rest the responsibility of powering the enterprise.

At Badin, as you know, North Carolina has the greatest of all aluminum reduction plants. That one great hydro-electric development has close to 100,000 installed horse-power, most of which it uses in its own industry, selling only surplus power.

What is not so well known is the Deep River coal field, near Pinehurst, an area in south central North Carolina adjacent to important hydro-electric developments, and with rich clay and shale as well as coal deposits. With abundance of water for condensing afforded by the Cape Fear River, and with coal at hand, this field gives promise of becoming an important industrial center, self-contained and contributing to the electrical output of the State through steam plants practically located at its mines.

If I have catalogued for you at some length the resources and

activities as well as the power developments and possibilities of our State, it is in the hope of interesting you to study more closely the picture of opportunity which North Carolina presents today. When you examine our history and begin to make comparisons you will see that we have come far indeed; but we have been but gathering strength through the years and our output is only accelerated. Not for years to come will North Carolina, however it may increase in riches and the use of its resources, reach the peak of its load.

Before the Civil War we were preponderantly an agricultural people; our chief investments were in lands and the slave labor necessary to make the lands profitable. When at one fell stroke the slaves were freed and the hundreds of millions of dollars invested in them confiscated, the land itself became practically valueless. So far as concerns the actual destruction of property essential to carrying on organized society, nothing that happened in France or Belgium during the World War can be compared to what happened in North Carolina as a result of the Civil War. The functions of government were necessarily restricted and the outlay for its maintenance exceedingly small.

When the reconstruction period ended in 1875, the total cost of running the state government in North Carolina was only \$448,000.

Now the various agencies of our state government alone require an expenditure of more than thirty million dollars annually to enable them to function.

The people of our State spend \$32,000,000 annually for public schools and in five years we have expended \$40,000,000 in expanding the plant facilities of our charitable and educational institutions.

In the same length of time we have spent over \$100,000,000 on a system of state highways including 19,000 miles of roads, over four thousand of which are hard-surfaced or of an all-weather type. This system, extending from county seat to county seat of our one hundred counties, is augmented by construction by cities and counties and by resort developments. It is self-sustaining and has been productive of a unity of feeling and an intercommunication between the people which give to every section an identical stimulus.

In all of this development electrical energy has, as I have stated, had a major share. It has freed our industry for expansion. Incomparably has it helped to raise the standard of desire out of which the standard of living is born. Plant a desire deep enough and the worth-while man works for its attainment, and in doing so tends to bring society as a whole to the level of his new ambition. Electric light and power represent more and more the reasonable luxuries, the honest ease and the merited recreation which are the rewards of education and energy in the individual.

The mind of the average North Carolinian looks first to more and better roads as the tried means by which his State, his county and his town may find expression. Second to appreciation of what good roads mean in everyday life is, I believe, a growing recognition of the fact that we must have power in its cheapest and most cleanly and most civilizing form of electric energy.

In dealing with this great new industry which has so wisely and with so little friction recognized the necessity for governmental regulation, the state of North Carolina has and will continue to be helpful and liberal in policy. We do not coddle corporations; but, what is more important, we do not bait them. If the State is to continue its wonderful industrial expansion; if it is to make the best use, through allied industry and manufacture, of its rich mineral resources; if it is eventually to secure economic practice on the farm, we all know that to these ends nothing will contribute more greatly than the corresponding expansion of our supply of electric energy.

To the extent of its capacity a state agency—the North Carolina Department of Conservation and Development—has for years conducted many stream-flow stations to supply the data necessary when the time comes to make additional hydroelectric developments. It also makes reports, issues bulletins and conducts independent investigations. Of nothing is North Carolina's state government more acutely aware than of the benefit of a prosperous and extending electrical industry and of the importance of hastening forward the time when its every potential water-power shall be organized to produce a maximum output.

NORTH CAROLINIANS ALWAYS
COURAGEOUS IN WARADDRESS DELIVERED ON CONFEDERATE MEMORIAL
DAY, RALEIGH, N. C.

MAY 10, 1926

It might almost be said that civilization began at the time when men first began to hold in grateful memory, and to do honor to the names of those whose deeds expressed the hope, and illustrated the virtues of the race. Without this quality of appreciation all human life would have continued barren and futile. Death itself would have signified oblivion. Living and striving would have been aimless. Honor and courage would have remained unknown as standards by which to measure human conduct. Man, like the lower animals, would have survived only to have lived miserably within the limits of a destructive selfishness. But when the time came that man remembered and cherished real gratitude toward those of his fellows who served and sacrificed for the good of all, on that day his life opened out beyond the mists into the realms of brotherly love and godliness. On that day the family came to have a meaning beyond instinctive parenthood, and the nation, as a larger unit of society, became possible as a thing to love, as a thing worth living and dying for in a noble spirit of altruism.

The laudable custom, therefore, which from time immemorial has prevailed to give honor to and celebrate the great men and the high deeds by which nations have been served, has its roots in a higher self-preservation than that of nature. For it speaks the understanding of spiritual fealty and duty to an ideal. It is proper and fitting, therefore, that all peoples should, at stated times, gather together as an act of appreciation of the sacrifices of those who have gone before, and of gratitude for the sustaining memory and example they have bequeathed. It is seemly, also, that we should use these memorial occasions as a means to renew our own faith and to preserve and pass on to future generations the spirit of patriotism of which we are heirs.

To this day, it remains true that, dreadful as it is, it is war—the necessity to defend one's country, to fight for the maintenance

of liberty, to give the last gasp that others may be free; that war, with all its destructive incidents and influences yet has the admirable quality that releases and vitalizes the spark of divine fire that is somewhere hidden in the feeblest of men. It is in the ever recurring emergency of armed conflicts that heroism, which is the exception in time of peace, becomes the almost universal virtue. Despite all its miseries, there is no human spectacle so inspiring as to see a whole people respond to a single standard in unselfish thought and action in the common defense.

We, North Carolinians, can examine the records and muster-rolls of all the wars in which the United States has been involved, in the confidence that we will find there material to justify our pride in our ancestry and to arm us with the high purpose to meet whatever emergency may come, with their names and deeds upon our lips as assurance of our right to courage. The record of the North Carolina soldier in all the wars in which his State has been engaged is one that will shed everlasting renown upon his name.

In the war of the Revolution—at Kings Mountain, Eutaw Springs, Guilford Courthouse and Yorktown—North Carolinians, by their valor, contributed to the campaign of attrition which broke the backbone of Cornwallis' army, and ushered in the peace which was the fruit of his surrender. When Washington crossed the Delaware in his brilliant surprise attack, six regiments of North Carolinians, under General Nash, came to the aid of the commander-in-chief in the battles of Brandywine and Germantown.

In the War of 1812, General Thomas Brown of North Carolina, with Brigadier Generals Davis and Dickinson, was fighting the British at Norfolk, while Massachusetts, Connecticut, Rhode Island and New Jersey were either unable or unwilling to furnish their quotas of troops when called on by the government. In the Battle of New Orleans, where "Old Hickory" so magnificently redeemed the honor of the American arms, the yoemen of North Carolina and Tennessee were his chief reliance in gaining the victory.

In the Mexican War, North Carolina troops distinguished themselves in every important battle in which they were engaged.

In the war with Spain, North Carolina troops, which responded promptly to President McKinley's call for volunteers, did no

fighting, but in the World War, it was a North Carolina regiment which led the way through the fog of a September morning to the capture of the hitherto impregnable Hindenburg Line, as General Pershing recently wrote, thereby breaking the back of German resistance.

While North Carolina won imperishable renown in all the previous wars in which they were engaged, the State's greatest military glory and moral victory abide in the records which her devoted battalions achieved in the herculean struggle of the War Between the Sections. I have not now the time to attempt to recount the glorious deeds of the North Carolina soldiers in those sad but ever glowing years of the sixties, when you wearers of the gray stormed with the flower of Lee's army up the heights of Gettysburg, all but bled Grant white in the Wilderness, lent yourselves as the thunderbolt of Jackson in the Valley, and for four years held helpless, until you yourselves were almost starved, the greatest and best equipped armies the world had theretofore known. Indeed it is not necessary, for the record is familiar to you all. I cannot, however, refrain from calling attention to the memorable words uttered by the immortal Lee in the closing days of the war when he said: "God bless old North Carolina, she is always the first and last in every charge!"

When impartial historians come to consider the valor displayed by those who took part in all the great wars, they never fail to give conspicuous place to the record of the Confederate soldier. Only a few years ago, that great and impartial journal, the *London Spectator*, in referring to our Civil War said: "It is now about a half century since the last shot was fired in the most desperate war in the history of the Anglo-Saxon race. Nowadays, we see that great struggle in clearer perspective, and we can judge the causes for which the combatants fought with some reasonable perception of their value to mankind. But the interest of the war lies in the fact that it was a genuine conflict of idealisms, feverently held and loyally followed by both sides. No struggle has been grimmer and yet none has been less stained by the darkest passions of war."

Referring to the generals engaged in the war, this great newspaper further said: "Few stories can match those of Jeb Stuart or Nathan Forrest, those moss-trouper who flitted like shades

among the forests, or of Leonidas Polk, that fighting bishop, on the eve of his death baptising his fellow generals, Hood and Johnson, by the light of tallow candles from the mess. What a band they were: A. P. Hill, Longstreet, Joseph E. Johnson, Early, Beauregard were all soldiers of the first rank, but their fame is overshadowed by the two names which have attained a celebrity as wide as Wellington's or Washington's. Stonewall Jackson was a revenant from the ages of faith, a grim Ironsides, who both prayed and watched incessantly; who would risk all on a movement with that deadly assurance which belongs only to those who believe that every detail of life is in the Lord's hands. His genius fitted in exactly with Lee's, and it is difficult not to believe that if he had lived the attack on Culp's Hill would have reached the Federal rear and Gettysburg would have been won."

Major General Sir Frederick Maurice, chief of operations of the British General Staff during the World War, says in his recent book, *Robert E. Lee, the Soldier*: "I place Lee as a General above Wellington."

For years every war college in the world has used Jackson's campaigns as examples of the highest strategy, and a few years ago an ex-Confederate who visited the great French military school was surprised to hear the lecturer detailing to his class the campaign of our own R. F. Hoke in North Carolina—that Hoke who was selected by Lee to succeed him in the event of his death—who resembled his great chieftain, not only in the nobility of his appearance and in feature, but in the dignity and lack of bitterness with which he laid down the sword and gave himself to the upbuilding of a desolated land.

Is it any wonder that we of the South continue year after year to observe this Memorial Day as a well-spring from which we can draw renewed supplies of courage and of ambition to live in a day of peace with the same devotion to our land as the Confederate soldier gave without thought of cost or consequence to himself! Is it any wonder that, as we look back on the Confederate soldier's four years of glorious victories against odds, on the epic spectacle of Appomattox when the dauntless eight thousand still stood in line of battle awaiting the order to charge as their general in human mercy took for them in surrender the honorable parole due to heroes, we can feel our hearts leap with pride that we come

of such a breed! Is it any wonder that in this day of peace, of plenty, of a progress that has carried us far toward the goal of the good things of a material life, we reflect that it is to the Confederate soldier that we owe all this that we have done as well!

For the great victory of the men who followed Lee came after they had met what the world called defeat, when they followed his advice and example, as they had followed his orders in battle, and set their hands to the grim task of rebuilding their homes, of bringing back their lands to production, of gathering scattered resources and slowly renewing their wasted strength and fortunes. And an even greater victory than this was the spirit that the grim soldier of the South passed on to his children, who in turn passed it on to their children, so that today the young, virile men of North Carolina who are winning, perhaps as the men of no other State, the respect and admiration of the Nation for their energy and success, still count it their greatest blessing to count themselves worthy of their grandsires!

You will have been aware that I have not as yet mentioned those other patriots of the old South who in the days of travail bore no muskets, but who still were soldiers without whom the Confederacy could not have carried on. No truer aphorism was ever uttered than that which declares: "Battles are won by the mothers of men."

Orators have praised, poets have sung the story of the devotion and surpassing courage of the war women of the Confederacy, who held the homes, tended the children, managed the slaves and fed and clothed the armies of their men-folk. No eloquence or fancy can ever plumb the depth of their devotion, measure their sorrow, or properly celebrate the gallant love and cheer and gayety that they brought for the comfort of the boys in gray. Nor can anyone ever do justice to the faith with which they received back their fainting champions and stood by them shoulder to shoulder in the high fealty of the lean and dangerous years that followed a disastrous peace. If the so-called Lost Cause still holds a high romance which even today is winning new victories for the South, it is because its women loved it, as women do, even beyond the grave.

Today there are few of the women who helped Lee fight the war, as there are few of the men he led. Most of the daughters,

in fact, are grandmothers of today, their bright locks whitened by the years. But they are still daughters of the Confederacy in a dauntless spirit, and of the same quality as those who looked the invader in the face.

Memorial Day is their gift to the South. It shall remain forever as imperishable and recurrent as the fame of those it is its beautiful purpose to recall and perpetuate in living memory!

SCOTCH HIGHLANDERS IN NORTH CAROLINA

ADDRESS DELIVERED AT THE UNVEILING OF A MARKER TO
THE MEMORY OF COLONEL ALEXANDER McALLISTER,
REVOLUTIONARY PATRIOT, NEAR OLD BLUFF
PRESBYTERIAN CHURCH IN HARNETT
COUNTY, N. C.

MAY 28, 1926

It is altogether fitting that monuments be raised and histories cited commemorating the illustrious dead of a commonwealth who body and soul have passed into the tradition of our nation. Freedom by self-government is ever an act of character. It comes from the character of those who placed their lives under the grim chances of war and suffering to establish it. It survives by the character of those who maintain it in entirety and truth as the expression of the wills of free men. Without a posterity equally as resourceful and determined, a great ancestry has collapsed already.

By such fitting ceremonies as we enjoy today, we recall the spirit of the great past and rededicate our lives, our liberty and our sacred honor to the principles that animated the great men of former generations in the building of a great nation.

In particular we celebrate here by monument and testimonial the name and fame of Col. Alexander McAllister—a noble citizen in all that the term connotes—of breeding, of bravery and of honor; a soldier and patriot of the American Revolution in all it implies to have decided for independence in that perplexing era and to have endured the moral as well as physical shock of civil strife that inevitably accompany revolution; a statesman and

lawgiver who helped confirm and shape the actual structure of this Commonwealth; and a patriot whose blood flows warm and vital in long lines of honorable descendants many of whom are here today.

The biographical annals of Alexander McAllister will be rehearsed by another and, therefore, it is not my purpose to repeat them. I wish to speak of him as a type of the Scotch Highlander who came to America of his own free will and chose the American rather than the British side, who was in every way the normal type of the Britisher become American.

In North Carolina a very large proportion of the population is of Scottish origin.

Scotch immigration came to North Carolina as it did to other parts of America in two distinct streams—one from the Highlands direct and the other from the Province of Ulster. Those who came from Ulster were, as you well know, originally from Scotland. Most of these early emigrants from Ulster landed at Philadelphia. A few landed at Charleston and slowly made their way to a permanent settlement in the Piedmont sections of North and South Carolina; but the great majority moved southward from western Pennsylvania into the western parts of Virginia and North Carolina and make up that portion of our population residing in the Piedmont sections, known as the Scotch-Irish.

HIGHLAND SCOTS

The Highland-Scotch immigration to North Carolina began soon after the battle of Culloden in 1746, and continued in an almost unbroken stream until the outbreak of the Revolution. There was something rather extraordinary about the Highlander's coming to North Carolina. His desire to change was not from choice, but from necessity; the emigration of the Highland Scot, like that of the Ulster Scot, was due largely to economic causes and religious differences. Even as early as 1729, a few Scottish families made their appearance on the Cape Fear River in southeastern North Carolina. Later, and particularly after the Battle of Culloden, and the wholesale evictions which followed, shipload after shipload of Highland settlers reached the shores of North Carolina. Most of those who landed at Charleston and Wilmington found their way to their kinsmen along the Cape Fear River.

Here, in a few years, their settlements were thickly scattered throughout the territory, now southeastern North Carolina, embracing the counties of Anson, Bladen, Cumberland, Harnett, Moore, Lee, Richmond, Robeson, Sampson, Scotland and Hoke. The first town, situated at great commercial advantage at the head of navigation on the Cape Fear, was called Campbellton. Later it became Cross Creek and finally was renamed Fayetteville in honor of General Lafayette on the occasion of his visit to the town in the early part of the nineteenth century.

The outbreak of the Revolutionary War presented a vexatious question to the Highlanders. Should they support the royal government, which they had every reason to execrate; or should they risk all on joining the Revolution? The tragic experiences of the uprisings of 1715 and 1745 were still fresh in their memories. It was a fearful dilemma and one not easily solved.

Here the records seem to be somewhat at variance.

We have the example of the battle of Moore's Creek bridge, where the royalist troops, comprising many Highlanders, were ignominiously routed. And there is evidence in the State's records that some prominent Highlanders supported the King's cause even after independence was declared.

It is generally believed, however, that only a small part of the whole Highland population actually took up arms against the new government; that these were the "newcomers" who had only been in that section a few years and who acted under the influence of Flora Macdonald and her husband; and that the engagement at Moore's Creek bridge did not express the attitude prevailing among the Highlanders generally, but only the ambitious desires of the Macdonalds and their friends.

Col. Alexander McAllister was the acknowledged leader of the Whig element among the Cape Fear Highlanders during the Revolutionary period. If history is taken as a basis of appraisal it may be said that Colonel McAllister's devotion to the cause of American Independence never wavered and that he fought valiantly for the cause of liberty when some of his neighbors had given their allegiance to the Tories under the leadership of the Macdonalds. He was a patriot in the days of national travail, because he was a firm believer in those immortal principles of the rights of man—human liberty, equality and self-govern-

ment. He was a conspicuous example of that fine type of Revolutionary patriot who feared neither kings nor governors, because kings and governors are kings and governors to him only so long as they obey the law and are faithful to the rights of the people; and this type has never failed to respond when the call came to break the yoke of unjust authority. With his love of liberty he united a stern religious faith and a never failing love for education. The life of this man has left an everlasting impress not only upon the community in which he lived, but upon the history of this Commonwealth. Those of you who have the honor to be descended from him enjoy a precious heritage. It is most appropriate, therefore, that you should have journeyed here to do honor to his memory and to erect this marker that it may arrest the attention of those who pass by on this great highway. Perhaps, it may induce them to learn of the lofty life and character of this noble patriot who contributed to the building of the great nation we call America.

NORTH CAROLINA CALLING YOUNG MEN TO BROADER FIELDS OF SERVICE

REMARKS MADE IN DELIVERING THE DIPLOMAS TO THE
MEMBERS OF THE GRADUATING CLASS OF THE
UNIVERSITY OF NORTH CAROLINA,
CHAPEL HILL, N. C.

JUNE 7, 1926

A few days ago I had occasion to speak briefly to most of you who are receiving your diplomas today. I shall try not to repeat what I said then, but I desire to make a few general observations which I believe to be pertinent to the exercises of this hour.

This day will be remembered pleasantly by most of you because of the solemn and inspiring spectacle of four hundred members of the graduating class receiving the benediction of their alma mater and going out to take their places in the work-a-day world.

You have finished the required courses of study and have received permanent evidence of this worthy accomplishment;

you are, therefore, entitled to our genuine expressions of admiration and congratulation.

In a very real sense you belong to the vanguard of civilization. From this quiet campus you will carry the knowledge you have acquired, through four years of intensive study and experiment, to the four corners of the nation where it may become an important factor in our state and national life.

In whatever field of endeavor you elect to serve, I believe you will strive to reach what should be the goal of every University graduate—to be pointed out as a worthy representative of your alma mater and a useful and constructive citizen of your State. Several thoughts of a challenging character impress themselves upon us as we contemplate the future position of the typical university graduate in our social, business and professional life. Our first thought is that we are all members of a great commonwealth—equal stockholders in a noble enterprise and willing workers toward the attainment of a common goal. The reciprocal obligations, therefore, which exist between you and the State, must not be overlooked.

As I look about me and see this magnificent educational plant; when I consider the many sources of knowledge and the superb material advantages that have been provided so generously by the State, I am constrained to believe that every graduate of this University owes to his own State and community a greater duty of service than he will ever be able to pay. To put it in a practical way, the taxpayers have been willing to stand heavy burdens in order that ample educational facilities may not be denied the humblest citizen of the State. While I should not for a moment wish to make education a material matter of dollars and cents, I should like to remind you, young men and women, that your value to the State and the State's interest in you cannot be adequately appraised.

The people of a great commonwealth have contributed in a substantial way to the education you have received and now the commonwealth is asking in return that its public and private life may be enriched and strengthened by the investment it has made. It is not necessary, I am sure, to remind you of this fact, but it is a wholesome and an humble thing to remember and appreciate it.

The State will welcome you into its activities and it will be gratified if you shall assume active leadership in its affairs.

Too long has the best native talent of North Carolina sought other fields in order to find full expression of its powers and its hopes. There was a day when this appeared to be necessary. It is not true any longer. Today North Carolina can offer all of its college graduates full partnership in the State's actual and potential resources, confident that they will not only find the opportunity for full development of their talents, but receive rich material rewards as well. There is a high place in the State for every educated citizen who has the ambition and the industry to fill it adequately; and in this connection let me remind you that North Carolina is not the same State as it was twenty, or even ten years ago. Great and constructive and wholesome changes are taking place all around us. Our natural resources have scarcely been touched. Our constantly expanding industries are calling for new strength and specially trained man-power. Never before in the history of the State has there been such an insistent demand for young men and women to assume responsible leadership in the direction of affairs.

And, after all, the purpose of education, as I conceive it, is to conserve the good that has come down to us from the past and so to envision the future as to direct into fruitful channels the new currents of opinion and action that may appear from time to time.

As spokesman of the people of North Carolina, I am glad to welcome you into the organization of loyal and forward looking citizens. You are now full stockholders in a great enterprise, valiant fighters in a common cause. The State had faith in your sincerity and ability and character and has helped to prepare you for a larger measure of service. It now falls upon you to justify that faith.

We bid you God speed in the greater work that lies before you. We would offer no special advice, no formula of success, no outline of public or private duties to safeguard your spiritual or material fortunes. But in friendly salutation, we would ask you to constantly remember the obligations you owe the State that has nurtured and educated you; the University that has trained and honored you and the common humanity from which you sprung;

they need you and call you to broader fields of service and achievement.

NORTH CAROLINA IN THE WAR OF INDEPENDENCE

ADDRESS DELIVERED AT THE DEDICATION OF THE NORTH
CAROLINA BAY IN THE CLOISTER* OF THE COLONIES
AT VALLEY FORGE, PENNSYLVANIA

JUNE 17, 1926

Nothing can be more essential to a wholesome love of our nation and the exaltation of patriotism among the people than knowledge of vital moments in our history and the perpetuation of such knowledge in beautiful shrines and monuments.

Accurate historical knowledge gives due significance to the memorial, and beauty in the memorial itself insures perpetuation of the knowledge by operation of the poetic law that "a thing of beauty is a joy forever."

Under the leadership of Mrs. S. Westray Battle, chairman of the North Carolina State Commission, a number of our citizens have contributed toward the erection of this shrine at Valley Forge—the North Carolina Bay in the Cloister of the Colonies—and we have come today to take part in these ceremonies and to dedicate this bay as an everlasting memorial to the valor of the North Carolina soldiers who bore an honorable part in the momentous events which took place here one hundred and forty-eight years ago.

In revent paraphrase, Valley Forge may be called the Gethsemane of the American Revolution, where Washington and his men, all but disheartened, drank deep of distress and abject despair. And on this occasion of fitting ceremonial, I embrace the opportunity to read into the record the bare facts of history showing wherein North Carolina has part in the significance and glory of Valley Forge.

*This cloister is part of a memorial to Washington and his troops that was erected under the auspices of the Episcopal Church. Mrs. S. Westray Battle of Asheville conducted the campaign that made possible the erection of the North Carolina Bay.

A RÉSUMÉ OF FACTS

Differences having broken out between the colonies and the mother country, to keep in touch with the other colonies the North Carolina Assembly, in November, 1773, appointed a Committee of Correspondence. The Port of Boston was ordered by the Crown to be closed on June 4, 1774. That oppressive measure awoke the people, and the cry rang throughout the colonies that the "Cause of Boston is the cause of all."

Parker Quince carried a ship load of provisions from Wilmington to Boston, while another was sent from New Bern and Albemarle as a gift.

A Continental Congress was called, and in order to send delegates, the Committee of Correspondence in June determined to take steps to have a convention of the people of the colony. So on July 21 the inhabitants of the Wilmington District met and appointed a committee to call for an election of delegates by every county. August 25, 1774, this proposed convention met at New Bern.

This was the first representative body elected by the people outside of the constituted authority in any colony. It provided for the election in each county of a committee subsequently known as the Committee of Safety. It declared that after January all importations from Great Britain of tea and manufactures should cease, and it authorized the delegates to the Continental Congress to enter into agreements with the delegates of the other colonies. Colonel Harvey presided over this convention, and was authorized to call another when necessary.

The counties now appointed Committees of Safety, and in October the Edenton Tea Party was held, and at Wilmington the ladies in procession burned their tea. In February Colonel Harvey called for the election of delegates to another convention. The people of New Hanover and Brunswick had now formed military companies and had elected colonels and other officers of these regiments.

But the royal Governor Martin was not inactive. There were loyalists in the interior and British officers were sent to organize them, and on March 10, Governor Martin wrote to General Gage to send arms for the loyalists.

On April 3, 1775, the General Assembly met, and also the second convention. This convention authorized its deputies to bind the colony in honor by any act they might do, thus uniting North Carolina with the other colonies for weal or woe.

BATTLE OF LEXINGTON

On April 19, 1775, the first clash of arms occurred at Lexington, the news reaching New Bern May 6 and Wilmington May 8. On May 16 military companies formed at New Bern, and on May 31 the royal governor hastily left New Bern and went to Fort Johnston at the mouth of the Cape Fear River.

In May, 1775, in Mecklenburg County, the people met and passed formal resolutions, denying the authority of the Crown and looking toward independence from England.

On June 20, 1775, the representatives of the counties adjacent to Cape Fear River signed the Association Paper, uniting themselves "under every tie of religion and honor . . . solemnly engaging that whenever our Continental or Provincial Councils shall decree it necessary we will go forth and be ready to sacrifice our lives and fortunes to secure her freedom and safety."

The military regiments assembled and burned Fort Johnston, and the governor, driven from the province, took refuge on a vessel.

NEW GOVERNMENT

The established government ceased, and in August the new government, deriving its authority from the people, held its convention in Hillsboro. It raised two regiments of continentals and six battalions of 500 men each.

In December, Colonel Robert Howe, with his North Carolina Continentals, went to the aid of Virginia, drove the British out, and took possession of Norfolk. In the meantime, British officers who had been sent into the interior organized the Loyalists, who to the number of six thousand marched under General MacDonald to join the British in the harbor of the Cape Fear where a large force was expected. In February, 1776, these were defeated in the Battle of Moore's Creek Bridge, and 850 prisoners were captured. The importance of this victory in its effect cannot be over-estimated. It thrilled the hearts of those in

revolution, and while strengthening the patriots in every colony, opened up visions of independence here in North Carolina.

The convention met at Halifax April 4, 1776. A select committee, appointed April 8, reported the following resolution on April 12, which received the unanimous concurrence of the convention:

That the delegates for this Colony in the Continental Congress be empowered to concur with the delegates of the other Colonies in declaring independence and forming foreign alliances. . . .

This was the first movement for independence by the authority of any colony.

By May 1 the expected British army under General Clinton began to arrive in the Cape Fear. It was met by a force stated at 9,400 men, and General Clinton later withdrew and undertook to take Charleston. The third and fourth North Carolina Continentals and a Rifle Regiment followed the British there. The British were defeated, General Lee highly praising the North Carolina troops, but Clinton continued to threaten Savannah, Charleston and the Cape Fear.

On May 15, more than a month after the action at Halifax, the Virginia Convention directed the Virginia delegates to propose independence, and on the same day Boston and other towns in Massachusetts, in town meetings, took similar action.

On May 27, Joseph Hewes presented to the Continental Congress the North Carolina resolves. This was the first utterance for independence in that body. It was followed by the presentation of the Virginia resolves. The subject was new. The other colonies had not acted; the delegates could not proceed. Two weeks passed and then, on June 7, Richard Henry Lee offered the resolution, "That these United Colonies are and of right ought to be free and independent States." The next morning, Hewes spoke for North Carolina, urging its adoption. Six colonies were not prepared to support it, and by a vote of 7 to 5 the resolution was postponed until July 1, by which time it was hoped instructions might be given by the six colonies, authorizing concurrence.

On July 2, the Congress passed the resolution, and the voice of Mceklenburg that rang in May, 1775, and of Halifax April 12,

1776, found an echo in the Continental Congress! Where North Carolina had led the others responded. Independence was declared.

On August 1, the council, governing the State when the Provincial Congress was not in session, met and after a great demonstration made the necessary changes in tests and laws, and the oaths of witnesses in court were to be "between the independent State of North Carolina and the prisoner to be tried."

While the British held New York City and dominated the sea coast at the North, they also held Florida, and threatened Georgia and the Carolinas, and they fomented an Indian war, so that under Continental officers the southern brigades were detained at the South until, in April, 1777, the North Carolina brigade was marched northward, but was delayed at Georgetown by the smallpox and measles, many dying there. However, they reached Trenton on July 1. A British army in August sailed from New York and landed at Elk River, threatening Philadelphia.

WASHINGTON ASSIGNED TROOPS

He formed a light division under Major General Maxwell, assigning to it North Carolinians under Colonel Martin, while the brigade was assigned to General Sullivan's division. These North Carolina troops rendered fine service at Brandywine and in subsequent operations.

AT HOME

The State was astir in filling up the ranks of the brigade and in organizing and equipping the seventh, eighth, ninth and tenth battalions, these marching north on September 1.

AT GERMANTOWN

The North Carolina brigade, then in Lord Sterling's division, was one of the attacking brigades and pushed on, victoriously pressing the British regulars a mile beyond the Chew house, driving the enemy before them. Here, however, a dense fog enveloped the field, and Wayne's division on the left retired and the British renewed the contest with spirit, and the brigades of Nash and Sullivan, now threatened on both flanks, likewise had

to retire. The North Carolinians suffered very heavily. General Nash, Colonel Polk, Colonel Buncombe, and Colonel Irwin fell on the field with many subordinates and hundreds of the soldiers. Colonel Hogun particularly distinguished himself. It was indeed a field of great glory for North Carolina, although a terrible sacrifice.

VALLEY FORGE

Then came Valley Forge where North Carolina had nine regiments. One-half of the North Carolinians fit for duty were assigned to the special corps organized to harass the British outposts and to keep in check the British foraging parties. During that winter of 1777-78, the New England states were separated from Washington's army by the British possession of New York, New Jersey, and much of Pennsylvania. No supplies could come from them.

In these months of distress it was North Carolina that largely supplied the needs of Washington's suffering army. Now the value of Ocracoke became still more apparent. The British Governor Martin wrote in January from New York to Lord Germain: "The contemptible port of Ocracock (North Carolina) . . . has become a great channel of supply to the Rebels. . . . They have received through it . . . very considerable importations." To close that inlet, a British ship of war, two sloops, a brig, and privateersmen from New York and England hovered along the coast, charged with the duty of capturing American vessels. But, on the other hand, efforts were made to drive them off, and in addition to the fortifications and state vessels, the New Bern merchants fitted out the *Bellona*, carrying eighteen guns, and the *Chatham*, to make reprisals. To pay for imported goods, tobacco was shipped to foreign countries, the State purchasing and sending out large quantities of that commodity. Salt brought in by the State was exchanged for pork, and Governor Caswell employed men in every section packing pork for Washington's army. All sorts of skins and leathers and all cloths fit for blankets were likewise obtained for the soldiers, sometimes resort being had to impressment. In the Albemarle section, where there were so many industrious Quakers, they made shoes for the soldiers. Governor Caswell wrote: "I am to buy leather, skins, shoes and other clothing, procure manu-

facturers, set them to work, purchase salt and provisions, and procure boats and wagons for sending these articles on."

At length four brigades of wagons were sent from Pennsylvania to carry the stores at Edenton and South Quay for the use of the army and to relieve the suffering of the soldiers. The army had been supplied from North Carolina, and its organization preserved and, fortunately, their distresses relieved. That collection of raw men was drilled and trained by Baron von Steuben so that it emerged in the spring an army of disciplined veterans. In March there were 200 North Carolinians sick in camp, an equal number in the hospitals, and 900 fit for duty. In May the rank and file of North Carolinians at Valley Forge was 1,450.

MONMOUTH

At the Battle of Monmouth, the North Carolina brigade under Lord Sterling held the left of the second line, repulsed the enemy before whom Lee's first line had retreated, and later were thrown forward to engage the British right, but night closed in and Clinton escaped.

During the fall and winter of 1778 the North Carolina brigade was with Washington at Fredericksburg, N. Y., near the Connecticut line; the North Carolina cavalry wintered in Orange County, N. Y., at the front; and Colonel Hogun, with his regiment, threw up the fortifications at West Point, that afterwards became so famous in history. It was a great work well done by the enthusiastic and devoted Carolinians.

It was the Second North Carolina Continentals under Major Murfree that made the gallant assault in capturing Stony Point on July 16, the assaulting column, at dead of night, having unloaded guns and using only the bayonet.

To supply the North Carolina troops, each county was required to furnish a proportionate number of hats, shoes, stockings and yards of woolen, linen and cotton cloth. For instance, Rowan's quota was 124 hats, 248 pairs of shoes and socks, 248 yards of woolen cloth, 524 yards of linen, and so on as to the other counties to supply 3,000 men. The linen was made in the homes of the people, and the call was for 12,000 yards of linen!

The total enlistment of North Carolina in the Continental Army was about 8,800; and every county had its militia regiment,

which was divided into five sections. When a draft was made, one section of each regiment was called out, so that when the fifth and last draft was made every militia man in the State had been called out. The number aggregated 22,000.

In the fall of 1779 the British were attacking the South, and Congress ordered the North Carolina brigade to South Carolina. On March 3, 1780, it reached Charleston. The war was now at the South. The British were quiet at the North, but made a great effort in the Carolinas. General Lincoln tried to hold Charleston and met with misfortune. At General Lincoln's capitulation, the entire North Carolina brigade with him was surrendered.

New forces were at once raised, and the Battles of Camden, Cowpens, Kings Mountain, and Guilford Court House were fought. The South was unconquerable. From Wilmington Cornwallis wrote to Major-General Phillips in Virginia: "My situation here is very distressing. . . . By a direct move towards Camden (South Carolina) I cannot get time enough to relieve Lord Rawdon, and should he have fallen, my army would be exposed to the utmost danger." Being in desperate straits, he determined to move north and unite with Phillips. After a fortnight's rest at Wilmington, his shattered regiments again fell into ranks and began their march northward.

The cause of independence was now nearly won! It only needed the final blow. While Greene was destroying Rawdon at Eutaw Springs in September, Washington with the northern army was closing in on Cornwallis at Yorktown in October. The end had come. The remnants of Cornwallis' fine army of regulars were unable to engage in a set battle, and he surrendered. The hope of Mecklenburg and Halifax had found its realization by the battles at the South.

CONCLUSION

We behold today what these men saw only in the faith that fired their high resolve to see the ordeal through; we enjoy in myriad manifestations the opportunities and results of a freedom they could but pursue as hope. Our natural impulse of State pride under such considerations subordinates itself to common gratitude that we are the great nation we are today because "great men have been among us"—never so great, never so

prophetic of greatness in the Nation as were Washington and his men at Valley Forge.

In the name of the people of North Carolina who cherish with pardonable pride the brave deeds of their forefathers, who fought, suffered and died here, I present this memorial. It is worthy and it will endure, but it cannot add one jot to the fame of those in whose honor it is erected. Their names are immortal and will remain indelibly written upon the pages of history long after this memorial of marble and bronze has crumbled into dust.

WATER POWER IN NORTH CAROLINA

ADDRESS DELIVERED AT THE CONVENTION OF THE NORTH
CAROLINA SECTION OF THE AMERICAN WATER WORKS
ASSOCIATION, WRIGHTSVILLE BEACH, N. C.

AUGUST 23, 1926

I think no one will challenge the statement that the men who represent the business of providing America with its water works are engaged in promoting and making effective what might be termed our basic public utility.

We are living in an age which has seen a wonderful urban development in the form of great cities; have witnessed an industrial metamorphosis; applied inventions and discoveries to the ultimate end of so far as possible relieving the citizen of the obligation to labor except in the manner in which he is most fitted to produce. We are approaching the end of the urban era in its symptom of congestion. Transportation, power, the instant means of electrical communication are spreading the cities into the country. Good roads, motors, all the conveniences once peculiar to the city already are available to a constantly increasing suburban population. After awhile they will be universal as incidents to farm life, on which in the last analysis we are all dependent. Our farm life, in fact, will be saved definitely when the city has nothing in the way of public utilities that the farm does not possess.

Back of all this is water. I take it that you are chiefly concerned at present in seeing that the plants you manage are con-

ducted in such a manner as not only to supply this essential abundantly and economically to your patrons, but in a manner which takes account of future needs; which has vision concerning the demand you will be called on to supply; which is looking far ahead and afield.

Most of you are acutely aware that with the present tendency of progress in industry, increase in urban and suburban population, more liberal use of water, your plants face within the next few years a necessity of expansion that must be most liberally estimated. You know as a matter of simple mathematics that in a relatively short while you must be casting about for new sources of supply based on the progressive estimates of future needs which the experience of the past few years requires. Some of you, no doubt, have known what it means to face a shortage of water in times of drought. You know the facing of the possibility of an absolute stoppage and exhaustion of water in a city. First, the health crisis; second, the fire danger; third, the injury to business and industry; last, but in its quality of irritation most universal, the disruption of the orderly routine and comfort in the home.

I wish to assure you that I am aware and concerned, in a non-technical way, with the problems every growing city faces when it begins to look toward a policy of providing a water supply which shall be sufficient to meet these needs adequately, in advance of the time when they will become acute. As the first essential to such a provision, you must, of course, know with the definiteness that an engineer demands what will be the minimum flow of the streams you propose to tap. Droughts, three of them of unprecedented severity, have shown that you cannot calculate your needs safely on any other than a minimum flow. What is that flow in your proposed source of supply in times of drought? You wish you knew. Just now not only the safety of municipal investments but the possibility of real civic disasters depend on how well you guess. There are North Carolina cities which have been forced to importing water in tank cars, meanwhile subjecting themselves to the danger of a conflagration, simply because periods of drought negated all the data which engineers had to work on when they established the municipal plants.

Water is a state concern in many other ways beyond your

particular problems, which concededly embrace its most essential use. As the State must see the problem, water involves municipal safety, industrial progress, public health. We think of it as a gift of the gods in some mysterious way turned out of a tap, but the time has come when the State and every user along the line of its progress from the mountains to the sea must consider it a resource whose proper conservation is one of the major duties of government. In nothing else, in fact, is scientific treatment and data so practical a matter as its application today to water supply.

I believe we must be alive to the necessity of adequate stream gauging stations. I wish that there were some way to impress popularly and to educate the mass of the people to the vital necessity of better practice in this respect. There is not a community or a section of the State, for instance, that does not benefit by and realize the importance of our great hydro-electric industry, on which in very great part is built our industrial supremacy in the South, our hundreds of small cities and towns which are the pride of the State in the completeness of their equipment and, less directly, the prosperity which has enabled us to provide good schools and higher institutions of learning, good roads, and the benefits of government, concerned with the social as well as the material requirements of its citizens. We now have installed something like 600,000 horse-power, which produces a billion and a half kilowatt hours of electric energy per year. We have streams, particularly in Western North Carolina, capable of producing with development an additional million and more horse-power. Since water never wastes, since it is the one thing that can be used over and over without loss of energy or material depletion, you, as responsible agents for municipal supply, have, of course, a kindred interest with the industrial use of waters.

Yet it would surprise the average layman to learn that we would today either be waiting for the stream development we have experienced, or it would still be in its infancy, had it not been for the early practice of methodical stream gauging.

Years ago far-sighted experts of the old Geological Survey of North Carolina began to coöperate with the federal government in measuring North Carolina rivers and streams. When the

hydro-electric era arrived, this State had the immeasurable advantage of having records for a number of years concerning the flow of a number of the larger streams. This was data upon which engineers could proceed with confidence. For example, it is often stated that North Carolina has the largest aluminum reduction plant in the world—that at Badin with its installation of 150,000 hydro-electric horse-power. But it is not known that the location of this plant was determined, according to the statement of its chief engineer, because there were available long term stream flow records of the Yadkin River.

At various times prior to 1926 there have been operated in North Carolina some eighty-seven gauging stations. Many of these, however, were read only for a year or two, in connection with studies of national forests. Only five stations have records in excess of twenty-five years and ten records exceeding ten years. Records of less than ten years are of little use unless they can be readily correlated with records of other streams for longer terms.

Systematic gauging under State oversight began in 1920 with the creation of the Water Resources Division of the old Geological Survey, now the Department of Conservation and Development. The number of stations has increased from twelve in that year to sixty-one, which are now operating. It is a serious situation, which I hope to see corrected, that the present force can now operate only from forty-five to fifty stations a year over a term of years. Instead of being reduced, the number of stations should be materially increased to meet undoubted future requirements—industrial and civic. At present the effects of last year's acute drought, followed by the extremely dry spell for several months this year, have made stream flow records all the more important. Especially is this true in the case of our cities, which are almost without exception looking to expansion of their water plants. In every such case stream gauging is a necessity, impressed by the experience in many cities and towns where water plants were practically wasted because there was not available stream flow data upon which to build them intelligently.

It is my hope that ultimately the State shall have a well-equipped Division of Water Resources to provide essential stream data in every respect. This would include not only

adequate stream flow stations on small as well as large streams, but stream surveys looking to the economy of power in development. It would consider the problem of silting, which embraces protection of forests on watersheds and reforestation. It would have to do with analyses of waters in connection with their use in special industries, an investigation of underground waters, studies in the disposal of industrial wastes, and numerous other problems, all of which are incidental to your complicated and highly important work.

The water in a storm cloud chilled and precipitated by the Blue Ridge nourishes the forests, sustains their wild life, sparkles in waterfalls, sings the song of the trout streams, is piped to cities, empties into rivers, turns wheels, provides the electric energy that keeps factories humming. Today it is a mist gathering in the evening. In a week or a month it has become the swelling tide on which ships put forth to sea. Meanwhile, it has done almost everything from growing crops to flooding the room with light at the push of a button—to flashing the moving picture on the screen and catching from the ether the impulse that broadcasts the voice of a president.

In this progress, it is owned, employed, bought and sold by innumerable individuals, industries and businesses.

Yet, first and last, it is of the truly public character of a commodity on which every individual depends for his daily comfort, activity—his very existence.

In brief, water must be considered in all its phases and employments an agency and public utility which the State as a sovereign has the obligation to see is conserved and employed to the best advantage.

I can say no more than that I appreciate fully the public importance of what you are trying to do toward providing an economical, pure and adequate water supply, and that I shall so far as possible see that the State does in respect to its provision everything that is right, reasonable and progressive in respect of one of our major assets and resources.

NORTH CAROLINA'S PART IN INDEPENDENCE

ADDRESS* DELIVERED ON NORTH CAROLINA DAY AT THE
SESQUICENTENNIAL EXPOSITION, PHILADELPHIA

OCTOBER 11, 1926

For nearly three years prior to the consummation of the event, the people of North Carolina had been preparing themselves by common thought and action for participation in that decisive epoch in the history of peoples which had its beginning in the Declaration of Independence of July 4, 1776.

The distinctive geographic and economic conditions existing in colonial North Carolina accentuated the individualistic, liberty-loving characteristics of the self-sustaining inhabitants and guaranteed their stubborn resistance to what they regarded as excessive government from any outside source. From the Stamp Act of 1765 until the outbreak of the Revolution, North Carolina reflected her opposition to British policy and her championship of the American cause by all the current forms of demonstration—meetings of protest and resistance, committees of correspondence, participation in the Continental Congress, committees of safety, non-importation resolves, the revolutionary exercise of the functions of government, expulsion of the royal governor, and an enthusiastic rally to the cause of Boston as the cause of all.

As early as the year 1773 they had observed in the differences between the Mother Country and the American colonies portents which counseled united action in a common cause. We thus find the General Assembly of 1773 appointing in November of that year a Committee of Correspondence. When the port of Boston was closed by the Crown in June, 1774, North Carolina shared fully in the general resentment; and we find Parker Quince sailing from Wilmington with a ship of provisions, while New Bern and the Albemarle section dispatched another vessel as a gift to the protesting colonists.

In order to send delegates to the Continental Congress, the Committee of Correspondence in June, 1774, determined upon

*Immediately after the conclusion of this address, Governor McLean laid a wreath at the pylon erected and dedicated to the North Carolina signers on which was the following legend: "The State of North Carolina: In grateful remembrance of the services of her delegates who signed the Declaration of Independence—Hewes, Hooper and Penn."

the American precedent of a convention of the people of the colony. On July 21, the people of the Wilmington district met and appointed a committee to call for an election of delegates by every county. In a little more than one month, on August 25, 1774, this convention was an accomplished fact, in session at New Bern.

This convention was not only the first representative body elected by the people of any colony outside and independently of the constituted authority of the Crown, but it was the first expression in America of organized defiance and resistance to oppressive measures imposed by England.

Its action included provision for a committee to be elected in each county, afterwards called the Committee of Safety. It brought forth the declaration that after January all imported tea and manufactures from Great Britain should cease. It authorized its delegates to the Continental Congress to enter into agreements with the delegates of other colonies. It authorized its chairman, Colonel Harvey, to issue a call for another convention when necessary.

The next few months furnished abundant evidence that the convention had been truly representative of the popular will and sentiment. The counties promptly organized the committees of safety which had been provided for. Ancient Edenton held a tea party such as afterwards was so celebrated when staged in Boston, with the exception that the North Carolinians who engaged in the act of protest did not attempt, even slightly, to disguise themselves. At Wilmington ladies in procession burned their tea in protest, while the men of New Hanover and Brunswick counties busied themselves prophetically with the formation of military companies and their organization into regiments. In February, 1775, Colonel Harvey issued the call for the election of delegates to a second convention.

Meanwhile the royal governor, Josiah Martin, had seen the trend of popular sentiment and was moving to crush it by sending British officers to organize the Loyalists in the interior and to procure their arming.

On April 3, 1775, the General Assembly convened, and at the same time there met the second convention of the people acting independently.

This convention took the pregnant step of authorizing its deputies to bind the Colony in honor by any act they might take in connection with the other colonies, thus uniting North Carolina definitely, and for better or worse, with the fate of the colonies in federation.

This chronology will explain the speed with which North Carolina reacted to the news of the Battle of Lexington. New Bern received this information on May 6 and Wilmington heard of it two days later. In ten days New Bern had organized into military companies, and by the first of June the royal governor had fled to take refuge in the British Fort Johnston at the mouth of the Cape Fear River.

The fire bell had been rung and revolution was in the air throughout the Colony. In May, 1775, in Mecklenburg County the people met and passed formal resolutions which denied the authority of the Crown and openly declared for independence from England.

On June 20, of the same year, representatives of the counties adjacent to the Cape Fear River met to unite themselves in ringing phrase—"under every tie of religion and honor . . . solemnly engaging, that whenever our Continental or Provincial Councils shall decree it necessary, to sacrifice our lives and fortunes to secure freedom and safety."

Forthwith the military regiments already organized assembled and proceeded against Fort Johnston, which they burned, the royal governor taking refuge on a British ship.

It will thus be seen that within four months after Lexington, North Carolina's response had taken the form of declaring for united action with the other colonies for independence of British rule, of military action resulting in the burning of Fort Johnston and the expulsion of the crown governor.

With equal promptitude the Colony accepted the logic of its action and in August proceeded through convention at Hillsboro to establish a government of the people to take over the authority of the established order it had overthrown. Nor did these patriots blink the fact that they were thereby inviting and accepting war. The chief business of the convention was to raise two regiments of Continentals of six battalions of 500 men each. By December, 1775, we find Colonel Howe in command

of these troops, marching to the assistance of Virginia, driving out the British, and taking possession of the port of Norfolk. There followed the first engagement of a decisive character between British and Continental forces at the Battle of Moore's Creek Bridge, when a large body of Loyalists, marching under command of General Macdonald, were met and defeated with slaughter and the capture of 850 prisoners. The effect of this engagement in North Carolina and in the other colonies cannot be overestimated. The test of arms had come, the die was cast, resistance had progressed to revolution.

On April 4, 1776, the Fourth Provincial Congress met at Halifax, North Carolina. The resolution reported by its select committee on April 12 and unanimously adopted by the Congress was a model of clarity, comprehensiveness and decision in its enactment that: "The delegates of this Colony in the Continental Congress be empowered to concur with the delegates of the other Colonies in declaring independence and forming foreign alliances." This date, April 12, 1776, emblazoned upon our State flag—so conspicuously displayed here today—marks the first official action in the Thirteen Colonies looking toward independence.

These spontaneous acts of the people were the ingredients out of which to construct a great nation:

Confederation for independence, a united authority, a State—in fact, which should be ready for the definitive act of sovereignty in the exercise of the treaty making power with other nations.

These North Carolina resolutions were presented to the Continental Congress by Joseph Hewes on May 27. On June 7, the Virginia resolutions which had been adopted in convention on May 15 were offered. Richard Henry Lee on June 7 put into deathless epigram the resolution which expressed the action taken by his own State and North Carolina, and on the following morning Hewes spoke in advocacy of its adoption, but action was delayed until July 2 to await the authority of other colonies. On that date the spirit of the Halifax resolutions was expressed in the terse but momentous eloquence of Lee in these words:

That these United Colonies are and of right ought to be free and independent states.

There followed the great Declaration itself and in it the people of North Carolina found crystallized in immortal words the translation of the inner impulses of moral and political conviction which they had nurtured for many months, through revolution, battle, and other constructive acts of independence on their own initiative.

North Carolina must have felt then that it was peculiarly identified with the Declaration which so aptly set forth its reason and action. It has so thought and felt ever since. It will ever be its proud reflection that what the Declaration announced and forecasted the people of North Carolina had been endeavoring to achieve for months.

Before the Continental Congress met, North Carolina troops had faced and diverted General Clinton seeking to invade the Colony, and her troops had followed him to help in his defeat at Charleston.

In less than a month after the Declaration of Independence was signed on its behalf by Hooper, Penn and Hewes, its council was meeting amid great enthusiasm to make the necessary changes in tests and laws incident to a newly realized sovereignty, and the oaths of witnesses in criminal trials were then made to conform to the issue: "between the independent State of North Carolina and the prisoner to be tried."

It is not my purpose to follow at any length the course of the State and its troops in the War of the Revolution that followed. It is sufficient to recall that, as in every conflict in which it has since been engaged, the State exhibited in the first great struggle the qualities of a people characterized by the enduring values of bravery, persistency and determination. Its organization, both for supplying troops and for furnishing supplies, was remarkable for the times. Its counties furnished men and provisions and materials by systematic effort. Its channels to the sea from the ports of Ocracoke, Edenton, New Bern and Wilmington were the conduits for needed importations. To the Continental Army it sent 8,800 men and every county had its militia regiment, divided into five sections. These were drafted in order, and when the drafts had been completed 22,000 militia had entered the service.

Once into the war, North Carolinians fought valiantly to the end. They were in the midst of the fray at Germantown, where

heavy losses included General Nash, Colonel Polk, Colonel Buncombe and Colonel Irwin, names for generations synonymous with the highest spirit of patriotism. They endured with Washington the trials of Valley Forge, till the starving troops were succored by supplies furnished with heroic exertions from their own ports. They fought with success at Monmouth, wintered at West Point, where they constructed the famous fortifications, assaulted and captured Stony Point with the bayonet. Disaster came with the defeat of General Lincoln at Charleston and the capture by the British of the North Carolina brigade, but this temporary reverse only caused renewed efforts for victory. The battles of Camden, Cowpens, Kings Mountain and Guilford Court House applied to Cornwallis the deadly attrition which gradually weakened him to receive the *coup de grace* at Yorktown. Fighting for the Revolution before it began, North Carolina was one of the most potent factors in bringing it to a close.

I have tried to outline as briefly and as modestly as the facts of history will permit the reasons why North Carolina feels at home at this Sesquicentennial Celebration of American Independence and why it accepts, as a matter of full right and partnership, its special part in its commemorative exercises.

I should like to remind you that in one respect this occasion affords a local as well as a national significance, so far as North Carolina is concerned. Between Pennsylvania and North Carolina there is a common interest of birth and ancestry that fortifies and humanizes the patriotic and political bonds which have always existed between our peoples. One of the great streams of early immigration that flowed into our State came from Western Pennsylvania. These early settlers included the Scotch-Irish, the Moravians, the German-Lutherans and the Quakers whose strains are still pure and dominant in our State. The route they traveled from Pennsylvania to North Carolina was plainly laid down on the maps of that day and has continued to be an important route from that day to this. It was called the great road from Philadelphia to the Yadkin River in North Carolina and ran from Philadelphia to Lancaster and York in Pennsylvania, to Winchester in Virginia, up the Shanandoah Valley, then southward across the Dan River through the Moravian settlements on the Yadkin River and through the

fertile Piedmont section of North Carolina. The descendants of these people comprise a great part of the virile population of North Carolina today.

It is an interesting bit of history to recall that General Lee followed this same highway when he marched into Pennsylvania during the memorable Gettysburg campaign and that many of the soldiers that composed his army were North Carolinians who in following their great leader, visited for the first time the sections of Pennsylvania from whence their ancestors came. It is one of the dramas of history that the American people have the breadth and the tolerance to contemplate with the same feeling of genuine interest and friendship, the courage and high resolve of their noble ancestors who brought Cornwallis to defeat at Yorktown, and of their worthy sons who followed Lee to fateful Gettysburg, where, notwithstanding defeat, their valorous deeds have been so indelibly written upon the pages of history that they will be remembered with honor until the flood-gates of life shut in eternal rest.

In conclusion let us remember that in these latter days it is sometimes hard to visualize the path over which our forefathers fought their way to freedom. It was not an easy route, but the motive that impelled the journey was as deep rooted as any which ever prompted the course of action pursued by an indomitable race of people in the history of the world. As heterogeneous as we appear to have become, let us not forget that our forefathers' purpose was to set up a government in which the rights of all classes and peoples among us should be respected and protected; and, at the same time, we must not forget that we have a reciprocal obligation to perform—that of guarding against the abuses of freedom—of drawing very finely and decisively the line of demarkation between wholesome liberty and unwholesome license. Wars have been fought and won for liberty; victories for license are never lasting.

And so in a spirit of reverence let us renew today our allegiance to the faith of the forefathers who gave us free government and thereby fulfill our highest duty to ourselves. Let us also remember that the actual fighting of the War for Independence was incidental as compared with the period of preparation for it. It was not necessarily a period in which men thought in terms of war,

but in which the spirit of liberty itself was cultivated. Without that preparation of heart and mind, our ancestors could have accomplished nothing against organized British rule. Our cause was won because it was right; we won our freedom because in good morals we deserved it. Let us get the great underlying lesson of that momentous struggle. It is that we, ever mindful of our duty to our God, our country and ourselves, should keep ourselves in tune with the great principles of free government, for its peaceful perpetuation and its successful application to the needs of mankind. Peace and good will are inseparable, for without good-will there can be no enduring peace between peoples or nations.

So it becomes us to make of this a day of celebration for the purpose of calling to mind the sacrifices made and the victories won by our patriotic ancestors in the great struggle for independence; that the influence of the immortal principles of freedom and liberty given by them to the world in the immortal Declaration was so far-reaching that within a short period after they were proclaimed by the representatives of the weak and then insignificant colonies, they had overturned nearly every throne on the continent of Europe and had sown the seed which made England herself free, and thus paved the way for the advent of that great commonwealth of free nations now known as the British Empire; and that within 150 years these same principles have been the means of wresting from autocratic control practically every nation in the world.

It behooves us also to make of this a day of dedication—that we may dedicate ourselves anew to the great task of making America a nation where all the liberal forces of the world may turn for refreshment and strength—the spiritual home of democracy where the average man may successfully wage his earnest struggle in defense of his inalienable rights—life, liberty, and the pursuit of happiness.

NORTH CAROLINA TODAY

ADDRESS* BROADCASTED FROM STATION WIP, GIMBLE
BROTHERS, PHILADELPHIA, PENNSYLVANIA

OCTOBER 11, 1926

*Friends of the radio audience of Station WIP, Gimble Brothers,
Philadelphia:*

It affords me genuine pleasure to be here tonight and address you briefly, as governor of one of the original thirteen states, and of the first of these that definitely instructed its representatives assembled in this historic city to join in the Declaration of Independence from the British Crown. Within almost a stone's throw of this hotel is Independence Hall in which is enshrined our world-famed Liberty Bell. In the midst of the many shrines of the nation, I feel, as I am sure you feel, that we are standing on hallowed ground.

The purpose of my present visit to Philadelphia, as many of you know, was to attend the exercises incident to the observance of North Carolina Day at the Sesquicentennial Exposition.

In an address delivered at the exposition grounds today, I tried to outline, as briefly as I could, the bare facts of history in reference to the part which North Carolina played in the events which led up to the Declaration of Independence and the victorious conclusion of the War of the Revolution. It is impossible here to dwell at length upon the record of North Carolina in that momentous period, therefore, I will refer to it only in a general way.

From the Stamp Act of 1765 until the outbreak of the Revolution, North Carolina reflected her opposition to British policy and her championship of the great cause of American freedom in every form of popular demonstration.

After the first clash of arms at Lexington, North Carolina established a new government, raised military forces and went to the aid of Virginia. At Moore's Creek Bridge, in February, 1776, North Carolina patriot forces defeated the Loyalist Army which was marching to join the British on the lower Cape Fear

*This was North Carolina Day at the Sesquicentennial Exposition, Philadelphia, Pa.

and perhaps saved North Carolina from conquest, and gave great impetus to the spirit of independence throughout the colonies.

On April 12, 1776, the Fourth Provincial Congress at Halifax unanimously resolved: "That the delegates from this Colony in the Continental Congress be empowered to concur with the delegates of the other Colonies in declaring independence and forming foreign alliances." This date, April 12, 1776, emblazoned upon the State's flag, marks the first official action in the thirteen colonies looking toward independence which was so gloriously declared on July 4, following.

North Carolina troops participated in the campaigns of the North in 1777-78 at Brandywine, Germantown, Valley Forge, Monmouth, Stony Point, etc.; they rendered a service perhaps more important by supplying Washington's starving army in the winter of 1777-78 with provisions brought by the ships of Joseph Hewes, a North Carolina delegate to the Congress and the able chairman of the Marine Committee of that body.

After 1779, when the chief scene of conflict shifted to the South, North Carolina sent troops to the aid of South Carolina and contributed her share at Kings Mountain and Guilford Court House towards breaking the force of British aggression and making straight and sure the road to Yorktown and a victorious peace with independence, the blessings of which we celebrate today.

But I have spoken of North Carolina's record at other times today and, therefore, I will pass over the many stirring events of the one hundred and fifty years that have followed the signing of the Declaration of Independence, and ask your indulgence for a few moments while I refer briefly to the North Carolina of today.

Emerging slowly from the fateful period that followed the Civil War, North Carolina began her renaissance twenty-five years ago. From that hour to this, her progress has been so rapid and so constructive that the State is at the present time admittedly one of the most outstanding of all the states which make up the American Commonwealth. We no longer trail the great empire states of the North and East, but keep pace with them. Industrially, North Carolina is known as "a billion

dollar state," because its manufactured products amount in value to over a billion dollars annually.

North Carolina is technically the oldest state in the Union by virtue of the settlement of Roanoke Island by Sir Walter Raleigh's Colony in 1584.

It was a hundred years later that the first permanent settlers came from England. Subsequent settlements derived from Scotland, Ulster, and Germany, via Pennsylvania. Today the population is about 3,000,000, an amalgamated strain composed of English, Scotch and German, with a slight admixture of Swiss and French. The census of 1920 shows that of the total population only three-tenths of one per cent were foreign born.

In 1925, North Carolina grew 1,100,000 bales of cotton which sold for more than \$100,000,000 and its cotton production is estimated at 1,250,000 bales for the year 1926.

The total value of its crops was \$317,000,000.

Its timber resources amounted to \$90,000,000.

Its mines produced \$10,000,000.

These values are those of raw materials.

Values produced by industry very largely utilizing the products of the State and its natural resources are one billion dollars. They came from textile and tobacco manufactures, furniture factories, knitting, woolen and silk mills, and over one thousand diversified industries.

In 1926 the State will pay into the federal treasury in taxes on its incomes and the products of its factories the sum of approximately \$200,000,000.

To power its vast industrial establishment—there are 500 textile mills alone—the State possesses a hydro-electric industry which has developed 600,000 horse-power, and delivers, with its steam plant auxiliaries, more than 1,500,000,000 kilowatt hours of electric energy per year.

It was recently determined that the value of its manufactured products was over \$1,343,000,000.

North Carolina has probably the greatest range of soil, climate and altitude of any American state. Its geography includes a wonderful system of inland sounds and tidal rivers, a great costal plain, a Piedmont plateau, and a remarkable mountain region.

In these limits can be successfully grown every crop known to the United States, except those which are sub-tropical. Climate generally is mild, winter and summer. In the East cattle can be pastured practically the year around; forests vary from the palmetto tree on the coast to the firs and balsams of the North woods, which grow in the mountains.

Natural resources are of infinite variety. They are being developed the more rapidly as the good roads system of the state highways make them available.

The state highway system includes 6,200 miles of which over 4,500 miles have been hard-surfaced, representing a total investment of \$125,000,000. Every portion of the State is now readily available by hard surfaced roadways of an excellence that has gained them nation-wide reputation.

As a result of good roads both Eastern North Carolina, the Piedmont section and Western North Carolina are now nationally known resort centers and capital is being freely expended in their development.

In the East, fisheries products are a great industry, as is trucking, cattle-raising, and diversified farming. There are three principal ports of foreign commerce: Wilmington, New Bern and Beaufort. To the latter extends the Inland Waterway, which is soon to be extended from Beaufort to Wilmington. On the great sounds are many inland ports connected by water with the world markets and available for transportation of products to the State over railroads, hard-surfaced roads and trucks.

In the West, mountain streams are available for the development of over a million additional hydro-electric horse-power, promising that this section will in a comparatively few years rival the industrial Piedmont as a manufacturing area.

North Carolina is one of the few states in the Union that has taken definite steps to apply to the administration of the State's affairs the same principles and methods of business economy necessary for private enterprise to prosper and serve. An executive budget system has been set up, which gives the governor, as director of the budget, continuing oversight of the affairs of the State, its various departments, boards and institutions very much in the same way that the executive head of a

large organization supervises its various departments. The State is operated on a balanced budget basis. Bonds can be issued only for useful and necessary permanent improvement and in all cases provision is made not only for the payment of the interest but for amortizing the principal out of current revenues within the life of the improvements. A careful examination will disclose the fact that North Carolina is at the very forefront among the states that have adopted improved business methods to the administration of the State's affairs.

Fair treatment of capital which comes to us from other states is a cardinal principle of our general state policy.

In conclusion, let me extend my heartiest congratulations to our people "down home" on account of their accomplishments in the past and wish them God speed in continuing the great task of making North Carolina a greater commonwealth. To those who are listening in from other sections of our great country, I extend, on behalf of the people of North Carolina, friendly salutations and a cordial invitation to visit our State.

And now through the courtesy of broadcasting station WIP, Gimbel Brothers, Philadelphia, you will hear—many of you for the first time—our inspiring state anthem entitled "The Old North State," written in our capital city of Raleigh in the year 1840 by William Gaston, then associate justice of our State Supreme Court. It will be presented from the main dining room of the Benjamin Franklin Hotel by the well-known concert orchestra under the direction of Mr. W. Irving Oppenheim, to whom I express sincere appreciation for the courtesies extended to North Carolina this evening.

ORGANIZED WORK FOR CIVIC CLUBS

ADDRESS DELIVERED BEFORE THE JOINT MEETING OF THE
CIVIC CLUBS OF CHARLOTTE, N. C.

DECEMBER 7, 1926

No one can help feeling a sense of inspiration and a more cheerful spirit of faith and hope who sees in a busy city like

Charlotte a gathering of this kind with its leading spirits giving so generously of their time and energy to the work of the various civic clubs which have become a beneficent example to other communities.

It is perhaps inevitable that the quality of individual enterprise always mindful of the community's benefit and seeing in such a team work the more complete and satisfying success that comes with mass contentment and hopefulness should have fruition in these active organizations among you. Your progressive Chamber of Commerce, which has worked to make known your advantages, to insure your industrial and business advance, to build your community and to increase its opportunities only emphasized by its achievements the need for more specialized and human organizations, as necessary adjuncts to its embracing purposes. There followed Rotary, Civitan, Kiwanis. Each has its specialty in various fields of well-doing. All contribute to the city that feeling of confident cohesion which makes all things seem possible. In many respects your civic club life here makes an ideal condition. It has grown and developed particularly a feeling of joy and vigor in the task of welfare work which lends to some of your best accomplishments the zest of humor and the pleasant excitement of contest. Charlotte, it seems to me, has to thank its civic clubs for one of its outstanding characteristics—that it brings to effective and efficient business the enthusiasm of wholesome rivalry.

I would not seem by this to minimize the evident deep and abiding sense of good-will and charity and Christian helpfulness which underlies and animates your civic club activities. Rather, would I call attention to the truth that these virtues find easier and broader expression when they are linked with the enthusiasm of kindly impulse by which you illustrate them.

I find, for instance, your various clubs giving special attention to helping through high school bright and ambitious boys and girls, easing their paths, directing their energies, supporting their hopes. They hold clinics for crippled children. They establish relations with the Juvenile Court and give watch, aid and encouragement to youthful delinquents. They concentrate on various charities, hospitals, orphans' homes. The Civitans emphasize and seek to stimulate interest in the duties of citizen-

ship. The Kiwanis specializes in work in connection with young children and mothers.

I have been asked to perform the difficult task of suggesting improvements in a work that is already established, and so satisfactorily that it has become famous. More especially, it has been suggested that I try to indicate how your various clubs might be brought more effectively into coöperation with agencies now a part of the state government.

Work in which the clubs are now engaged might be extended with specific attention to helping worthy and indigent youths to attend high school and college and particularly in aiding them to useful citizenship. There is a field here for special work in aiding their preparation for some trade or profession.

Crippled children might not only be aided temporarily, but by establishing contact between them and the Orthopedic Hospital at Gastonia.

A like service might be done in the case of wayward girls by establishing contact between them and the State Industrial School at Samarcand.

Touch should be established with Mecklenburg County boys in the state reformatory, the Stonewall Jackson Training School.

A watchful eye on orphans and a care to see that worthy cases find place in the various institutions maintained for their care in the State is a work not now prosecuted with anything like the thoroughness it deserves. There are many instances in which orphans who should be helped remain unknown because of a proper pride or reticence, which, nevertheless, hinder their development. The same thing applies to cases in which the application of mothers' aid funds is proper, and civic clubs could effectively aid county agencies in ascertaining these instances. Another worthwhile and highly valuable service may be rendered by finding homes for helpless and abandoned children, either through the orphanages or the children's home societies.

In all these activities I would emphasize one point on which we are all apt to be negligent, and that is the giving of proper and equal consideration to the colored children in the cities, the counties and in the State. I shall speak of this in some slight detail later.

One of the outstanding demands in any program of welfare

work that hopes to be inclusive of needs is that something be done in connection with the pitiable condition in which we find the families of convicts and prisoners confined in jails and on chain-gangs. This is one of our most pressing humane problems. It is full of paradoxes and has been the cause of much loose thinking and ill-advised dosage by legislation; but it remains a circumstance to call for the full play of every charitable instinct in its relief.

In considering the wife and children of the criminal, it might as well be realized in the first place that they are perhaps better off, certainly in no worse plight, when their natural protector is confined than when he is at liberty. In the latter instance, his attention is practically confined to abuse, and rarely does he provide. When we lock him up for the good of society, we do not thereby injure his family, but the family remains a charge upon the public. We should see to what degree they can be helped through civic clubs and other organizations, but in doing so it is worse than folly to complicate the effort by assuming that they can be helped by releasing the criminal, who pays less than no attention to his obligation in respect of them.

Although it is the very fact of his economic worthlessness that gets the average prisoner in confinement, the majority of pleas for clemency are based on the fallacy that if a parole is granted, the helpless family of the convict will be bettered. One recent case which came before me illustrates the point graphically, though it by no means stands alone. In this instance the culprit was so industrious and tenacious in his pursuit of crime that he became a positive public nuisance. He was arrested and a subscription was taken among better citizens of the community to employ counsel to prosecute him with vigor. Yet, no sooner had he been convicted and sentenced than petitions for his release were circulated and signed by the very persons, in many instances, who had done most to have him legally separated from the community life. And the plea urged upon me was that, if he were turned loose, he could then provide for his innocent wife and children. They should be provided for, but it is trifling with our responsibility to pretend to look to the prisoner to do so.

The prisoner's family, however, is with us. They, at least, are innocent. It is the loosest thinking to declare that the State has

for them a special obligation on the score of its having found it necessary to confine the husband and father. No, let me repeat, he is often useless to his family and never earns his keep in confinement. There is no feasible way of paying him wages to be turned over to his family, as has been tried by way of a sentimental subsidy. Here is peculiarly, on all counts, a field for welfare work of the most worthy and delicate kind. These families can be given jobs and made self-supporting. They can be kept in schools and given a chance at education. They can be compensated in kindness and practical help for what is their misfortune. Especially important should it be so to treat them as to let them see that they are not held responsible for the stigma they feel attached to their state. We should be careful not to punish them in the manner of our trying to help. Here is where the clubs and civic organizations may work with the promise of rich reward and with every resource of intelligence and good taste.

Complete as the civic organizations may seem to be in a city like Charlotte, there remains for them to consider whether their activities should not logically be extended to the county and rural districts, where facilities for such clubs do not obtain. It was a mistake to consider that a city civic club has any boundaries to its activities coinciding with the city limits. A city is not only within its limits, but affects and is affected by the territory which looks to it as a trade and industrial center. The tenant farmer, about whom we have heard much, is a real problem. In a very true way of speaking he is the problem of the city as well as for the rural sections.

Another thing to consider is the circumstances inseparable from any widespread following of good impulses—the danger of duplication of effort and waste of energy and resources. In the field of the civic clubs are numerous other organizations, all more or less following the same ends and animated by the same purposes. This multiplication of agencies must bring about some diffusion of effort which it is particularly important should be concentrated. We have, for instance, not only such civic organizations as those represented here today, but important agencies such as the Red Cross state welfare workers, Salvation Army, Y. M. C. A., Y. W. C. A., and a dozen others, all attempt-

ing to do the same general character of welfare work without proper coördination and allocation of effort.

Why not, in these circumstances, bring about the organization of a civic council, in which all of the civic and charitable organizations would be represented, to act as a clearing house and coördinating agency for the work and effort of them all? Such a council might parcel the work, concentrate effort and enlarge results with greater efficiency and less cost. It is my thought that until some such plan as this is devised and put into effect, there will continue to be duplication and consequent loss in energy and outlay.

I promised to say a word or so about our obligation in respect to the Negro and particularly Negro children. There is no dodging the fact that here is a field of work in which the white people have been grievously negligent. It is, however, one whose responsibility we cannot escape, either on account of our duty to the Negro or to ourselves. The truth is that there are thousands of Negroes and Negro children who are poor, diseased, outcast and forgotten. In themselves they appeal powerfully to the Southern white man, who knows the shiftless and helpless character of so many of the colored race and deeply sympathizes with them. In addition they make a white man's problem of a major sort, because they live beside us, and because we cannot escape entirely from the misery they suffer. Just as that city is guilty of the extreme folly which makes clean and sanitary its white residence districts, and leaves a Negro slum, so we have done only a part of our duty of self-protection, even, if we better the social and sanitary conditions of the whites and leave any considerable portion of the Negro population to shift in these matters for their aimless selves.

This proposition will not need argument to an intelligent, thinking and well-meaning audience such as this, but I earnestly advise that you give it special thought and study. One illustration should suffice.

We know that the Negro is racially peculiarly subject to tuberculosis. The State maintains a sanatorium, an institution for its cure. In it are white quarters and colored. The white quarters are overcrowded, and must be enlarged. There is not more than forty per cent of the Negro provision taken. Why?

For one reason the Negro instinctively hates a clinic or hospital. For another, there is the cost of treatment. For a third, there is our neglect in searching out the tubercular Negro, and the risk to ourselves which such neglect invites.

There are thousands of upcoming, independent, thrifty and intelligent Negroes. All credit to them. There are still thousands on thousands who have not yet caught their economic, social or moral feet. They cannot help themselves, the more intelligent of their race cannot help them except in small degree. They need help, and our safety depends on bringing them succor. They remain our natural burden, and we shall not be justified in feeling either good or safe until we shoulder it.

In conclusion let me say that there is plenty of work for every group among you to do. The only perplexing phase of the problem is how can we systematize and diversify our efforts to the end that there be no loss in effort or outlay.

RURAL EDUCATION PARAMOUNT DUTY OF GOVERNMENT

ADDRESS* DELIVERED AS THE FIRST OF A SERIES OF PROGRAMS
FOR THE VOCATIONAL AGRICULTURAL HIGH SCHOOLS OF THE
STATE, CONDUCTED BY THE DIVISION OF VOCATIONAL
EDUCATION, STATE DEPARTMENT OF PUBLIC
INSTRUCTION, RALEIGH, N. C.

FEBRUARY 24, 1927

It affords me infinite pleasure to have this opportunity of saying a few words to the boys and girls and others who compose the audiences assembled at this moment in the one hundred and twenty-eight vocational agricultural schools of North Carolina. It would be particularly interesting to know the total number of persons to whom I am speaking and I hope I shall receive this information in due time. In this connection, I hope the time will soon come when it will be possible to speak directly and simultaneously, not only to every student but to the parents and friends of every student in the schools of North Carolina.

*This address was delivered over Wynne Radio Station, WRCO, Raleigh, N. C.

If there is one thing in North Carolina about which there is no longer the shadow of controversy in principle, it is the obligation which the people of the State accept for the education of their children. We are unreservedly committed to education. Our problem is to see that we provide it by the methods which will prove the best investment in time and thought and money involved.

We have progressed beyond the idea that higher education is a species of luxury and elegance without use in the practical affairs of life. We have learned that whatever the vocation a man pursues, he can follow it to the better benefit of himself and his State if he brings to it a mind broadened and enriched by the history of human experience, by the knowledge of literature and by the application of cultural thought and research. I have the greatest respect for higher education, but it were useless and even dangerous in a democracy unless it was something that could be used and enjoyed by all the people.

On the other hand, it is being more fully recognized that education can realize its possibilities of bettering the people as a whole only if it assumes as its province the training for useful and efficient service, their talent and natural bent. Education must seek to discover special capacity. It must inquire into intimate contacts and needs. It must be broad enough to extend its aid and to lend its efficiency beyond the old-time limits of orthodox culture. Education, to be a living principle, must accept the practicable concepts of life and work with them. It must, above all things, not remain aloof. Its message must be carried to the people. Its shrines must not be stationary. It must seek its own opportunities.

To be efficient in a democracy ability to earn a decent living is imperative. If an individual is unable to earn his own living and that of those dependent upon him he is a drag and a burden upon the activities of others. North Carolina must by training and education equip every individual to earn a living and to earn it in a useful occupation.

The vocational agriculture school is *theoretically*—and it must be made *practically*—one of the greatest agencies for the promotion of this special instruction which means educational breadth.

The farm in a day of the growth of great cities and the tendency

of our citizens to gather in industrial areas is more and more necessary to the public welfare. At the same time, the problems of the farm and those who till it are becoming more and more difficult. It will never happen in nature that the city becomes independent of the farm, but it has happened that farm life and its necessities are complicated by the cities and the conditions they create. Industry, manufacture, and the varied activities of city life constantly demand more of agriculture, while they tend steadily to raise the costs of agricultural production, to ask a greater output of fewer workers and to limit the rewards of labor. On his land the farmer is no longer content to live an isolated life and accept for himself a denial of the benefits, luxuries and advantages he creates for others. The farms of the country provide the necessities by which the cities work and live; they constitute the markets to which the industrial centers and the commercial plant must sell in order to exist and prosper. Behind all political thought and economic theory which attempt to deal with this question is the requirement that the agricultural population must learn the principles and methods on which the industry of the country proceeds to successful accomplishment. This means *education*—and no education could be more important, practically or in theory, than the character of instruction necessary to promote such an end.

For years the state of North Carolina has recognized the duty of carrying to the farms the message of better methods, more scientific treatment, more economical production and marketing. The Department of Agriculture is an efficient agency in the study of soils, of crops, of cultivation. In coöperation with the Department of Agriculture at Washington it keeps abreast of all farm problems as they develop and engages every effort to discover and to spread information concerning new ideas. At Raleigh, State College and its numerous bureaus not only teach scientific agriculture but carry the lessons throughout the State by practical demonstration. We have test and experimental farms, and the publications of the department and of the college keep constantly abreast of and make promptly available the newest thought, experiment and discovery in respect to the tilling of the land. At the same time, we need greatly to secure the acceptance of this information gathered and disseminated with so much labor and

expense. Science is a formidable word, but it means nothing more than knowledge and the method of applying it. Dirt farming, after all, is the goal of scientific agriculture; and the vocational farm school might be said to be its practical laboratory.

We have gone far in North Carolina in education in the limited meaning of the term, in spite of what some over-eager citizens have been saying. We will go much farther in a movement in which the backward step is now inconceivable. But if we could have brought to agriculture the same degree of what I might call literacy that we have produced with our schoolhouses, we would not now be worried with the constant danger of an over production of cotton. We would not now and again run on distress in large sections because a tobacco crop failed. We would not be sending hundreds of millions of dollars out of the State for food and feed products. We would not be importing feed stuffs for such few cattle as we raise. We would not be burning over our lands in the spring and in the fall and thus destroying valuable young timber. These things that we would not be doing are the "don'ts" of agricultural education. They are matched by an equally great number of affirmatives as to what to do, what to raise, how to market and how to plan. But we cannot be agriculturally educated until the people can be won to the learning of the lessons our experts have to teach. To bring that instruction to pass, it is necessary to see to it that not only the farmer, but the farm youth and child are as intensively instructed in these matters as all children are now encouraged, even compelled, to learn to read and write.

To popularize and make effective this kind of vital instruction, there will be required a more liberal use of existing educational plant. The rural school succeeds in the degree in which it becomes a center of country life in its social relations. Every rural school needs to be at the service of the entire community. It needs to be a common forum for the community thought and interest to use in their expression. It has its distinct role in extertainment as well as instruction. It should be made into an all-the-year asset—a school by day, a gathering place in the evening. It should be near to the soil and its problems, its joys and its difficulties. It should be for agriculture the means of its better understanding through becoming a common ground for

experience and experiment to meet and confer in a common interest.

It is a development common to America that rural life is becoming less and less isolated. The automobile and the good road have marvelously liberalized the life of the rural dweller. The radio has served to open the horizon to unimaginable experiences. All the world is in a sense at the beck and call of the farmer to utilize and enjoy. All that the world has to offer, the man on the farm has now the power to obtain. He can secure in almost unlimited measure everything that the dweller in the city possesses in the way of advantage, diversion, imagination. In addition, he has the inestimable advantage of space and air and the independence of quietude and privacy. What he lacks is a thing simply analyzed, but so difficult to provide that it has become a major national problem. It is method and technique and business training in the management of his great natural plant, to enable it to produce for him economically the adequate reward of labor without which happiness is an abstraction.

To help rural life to realize this ideal is the present paramount duty of government in the Nation and in the State. We can hope to approach it in proportion as we realize that as an educational system necessarily includes a university, so the farm and how to use, enjoy and realize it is an essential and vital part of its great and universal curriculum.

I am unable adequately to express to you, unseen thousands, with whom the modern miracle of the radio is giving me this contact, the pleasure I feel in the experience of talking to you thus intimately. May we not take the occasion as a prophecy of the thing we all want and need—the close bond and mind-to-mind and heart-to-heart contact of a real popular and sympathetic democracy? I am speaking to you through the courtesy of the Wynne Radio Broadcasting Station, WRCO, from the desk at the governor's office in the capitol at Raleigh.

In conclusion, let me extend to each of my hearers my friendly salutations and best wishes for many happy returns during the year 1927.

Good bye, and good luck to you all.

AMERICA THE AUTHOR OF ENGLISH FREEDOM

REMARKS MADE IN ACCEPTING THE TABLET ERECTED BY
THE DAUGHTERS OF THE AMERICAN REVOLUTION TO
THE NORTH CAROLINA SIGNERS OF THE DECLARATION
OF INDEPENDENCE IN THE ROTUNDA
OF THE CAPITOL IN RALEIGH, N. C.

MARCH 8, 1927

We are here today to take part in a beautiful and patriotic ceremonial.

In the Declaration of Independence the right of autocratic government throughout the world was challenged as contrary to the natural rights of freedom and liberty. It exploded the old heresy contained in the doctrine of the "divine right of kings" that rulers govern by right of inheritance only. It voiced the fundamental truth that the State is but a collection of individuals, each a sovereign in his own sphere, subject only to the right of the people to place such limitations upon personal liberty by written laws as the majority may deem best for the common good of all. The Declaration also recognized the doctrine that the people themselves are the sovereigns with the power to exercise their sovereignty through the laws which they enact. The result was that government by the people themselves was substituted in the place of monarchy. This new doctrine made instant appeal to intelligent men throughout the then civilized world. And so when the Declaration of Independence was signed on July 4, 1776, there was a "new birth of freedom" which offered hope to the oppressed of every race and clime. When we remember that practically the entire world was at that time ruled by absolute monarchs; that the *dictum* that "King can do no wrong" was universally admitted, and that relatively speaking the only government under which any rights were conceded to the citizen was England against whom the denunciations of the Declaration of Independence were directed, we can fully appreciate the noble courage of those who signed that great document. It took a high degree of courage to thus defy not only the king of England, but to audaciously challenge autocratic power wherever it had taken root. So far reaching was the influence of the immortal principles thus enunciated and given to the world that within a

short period after they were proclaimed by the representatives of the weak and insignificant colonies they had overturned nearly every throne on the continent of Europe; and had sown the seed which made England herself free and thus paved the way for the advent of that great commonwealth of free nations, now known as the British Empire. It is a strange paradox indeed, but nevertheless true, that England herself caught the true spirit of democratic government from our own declaration against her and in due time granted to her dominions the same rights for which America fought in the War of the Revolution. Distinguished historians acclaim America as the author of Canada's freedom, because the first right of self-government which England accorded to Canada followed closely upon the Declaration of Independence and the adoption of our federal Constitution. The free governments of Australia, South Africa and finally the admission of fighting Ireland to the sacred precincts of freedom may all be attributed to America's declaration that governments derive their just powers from the consent of the governed. Within a half century after its adoption our Declaration of Independence had made nearly the entire Western hemisphere into free and self-governing nations. Within a little over a hundred and fifty years it had wrested from autocratic control practically every nation in the civilized world. And so it may be truthfully said that America became the torch bearer of freedom and liberty throughout the world.

We have come today to renew our faith in the Declaration of Independence as the great charter of freedom and democracy. It is fitting, therefore, that at this time our attention should be directed and our patriotic sentiment touched by the appeal to preserve and perpetuate for all time the names of Hooper, Penn and Hewes who signed the immortal document on behalf of the state of North Carolina.

If it has taken more than a hundred and fifty years to place in this capitol a memorial tablet to these patriots commissioned by North Carolina to sign in her name the great document which pledged the faith of her people to the great principles upon which our government is founded—the occasion is more significant because it demonstrates the fact that while we may have delayed we have not forgotten our duty. One of the bulwarks of free

government is the duty of exalting patriotism by erecting fitting memorials to commemorate the work of the fathers of the Republic. Nothing is more important to the life of a people than an accurate knowledge of their past history and a continuing reminder of the meaning and obligation it imposes upon succeeding generations.

In providing this permanent memorial the Daughters of the American Revolution have rendered an everlasting service to our State and have given beautiful expression to their patriotic purpose in holding us to an accurate appraisal of the obligation we owe to the architects and builders of our Nation.

It would be difficult to appraise the service which this splendid patriotic organization has rendered in making and preserving for all time many shrines in our State.

As spokesman for the time being of the people of North Carolina, I desire to accept in their name this beautiful and enduring memorial tablet, and in doing so to express to the Daughters of the American Revolution our genuine sense of appreciation for their laudable and patriotic act.

PRESERVE AND EXALT PATRIOTISM

ADDRESS DELIVERED AT THE STATE CONFERENCE OF THE
DAUGHTERS OF THE AMERICAN REVOLUTION,
WILMINGTON, N. C.

MARCH 29, 1927

As the descendants and representatives of men whose valor in war against seemingly overwhelming odds transformed the principles of the Declaration of Independence into the enduring fabric of free government, you are assembled here to acknowledge with grateful hearts the priceless heritage you enjoy and to rededicate yourselves to the ideals upon which our government was founded. Patriotism, therefore, may be said to be a fundamental tenet of your faith. Your organization has long since committed itself to the duty and high resolve of seeing that the sacred precincts of freedom are jealously guarded; that the heroes who personified the ideals of our government are held up

as noble examples for the emulation of our youth; that the history they achieved shall be maintained as a vital force in our busy life; that the shrines of our nation shall be marked and preserved; and that we shall constantly acknowledge the debt of gratitude we owe to our forefathers in order that we may have the courage to pay it in kind when our country calls.

To you, who have dedicated yourselves to the laudable task of preserving and exalting the spirit of patriotism, it is wholly unnecessary to point out that patriotism is the foundation stone of all free government; and that it had its beginning when man remembered and cherished real gratitude toward those of his fellows who served and sacrificed for the good of all. On that day the family came to have a meaning beyond instinctive parenthood and the nation as a larger unit of society became possible as a thing to love, as a thing worth living and dying for in a noble spirit of altruism. You, who are pledged to see that the blessings of peace and liberty for which our forefathers fought and died during the War of the Revolution shall continue to be celebrated and revered, understand the pure spirit that animates those who are willing to sacrifice their lives, their fortunes and their sacred honor upon the altar of their country. You can see, with me, that without this spirit of patriotism—this love of country—there can be no stable government; that in the willingness of men to sacrifice and dare and die on the high plane of unselfish service there is to be found a true expression of the most sacred impulses of the human heart.

I should like to solemnly remind you that the purposes and sentiments which brought your organization into being were never more essential to our country's well-being than they are today. Strange as it may seem, it is, nevertheless, true that in this day when the patriotism of the men of 1776, who suffered and sacrificed in the cause of liberty, is most splendidly justified, the voice of disloyalty is still audible in our country. It has become the fashion among many who reside in other parts of the Union and of a few who live in our own good State to undertake to belittle and denounce, not only our patriotism, but our religion. These misguided and disloyal persons speak of the spirit of patriotism that causes men to make the supreme sacrifice as false sentimentality, either openly or by innuendo and insinuation.

They teach the dangerous doctrine that we are under no obligation to respond to the call of country in time of peril. Why even the few who maintain such false doctrines can be found in North Carolina I do not know, but you and I and every other observant person must know that they are gradually increasing in number and in blatant acclamation. It may be that it is a passing fad; it may be the result of vanity blustering for publicity. Whatever the cause, its manifestations are startling and its tendencies poisonous.

What do we not hear of from this new and shrill company of scoffers and condemners of all accepted virtue, of all patriotic impulses, of all tested standards of free government, of all natural emotions and sentiment of the good citizen who recognizes the obligation to contribute to the common good?

If we admit a pride in the history of the struggle of the colonies for independence under the successful leadership of the immortal Washington we will hear the suggestion that our admiration of him is not justified, that he was a rich and intemperate aristocrat and that the battles he won in the War of the Revolution were of no great consequence.

If we suggest the wholesome pride we must all feel in the record our soldiers made in the cause of the Confederacy, they will tell us that it is "professional Southern stuff," and that the war itself was a stupid betrayal of ignorant dupes by a selfish class of slave owning aristocrats, driving serfs to slaughter in the hope of maintaining an economic depotism. If we dwell for a moment on the inspiration of the war or draw a lesson from the record of our heroic dead, they sneeringly denounce us for trying to glorify war. All of this is in one sense absurd in that it does not represent the real sentiment and true aspirations of our people today, any more truly than it did in the heroic days of the past. But it is a toxin of far-reaching possibilities of harm and this makes it all the more important that the Daughters of the American Revolution and other similar patriotic societies should dedicate themselves anew to the task of preserving and exalting the true spirit of patriotism, particularly among the youth of our country. You can serve your country most effectively in the future as you have in the past by teaching others the true lessons of patriotism. You, who understand the true conceptions of

liberty, can interpret it to those who are ignorant of it. You can teach our youth that the duties of citizenship are reciprocal; that patriotism is not a sham or barren sentiment; that the true test of patriotism is loyalty in war as well as in peace.

We look around us and see the magnificent country we call America with more than a hundred millions of prosperous and contented people, with its wide domain, its unparalleled resources, its magnificent religious, educational and eleemosynary institutions, its fruitful fields and magnificent cities, its wonderful traditions and its glorious history; and we must not forget that all of this has been purchased at great cost; that it represents the sacrifices of our patriotic forefathers. In calling to mind these important things, the Daughters of the American Revolution have performed their duty in full measure. One of the most effective means the organization has adopted for preserving and exalting the spirit of patriotism, is the custom of perpetuating the names of illustrious men and the record of their achievements by the establishment of shrines that serve the purpose of carrying them forward to future generations. These we often refer to as shrines of patriotism—physical symbols of spiritual things, in which we may read the lessons of our freedom and recognize our duty if need be to make further sacrifices.

Mount Vernon, for example, is a shrine not because of the beauty of the building and its magnificent surroundings, although they are beautiful beyond question, but because it in its deeper reality typifies George Washington, soldier, statesman and Revolutionary patriot, who was willing to sacrifice his life and fortune that a new nation might be established and liberty perpetuated. For another example, Monticello is a shrine, not because it is a beautiful specimen of the colonial homestead, but because it represents in the minds of the American people the great patriot, Thomas Jefferson, author of the Declaration of Independence.

In the Liberty Bell, in Bunker Hill monument, and in countless other memorials we preserve principles to be sure, but above all, we interpret the lives of men who were moved by that great spiritual force which we call patriotism.

Patriotism is the one human quality which success does not influence nor failure impair; it survives with all the tenacity with

which the true patriot fights for the cause he believes to be right.

Here in the South we have in the great War Between the States, the example of a priceless heritage, come down from what, by all material standards, was a colossal failure, but the patriotism of the Southern soldier was just as strong when Lee laid down his sword at Appomatox as it was in the hour of victory at Chancellorsville. Who shall say that the spirit of patriotism that influenced the Confederate soldier to fight on in spite of overwhelming odds is not to this day one of our greatest spiritual assets? Who shall question the moral value of this living sentiment constantly kept alive in the shrines that have been erected to Lee, to Jackson and to the other heroes of the Confederacy?

It is more than sixty-two years since Appomatox, yet we recently have seen the General Assembly of North Carolina, composed of the young men of this generation, appropriating for Confederate pensions ten times as much per pensioner as was appropriated by the General Assembly twenty-five years ago.

It is nearly sixty-four years since North Carolina troops fought their way with bayonets to the highest point at Gettysburg, yet in 1927, we find the grandsons of these heroes, with no division of sentiment among them, appropriating the sum of \$50,000 to erect a monument to commemorate the valorous deeds of their ancestors who fought and died on that historic battlefield.

The ultra-radical critics profess to see in these things mere sentimentality. We see in it patriotic sentiment—never dying appreciation of the valorous deeds of our fathers who were willing to make the supreme sacrifice, if need be, in fighting for their ideals of self-government and independence.

We hear in these days much talk about the new South, the South of industry and manufacturing, of increasing wealth and good roads and education and social advancement. We have developed to produce this change a new generation of virile men characterized by business and financial acumen of a high order. But who, were we to call the roll of the greatest men the South has produced, would be accorded the chief place of honor? Who except that deathless pattern of a man, Robert E. Lee, who as a soldier performed miracles of victory only to show in defeat almost godlike power of compassion and faith?

Who except Stonewall Jackson, the dour thunderbolt of war, who had the power almost literally to walk with God, and who, in the moment of triumph, was to be seen weeping over the bodies of his slain soldiers? Who more than these were our spiritual builders, our greatest apostles of patriotism?

Patriotism, like religion, has its place in our inner consciences and its prophetic vision and compelling sentiment take no account of temporal failures. It is a fire that is never quenched so long as the human vessel, in which it has its beginning, survives.

We are already realizing the necessity of keeping clean from contamination the motives which sent Americans to European battlefields in the great World War. In the great outpouring of 1917 and 1918 we all know what patriotism meant. It was a glad light in humble faces. It was a national pulse that beat high and strong. It was the revelation of a spirit which sent the son of the multi-millionaire of our metropolitan city to serve on common ground with the son of the humblest toiler in our fields. Could we as a people have experienced that super exaltation of the spirit had we not had behind us the high position of the patriotism of our fathers? Would we have been prepared for the effort we made and the length to which we were ready to go in sacrifice had it not been for the long line of men who believed in their country and who were willing to fight for it?

So, it seems to me, that one of the major problems of the day is to see that the issues and the compelling forces of the World War and America's part therein are kept undefiled and unquestioned from the jeering criticism of a few irresponsible scoffers who say that we went into the war for material reasons. No one could be further than I from a glorification of war, as such, but as between the disasters of a non-successful war and a successful compromise with honor or yielding of principle through oppression or expediency, I believe it better to die fighting than to live in shame. We cannot fail to observe that in the practical economy of life it is the man with patriotism in his soul, ready to fight for his convictions, who preserves the peace for which the professional pacifist expresses devotion.

The truth is that the spirit of patriotism is of all things the most practical and useful because it works for the advancement of the common good, in the formula of love, faith, religion, altruism and

endows the individual with a sense of responsible brotherhood toward his fellows. In promoting patriotism we promote peace by being ready for war; we promote law, while opposing oppression; we promote individual liberty while bringing to the control of license the broader freedom which looks to the welfare of the masses.

In conclusion, let me say that it is most fitting that the Daughters of the American Revolution should meet stately and call to mind the heroic deeds of our forefathers in building the great nation whose protection and blessings we enjoy today. At these meetings we should not only celebrate past achievements, but we should rededicate ourselves to the great task of preserving and exalting the patriotic spirit which made these achievements possible.

We can do no better than follow the example of the people of France in the high resolve to renew constantly our pledge of loyalty to our country.

On every fourteenth of July France celebrates Bastille Day because Lafayette, actuated by the example of Thomas Jefferson, drafted for her a Bill of Rights, modeled upon the great American idea of representative government. From the fourteenth day of July, 1790, down to this good hour, all classes of the citizenship from the highest to the lowest have assembled annually and taken the oath of allegiance to be loyal to the government of France. The oath is solemnly repeated by the assembled multitude and then the chief executive of the nation arises and takes the oath of allegiance to the people of France, thus acknowledging his position as servant of all the people. Let us, therefore, emulate this patriotic example. Let us, upon occasions such as this, lay aside the coarse livery of our worldly pursuits and commune for a short period in the spiritual atmosphere of patriotic devotion to the cause of our country.

THE DUKES AND NORTH CAROLINA EDUCATION

ADDRESS* DELIVERED AT THE DEDICATION OF THE
ARTELIA RONEY DUKE SCIENCE BUILDING AT
ELON COLLEGE, ELON COLLEGE, N. C.

APRIL 27, 1927

Today we are assembled for the purpose of dedicating to the cause of education in North Carolina the Artelia Roney Duke Science Building of Elon College. Incidentally, it is my pleasure to remind you that today is the birthday of one of the two brothers whose generosity has resulted in the erection of this building. Seventy-two years ago in Durham County, Benjamin N. Duke was born. Today is his birthday. These two brothers, Benjamin N. Duke and James B. Duke, have done so much to improve the social life of this State that it is indeed fitting that all honor and thanks be paid to them on this occasion.

Even the casual observer who pauses to look upon this fine structure which we dedicate today must recognize that it constitutes a gift which throughout the years to come will continue to render great service to the State. This building, 120 feet long, 65 feet wide, containing three stories and a basement, fire proof in construction, and costing more than \$100,000, is most certainly a building of which the college and the State may be justly proud. Its architecture, composite in type, is indeed pleasing to look upon. Its arrangement is modern in every detail. Acid-proof floors, generous lighting facilities, and ample equipment insure optimum facilities for the pursuit of learning. The first floor is dedicated to the study of physics; the second floor to the study of biology and geology, and the third floor to the study of chemistry. The neat and orderly appearance in which the building is kept is assurance in itself that those persons who have the immediate use of this building at their disposal are deeply appreciative of the opportunities given them by James B. and Benjamin N. Duke.

The history of this building constitutes an inspiring story. At 6:30 o'clock on the morning of January 18, 1923, this campus

*Because of illness of Governor McLean this address was read by A. T. Allen, state superintendent of public instruction.

was awakened by cries of "Fire." By 9:00 o'clock the old Administration Building, which constituted a most important unit on this campus, was a mere mass of smoking ruins. At noon on the same day Dr. Harper, realizing the devotion of the two Dukes to the cause of education, wired news to James B. and Benjamin N. Duke, telling them of Elon's disastrous fire. At that time it was thought that Elon would simply rebuild the Administration Building. The extensive building program which by now has become a reality had not then been conceived. As soon as James B. and Benjamin N. Duke heard of this disaster they immediately wired generous donations to be devoted to the rebuilding of the old Administration Building. A few months later Dr. Harper went to New York City and told the philanthropists of Elon's intention of building, not a new building, but five new buildings. One of these new buildings was to be a Science Building.

Shortly after Dr. Harper's return from New York it was announced that James B. and Benjamin N. Duke had decided to give to Elon a spacious Science Building to be devoted to the instruction of youth. The corner-stone of this building which we dedicate today bears the inscription: "Artelia Roney Duke Science Building. Donated by her sons, James B. and Benjamin N. Duke." By way of passing reflection I might mention that the Roney family is generally regarded throughout their county as being possessed of marked executive ability, matchless energy, and high character. It is indeed possible that much of the executive ability manifested by these two illustrious sons was a direct inheritance from their mother. In all events, the ever-present generosity and wisdom in philanthropy evidenced by her two sons must always stand as splendid testimonials to the lofty ideals taught them by their mother. North Carolina takes a special delight in honoring illustrious sons of her soil. North Carolina takes a special delight in honoring those who are appreciative of and devoted to their mother. This building which James B. and Benjamin N. Duke have given in memory of their mother should always serve to inspire filial love in the hearts of those who come here for instruction. These sons, it may be truly said, have honored themselves through honoring their mother.

It would indeed be wrong for us on this occasion to restrict ourselves to the philanthropy of James B. and Benjamin N. Duke only in so far as their philanthropy has touched upon Elon College. Institutions of higher learning, hospitals, and churches have been aided through the philanthropy of these two men. They have shown, moreover, an especial interest in the lives of orphans and the clergy. Some extracts from the indenture of the late Mr. James B. Duke will prove indicative of the philosophy of the two brothers.

Mr. James B. Duke, in referring to his gifts to Duke University, said:

I recognize that education, when conducted along sane and practical, as opposed to dogmatic and theoretical, lines, is, next to religion, the greatest civilizing influence. I request that this institution secure for its officers, trustees and faculty men of such outstanding character, ability and vision as will insure its attaining and maintaining a place of real leadership in the educational world, and that great care and discrimination be exercised in admitting as students only those whose previous record shows a character, determination and application evincing a wholesome and real ambition for life. And I advise that the courses at this institution be arranged, first, with special reference to the training of preachers, teachers, lawyers, and physicians, because these are most in the public eye, and by precept and example can do most to uplift mankind; and, second, to instruction in chemistry, economics, and history, especially the lives of the great of earth, because I believe that such subjects will most help to develop our resources, increase our wisdom and promote human happiness.

From this statement we secure an example of Mr. Duke's attitude toward higher education.

Another quotation from the indenture of Mr. James B. Duke will serve to demonstrate his practical higher socialized interest in the improvement of public health.

I have selected hospitals as another of the principal objects of this trust because I recognize that they have become indispensable institutions, not only by way of ministering to the comfort of the sick, but increasing the efficiency of mankind and prolonging human life. The advance in the science of medicine growing out of discoveries, such as in the field of bacteriology, chemistry and physics, and growing out of invention such as the X-Ray apparatus, make hospital facilities essential for obtaining the best results in the practice of medicine and surgery.

So worthy do I deem the cause and so great do I deem the need that I very much hope that the people will see to it that adequate and convenient hospitals are assured in their respective communities, with especial reference to those who are unable to defray such expenses of their own.

The warm, sympathetic and certainly spiritually inspired hearts of the Dukes finds expression in the following statements from the same indenture:

I have included orphans in an effort to help those who are most unable to help themselves, a worthy cause, productive of truly beneficial results in which all good citizens should have an abiding interest. While in my opinion nothing can take the place of a home and its influences, every effort should be made to safeguard and develop these wards of society.

And, lastly, I have made provision for what I consider a very fertile and much-neglected field for useful help in religious life, namely, assisting by way of support and maintenance in those cases where the head of the family through devoting his life to the religious service of his fellowmen has been unable to accumulate for his declining years and for his widow and children, and assisting in the building and maintenance of churches in rural districts where the people are not able to do this properly for themselves, believing that such a pension system is a just call which will secure a better grade of service and that the men and women of these rural districts will amply respond to such assistance to them, not to mention our own Christian duty regardless of such results. Indeed, my observation and the broad expanse of our territory make me believe it is to these rural districts that we are to look in large measure for the bone and sinew of our country.

From the foregoing it will be seen that I have endeavored to make provision in some measure for the needs of mankind along physical, mental and spiritual lines, largely confining the benefactions to those sections served by these water-power developments. I might have extended this aid to other charitable objects and to other sections, but my opinion is that so doing probably would be productive of less good by reason of attempting too much. I, therefore, urge the trustees to seek to administer well the trust hereby committed to them within the limits set, and to this end that at least at one meeting each year this indenture be read to the assembled trustees.

Concerning a benefaction of Mr. Benjamin N. Duke, the president of one of the largest teacher-training institutions in the Southland fittingly remarked:

It was perfectly natural for Mr. Duke to make this gift to the teachers of the South, whose influence spreads itself directly and indirectly toward the 10,000,000 children of this vast and wonderful region of ours. I venture the guess that during the year he made this gift he made ten or twenty more equally large to different institutions—some for whites and some for blacks, but all for institutions which he thought were doing good to the great average citizen of America. He has felt, I think, that whatever he gave to any institution went ultimately and certainly to the masses of our children, the great ninety-seven per cent who never really go to college.

I feel that I can pay him no higher compliment than to say that he always acted upon his conception of service which grew naturally out of his own character and not from any spasmodic impulse. It is always so natural for good people to do good things. It always seemed to me so reasonable for him to do this thing when the time came. It is his kind of people who make a good world. The more of them we have in the United States, the more certain this country of ours is of remaining a light set upon a hill to guide mankind.

So far I have spoken only of: (1) the gift of the Artelia Roney Duke Science Building to Elon College, and (2) of the philanthropical philosophy practiced by Benjamin N. and James B. Duke. Before I conclude my remarks I would speak in more definite terms concerning the Dukes and what they have meant and do mean and will mean to this great commonwealth of North Carolina.

In the first place I would remind you of the fact that both of the parents of the two splendid men whose generosity has made this Science Building a reality were North Carolinians. Their mother has already been mentioned as being a most noble and inspiring character. Their father was the founder of the great American Tobacco Company and was a glorious friend of education. Of him the late Bishop Kilgo fittingly remarked:

He earnestly desired to do something to push back the shadow of ignorance from the minds of men, and to send forth a clearer and fuller light of knowledge.

Secondly, I call your attention once again to the fact that Benjamin N. Duke and James B. Duke were both born in North Carolina. The late James B. Duke manifested a constant interest for social progress in North Carolina. He wrote:

For many years I have been engaged in the development of water powers in certain sections of the states of North Carolina and South Carolina. In my study of this subject I have observed how such utilization of a natural resource, which otherwise would run in waste to the sea and not remain and increase as a forest, both gives impetus to industrial life and provides a safe and enduring investment for capital. My ambition is that the revenues of such developments shall administer to the social welfare, as the operation of such developments is administering to the economic welfare of the communities which they serve.

Mr. Benjamin N. Duke still maintains a vigorous interest in North Carolina's progress. His benefactions exercise their beneficial influence not only through this State, but through other states. In him North Carolina has a devoted son and constant enthusiast and an inspiring patriot. Like all of the Dukes, Mr. Benjamin N. Duke is endowed with that democratic mellowness of spirit which makes all men love him. His loving kindness toward his fellow-men knows no bounds. Dr. Bruce R. Payne in describing Benjamin N. Duke when he knew him in Durham, North Carolina, says:

Those who knew him (Mr. Benjamin N. Duke) best felt that he did more good to more people without anybody's knowing it than any other person of their acquaintance. This genius of his for being at the right place at the right time, when things were going wrong or when people were in trouble, has always astounded me.

I have known of his finding out when certain people were not able to pay their expenses for surgical operations or hospital treatment, and he quietly made arrangements for proper treatment to be given. I have personally known of his supplementing the funds necessary to carry schools, orphanages, and churches through a year, and I have known it not once, but fifty times. I have known in these thirty-five years of his helping Negro schools and white schools, when it seemed that no one else knew it and when I think that he himself thought that no one else had discovered it. Certainly his right hand did not know what his left hand was doing.

Whatever wealth and position have come to him have not in the least changed his generous spirit and his friendliness to his people. When he returns to his native town his old friends look him up, and he is plain, simple "Ben" to them.

Thirdly, I should like to call your attention to the part that private institutions of higher learning have played in the educational development of the State. The constitution of North

Carolina provides for the maintenance of a State University which has been done for more than a hundred years. In the last quarter of a century the State has greatly increased its support to higher learning. At no time in its history, however, has it carried as much as one-half of the load of higher education. Of the 11,845 students in standard senior colleges, at the present time, 6,326 or 53.1 per cent of them are in privately endowed institutions. The people of North Carolina are under lasting obligations to the private institutions for their work in this field. How many promising young men and women have enjoyed the privilege of attending college who otherwise would have been deprived of such an opportunity! Who can measure the total effect on the life of the State of the work of such institutions? Who can estimate their promise for the future? It cannot be estimated in terms of the dollars which have been invested in these walls or in the endowments. These great walls are not the end of the gift. This endowment is not good of and within itself. It is merely a means. We look to the transformation of human material, to the broadening of the possibilities of human life, to the enrichment of our civilization as the end and aim of these efforts.

Perhaps we shall never know the full meaning of this philanthropy in the life of the State. We do know, however, that its influence has been very great. It is entirely fitting and proper that we should assemble here to show our appreciation and to manifest our feeling of gratitude for these things which are so vital to our well being as a State in the years that are to come.

There is a well-known story of a wealthy Persian farmer who lived near the Indus River who one day decided to leave his family and go abroad in search of great riches. The story tells how this Persian farmer traveled through many countries in search of a diamond mine in order that he might acquire for himself great wealth. Eventually this Persian farmer arrived in Barcelona footsore, weary, hungry, poverty-stricken and far from friends. There overwhelmed by misery he took his own life. The man who succeeded Al Hafed in the ownership of the farm—for Al Hafed was the name of this Persian farmer—found one day when watering his camels at a stream which ran through the garden a large black stone. In this stone was a sparkling “eye

of light." This stone proved to be a diamond. Ultimately great riches were reaped from the sale of diamonds found on the farm once owned by Al Hafed. And it must be remembered that Al Hafed left his farm to seek a diamond mine.

The Dukes were North Carolinians and they had the intelligence to recognize that North Carolina was endowed with great riches. They, moreover, set about to develop North Carolina's resources. The American Tobacco Company was founded. Great hydro-electric power developments were inaugurated and successfully operated. Unlike Al Hafed, the Dukes were quick to see and develop the wealth inherent to their native State. In addition the Dukes have seen fit to aid North Carolina and other states by means of the money which they have earned. No selfish or autocratic tendencies have characterized their actions. On the contrary, a kindly, sympathetic and generous policy has always been theirs. They have through their taxable property willingly contributed millions to the revenue of this State. In addition they have given voluntarily many millions to the cause of higher education. It may truly be said of them that they have served their State, their Nation and their God well.

Lastly, I would express the wish that the institutions of higher learning shall instill in the hearts of the students attending them the ideal of patriotic service to their State. It would be a wonderful accomplishment if an increasing per cent of the students who graduate from the institutions of higher learning in North Carolina would aspire to make the fullest use of their opportunities while in college, would then seek to make good in the business and professional life of the State through developing the resources of the State, and finally would manifest a vigorous interest in the promotion of higher learning.

NORTHEASTERN NORTH CAROLINA
WELCOMED HOMEADDRESS* DELIVERED AT THE DEDICATION OF EDENHOUSE
BRIDGE NEAR EDENTON, N. C.

JULY 20, 1927

In addressing this message of greeting to the people living in the northeastern tier of counties, comprising one of the finest sections in all North Carolina, I feel like exclaiming: "Welcome home!" That, in reality, is the sentiment that prompts this outward expression. The enduring physical elements that have been ingeniously put together to form the Edenhouse Bridge, whose dedication you are celebrating, are but emblematic of the mystic ties which bind you to the rest of our great State. So, I welcome you home, into physical fellowship with the rest of North Carolina. You have never been out of touch in sentiment, because it was in this section, the cradle of our western democratic civilization, that North Carolina got its start. We read how the Jamestown settlement naturally expanded southwardly along the rivers to the Albemarle Sound. By 1663 there was a small settlement at the mouth of the Chowan River. This little settlement, history tells us, became the nucleus around which the province of North Carolina grew.

I congratulate you on the successful completion of this magnificent new bridge. It is not only one of the finest to be found in this section of the country from a standpoint of engineering achievement, but its significance is more far-reaching than the mere fact it has been constructed. The purposes it will serve amply justify the time, money and energy it took to build it. In fact, from every standpoint, it is going to prove one of the best investments the state of North Carolina ever made.

Naturally, I feel a peculiar pride in this accomplishment, as I was one of the earliest advocates of this project. Many of you will remember that during my period of speech-making back in 1924, I pointed out the necessity for just such a structure. Although no particular blame attached itself to any one in this

*In the absence of Governor McLean this address was read by Lieutenant Governor J. Elmer Long.

connection, yet I was convinced that this great section of our State had been neglected; that we had not, up to that time, been quite farsighted enough to remedy the matter. With the inauguration of our statewide highway system, however, came the opportunity and I, for one, was strongly in favor of seizing it. I am thankful today that this ambition on my part and, naturally on yours, has been realized.

The fact that the great section across Albemarle Sound has not been physically connected with the rest of the State has meant, in the past, that you naturally have had to go over into the sister state of Virginia to do most of your business. I envy Virginia nothing that rightfully belongs to it, for it is a great and honorable commonwealth, worthy of the respect of all civilized peoples. Yet, I envy any state the privilege of closer contacts with any section of North Carolina than our State as a whole enjoys with that section. That is why I am glad you are back in North Carolina physically, even as you have always been here in spirit.

Not only is the opening of this bridge a beneficial move for Elizabeth City, Edenton and the rural districts of your section of the State, but it will help all North Carolina. It will not only give you access to the main arteries of travel leading into all other sections of the State, but it will afford the people of these sections the coveted opportunity of visiting you, of mingling with your people and of sharing your prosperity. You have here one of the finest agricultural sections to be found anywhere. Your possibilities have hardly begun to be realized. The millions of dollars that your potato producers have just received from the largest crop ever grown within the borders of our State are but an index to what you can do and, in reality, are doing. Blessed with climate and soil conducive to the production of early truck sufficient to tempt the appetite and draw the trade of our northern and eastern friends, you are today, I am confident, standing on the threshold of a new era in agricultural pursuits. You are no longer dependent upon limited lanes of transportation. You have good roads at your command and over these, in trucks, you can market your crops not only to other sections of our own State but to the states to the north of us. The fact that this can be done was fully demonstrated during the recent strawberry

season in the southeastern part of our State, when fleets of trucks came down from Delaware, New Jersey and Pennsylvania, and beat the railroads home by many hours. This can be accomplished in the tier of counties lying across the Albemarle Sound, as well as it could be accomplished in Columbus, Pender and other counties to the south of you.

I would not miss the opportunity to pay you just tribute for the fine contributions you have made to North Carolina, chiefly in men—men of high ideals and endowed with the capacity for courageous leadership. Throughout the history of North Carolina, the State has been able to count on this section for man power and for brain power, and, above all, for courage and integrity as expressed in the lives of these men.

You are now back home, so to speak, and I, as the governor of the State, welcome you. In doing this I speak for nearly three million others who are today rejoicing with you and who are thankful for the fact that you are no longer inaccessible but as close to our North Carolina cities as you have been to Norfolk and other Virginia points. Your moral influence has always been felt in North Carolina. Your legislators at Raleigh have been men worthy to be consulted on important matters affecting great state policies. Your history would do credit to any section of our republic. In your midst, at Edenton, the seat of government once rested. You upheld the early traditions of our Anglo-Saxon civilization while we were struggling for independence; your citizens at Edenton went boldly about the task of staging a "tea party" and employed no camouflage methods to spur them on; and, during the various stages of our later development, you have shown yourselves worthy to be counted on in all crises. You have measured up as true North Carolinians and I rejoice with you that the gate has been opened to you and you are now free, with little effort, to travel in all parts of your native State. I am sure I speak the sentiments of every other section.

Again I welcome you home! I predict for you in the period which lies just ahead a distinct awakening and unprecedented progress in every line of endeavor!

NORTH CAROLINA DOMINATED BY
CHARACTERISTICS EMPHASIZING
SPIRITUAL VALUES

ADDRESS DELIVERED AT THE DEDICATION OF MARKER ON THE
BATTLEFIELD OF BENTONVILLE, NEAR SMITHFIELD, N. C.

SEPTEMBER 15, 1927

We have gathered at this sacred spot to think a while on these enduring qualities of life which have dominated the motives and actions of North Carolinians throughout the history of our State and which were strikingly exemplified during the battle fought here sixty-two years ago. Had the handful of Confederates who met and grappled with the overwhelming forces of the enemy not been inspired by something that was free from all materialistic aspects they could have never achieved the place in history they are now privileged to hold.

It is not my purpose to describe the Battle of Bentonville, but rather to consider with you for a while the spirit that prompted our North Carolina troops who participated in it. In all, there were only 15,000 Confederates in action, but they held the Federals off for three days and retreated only when they were completely overwhelmed by superior numbers, variously estimated from 50,000 to 100,000. Their brilliant leader, General Joseph E. Johnson, when the struggle was over, retreated with as great a display of military genius as that which marked this last desperate effort to prolong the life of the Southern Confederacy. He knew that the end was near, as did others high in military councils, and it was within less than a month that General Lee surrendered.

To my mind the most striking fact about the Battle of Bentonville was that it was fought after North Carolina had practically exhausted its military resources and had so heavily drawn upon its man power that it had become necessary to accept the services of mere youths. These, inspired by a spirit of sacrifice, gladly placed their lives on the altar of service to their country and counted it not in vain to die. We have heard much about the heroic fighting of the V. M. I. Cadets at New Market. I would not think of attempting to take from them any of the glory they

achieved. At the same time, I point with grateful pride to the record made by our own young men on this spot, where the last really important battle of the War Between the States was fought. In fact, it was the most important battle ever fought on North Carolina soil, from a standpoint of casualties and the number of men engaged. No less than 2,400 Confederates made the supreme sacrifice here, while the Federal losses are estimated at twice that figure.

No event in history has been more forcibly impressed upon my mind, perhaps, than the Battle of Bentonville. My information came to me from my father, who was in the thickest of the fray, from an uncle who was wounded here, and from many other relatives who bore an active part in the engagement.

From time immemorial, it has been the custom of civilized people to set apart and permanently mark places where the important events in history have taken place. They are often referred to as national shrines, commemorating the service of those who in times of great crises have been willing to sacrifice their lives, if need be, in the service of their country. These hallowed spots may be found in many parts of our State. They bear silent but eloquent testimony to the lives and character of those who were willing to sacrifice their all upon the altar of patriotism.

North Carolina could never have become great materially if its people had not been dominated by those finer qualifications which place emphasis upon spiritual values. Patience has been one of our chief virtues. For many years after the War Between the States our people worked against odds, even as they had fought against odds, to build up what had been torn down and to fashion an even greater commonwealth of churches, homes, schools and commercial enterprises. Success has crowned their efforts, because they were marked by that same spirit of patriotism and devotion to duty which has been our mainstay in times of prosperity as well as in days of adversity and uncertainty. North Carolina's spirit has never been broken. It has suffered military adverses; it has known the anguish of reconstruction, and, long before, it knew what it was to be taxed without representation. But it has never given up the fight for freedom and progress.

A memorial such as the one we are today dedicating is but

an outward expression of an inward sentiment. It stands for the exaltation of patriotism, and patriotism is the bulwark of government. Sentiment is not a puny thing but a lasting virtue. It is more than mere sentimentality, which may be brought into play by trivialities. It is a basic attribute.

No nation could long endure that did not give some outward expression to its inward emotions. Since the dawn of history men have erected memorials to those who were willing to sacrifice their lives for the good of all. There is something in the spirit of sacrifice that excites the admiration of all, and to the man who is willing to die for a cause he believes to be right is accorded the respect of all people.

Our nation has exalted those who were willing to sacrifice their lives for the good of humanity. We have examples of this in the tomb of the unknown soldier at Arlington and on battlefields scattered throughout the eastern half of the country. The 555-foot shaft known as the Washington Monument, in the nation's capital, is more than granite and cement. It is an outward expression of the inward emotions of our people. It is more than a monument to George Washington, Revolutionary leader and the first President of the United States. It stands for the spirit of solidarity that dominates Americans, for their lofty ambitions and for their simplicity of living. There is nothing fancy or fastidious about this work of art. No grotesque lines mark its construction or mar its simple grandeur. On the battlefields of Gettysburg, Chickamauga and at other places where men have given their lives for causes they believed to be right, many states, North and South, have erected monuments and memorials. These are more than the material out of which they are built. Physically, they are temporal, in that in the due course of time they will decay and mingle again with the earth out of which they came, but as long as America lives the patriotic spirit which these markers breathe will live.

And so it will be in North Carolina. As time goes on there will be erected more memorials, or shrines. We have already made provision for the erection of a suitable memorial to those of our State who made the sacrifice at Gettysburg. Neglected spots within the State will be beautified and supplied with shrines where our people can go and commune with greatness.

The fact that North Carolina has been slow in performing this patriotic duty must not be taken to mean that it has been willfully negligent or that it has not cherished the spirit of patriotism. On the contrary, the same sentiment that moved its people to resist British oppression and that inspired those who fought the Battle of Bentonville remains alive today and always will. Although we have not been able to make adequate outward expression, we have patiently awaited the time when we could. That time has arrived. We have grown prosperous and, at the same time, we have held fast to those enduring things of life that have characterized us from the beginning and made of us a unique people in the sight of all the world. We remain not only homogeneous but home loving. Our people have not lost the spiritual vision; they continue to incorporate religion and patriotism into their lives and actions and, as the result, our progress has been along material lines, and at the same time spiritual values have not been neglected. Our gains have been permanent. We have taken no backward step.

Patriotism, so closely related to religion, has always been one of those enduring qualities which has been cherished by North Carolinians. I look forward to the time when more adequate expressions of that patriotism will be made in marble, bronze and granite. I hope to see erected here, for example, a suitable group memorial, made possible by the people of the whole State, through legislative appropriation, to the men who fought against such overwhelming odds and who died in a frantic effort to save their land from further devastation.

An occasion such as this is always inspiring. In accepting this marker on behalf of the state of North Carolina I am moved to a sense of deeper gratitude to those who died here in the hope that their State might live. There is no need today of going into discussion of the merits or demerits of the issues of sixty-two years ago. More important than this is the fact that the same indomitable spirit continues to exist in North Carolina, and it exists because of the fact that men such as the heroes of Bentonville have kept it alive. For many years after this battle occurred there remained in our midst the venerable R. F. Hoke, who so brilliantly led the young men at this point. His life was an inspirational example of the spirit that dominates our people.

He was never embittered because the side on which he fought did not achieve material victory. His vision was sufficient to enable him to realize that there came, as the result of the War Between the States a moral victory which could have been achieved only through sacrifice. If the virtues which have marked our people had not been genuine, they would have perished in the sixties. Being grounded in spiritual things, they survived, and it was demonstrated that out of sacrifice can come much good.

The youths who fought here and who were taken into the military service only as a last resort, in an hour of desperation, displayed those same valorous qualities that had marked the lives of their fathers who had previously been summoned to the Confederate colors. While these lads had at first remained at home with their mothers and sisters and the younger children and endeavoring as best they could to keep body and soul together, they were learning the lesson of sacrifice. When the time came that it was necessary to use them in the Confederate Army they did not hold back but stepped forward cheerfully and took up the task where their fathers had left off. They were eager and willing to make the supreme sacrifice, if necessary, because they had come from a line of ancestors who possessed the enduring qualities of life. They had no desire to shun duty. They fought with the vigor and zeal of youth and compared well in military tactics with much older soldiers.

This marker, made possible through the faithful efforts of the United Daughters of the Confederacy of North Carolina, in coöperation with the State Historical Commission, is a fitting tribute and the spirit that prompted its erection is to be highly commended. We must never forget the part the women of North Carolina played in the War Between the States. They were more than soldiers—they were the mothers of men. They were more than wives; they were a source of inspiration to those who went forth to do battle for a cause they were convinced was right and just. While men underwent hardships on the battlefields and in the camps and prisons, the women back home were working as women never worked before. They were not engaged in lucrative occupations but in the tedious task of caring for fatherless and brotherless children; and into the hearts of these little ones they planted the seeds of right living; in their lives they

sought to perpetuate that same indomitable spirit which has ever marked North Carolinians. They spent much time on their knees in prayer, asking for divine guidance and praying God's blessings on their loved ones who were fighting for their country. They, too, won a great moral victory; and when the war was over they were thereby the better enabled to take up the duties that came with peace marked by privation and distress.

No organization in North Carolina has been the source of greater inspiration to our people than the United Daughters of the Confederacy. Their patriotic services have given them a distinction that could have been gained in no other manner. For what they have done here and elsewhere I extend sincere thanks and heartiest congratulations. In this I speak not only for myself, but for all the citizenry of our great Commonwealth.

A PIONEER IN NORTH CAROLINA EDUCATIONAL DEVELOPMENT

ADDRESS DELIVERED AT THE DEDICATION EXERCISES OF
THE D. H. HILL SCHOOL IN CHARLOTTE, N. C.

SEPTEMBER 28, 1927

We are here today to give outward expression to inward sentiments which cannot be engraved on stone or cast in bronze. This school building, renamed in honor of General Daniel Harvey Hill, and this marker, with its appropriate reference to the services of that distinguished soldier and educator, will stand as lasting monuments in this splendid community where he lived and served. In order to properly appreciate this tribute to North Carolina's first brigadier general in the War Between the States, who was active from Bethel to Bentonville, we must give it a spiritual interpretation and from it draw lessons that will inspire us to emulate his virtues.

The life of General Hill bore striking resemblance to that of General Robert E. Lee. In his notable career we find a blending of two outstanding phases. I refer to his services as both educator and soldier. He was no less courageous in peace than in war, and he served well in both. He left many valuable lessons that

are well worth our serious thought. The baptism of fire through which the State and the South as a whole passed during the sixties left its mark. The ordeal which tried the souls of men and women of that period was sufficient to cause discouragement among all the people. But General Hill's spirit was not broken. When he doffed the Confederate gray and donned civilian clothes, he did not sulk over his lot and that of his comrades but faced the new order of things with grim determination.

It is indeed fitting that this building, representing as it does Charlotte's first public school, should bear the name of this distinguished educator; and it was largely through the efforts of the Stonewall Jackson Chapter of the United Daughters of the Confederacy that the honor was bestowed. I cannot commend this patriotic organization too highly. Composed of noble women who have kept faith with the ideals and traditions of the old South and who, at the same time, have a large share in the State's present progress, it continues to perpetuate the high purposes of those who served in the great crisis of the sixties and have passed on to the Great Beyond. Their services in times of peace have often involved many personal sacrifices. They have put aside selfishness and have filled a peculiar need in the life of our State. Often when discouragement has crowded close about them they have overcome many obstacles and have blazed the trail to higher planes of patriotism. Their work in behalf of these Confederate veterans who are still among us and their efforts to secure adequate honors for those who have joined their comrades on the other side should commend itself in no uncertain terms to all patriotic North Carolinians.

The name of the patriot in whose honor we are now assembled is enscribed on the pages of history in terms far more adequate than I could even attempt to outline. He was a soldier by nature and training as well as an educator by conviction. Long before the outbreak of the War Between the States he served his country in the war with Mexico. When it became necessary for his State to withdraw from the federal Union he was engaged in training men to be soldiers at the North Carolina Military Institute, which he built. When he joined the ranks of the Confederacy his cadets, with true devotion, followed him en masse and were ordered to Raleigh by Governor Ellis to be drill

masters. Many of them made notable records and they were found in the service of the Confederacy from Bethel to the end of the conflict.

Students of history are familiar with the brilliant military services rendered by General Hill. He was not only a great soldier but a true type of noble manhood. When the fighting was over he did not sulk or spread discouragement but took up again the tasks of citizenship and resumed his efforts in behalf of education. He was a pioneer. The seeds of truth that he planted, while they did not germinate and fructify over night, remained vital and were handed down to future generations. He realized that North Carolina was not at that time in a position to spend large sums of money for public education, nor for any other cause, no matter how deserving that cause might be. Having passed through the war, he knew that for the time being, at least, our people must content themselves with keeping body and soul together; that the State had been divested of every vestige of money power and a large portion of its man-power. But this did not deter him from preaching the gospel of education and practicing its precepts in such a way as to inspire others. His was a work for the future and he realized it, endeavoring to keep the courage of his people up so that at the proper time they could put the ideals which he taught into practical operation. That time has come, at last, and North Carolina today, rich in natural resources, is not neglecting spiritual values.

By the beginning of the twentieth century the State was beginning to find itself and to realize that the valuable teachings of General Hill must be put into practice. The educational awakening that followed could never have come about but for the efforts of pioneers like the distinguished patriot whose memory we honor today. The call was sounded by Aycock and others, but even then it was not possible to make the ample monetary provisions that have marked the progress of public education in North Carolina since 1921, prior to which time State aid for elementary schools was meager or entirely non-existent.

During the period in which General Hill lived every thousand dollars in public education or in any other worthy cause meant real sacrifice. Burdens of taxation were not as evenly or as equitably distributed as they are today. But this evangel of

truth did not lose the vision he had sought to impart to others. He was great as a soldier but greater as an educator, if it is permissible to draw comparisons between the principal lines of endeavor he followed. It took more moral strength to encourage a destitute people in the days that followed the War Between the States and to help them keep alive their spirits in the period that came after defeat than it had taken to face the enemy guns.

General Hill, in those trying days, became a living apostle of education and the forerunner of the great educational advance we have witnessed these last few years. Had it not been for the indomitable spirit which found expression in his life, North Carolina could never have advanced as it has. In 1900, the State was spending only about a million dollars for all educational purposes. Today it is spending \$35,000,000, an increase undreamed of even by those faithful pioneers like Hill and his successors who possessed the solemn conviction that if the State was to move forward ignorance and illiteracy must go. They believed with all the earnestness they possessed that in order to be happy a people must weigh spiritual values as well as material results. We have had the high privilege of seeing this doctrine vindicated in recent years. Our State, though it has grown rich, has not forgotten the human element. It has not relegated spiritual values but has incorporated them into its code of progress.

Despite the efforts of some to belittle the educational advancement of North Carolina, results speak for themselves and the spirit of Hill has found expression in our modern school system. We have not achieved a state of perfection, but an honest survey of the State's educational achievements in the past few years will convince the honest inquirer after truth that our efforts have not been in vain and that the call sounded by General Hill has found echo in the hearts of the present generation, which is able to provide funds and facilities for the things he advocated during that dark period in our history. So his pleadings were not in vain, and I verily believe that if he were alive today he would place the stamp of approval on what has been accomplished. He would not criticise us for our failures but would commend us for our accomplishments. Censure was not a part of his program.

He chose a noble appeal—an appeal to men and women of his State to do their duty. The vision he possessed has not been allowed to die. Faithful souls among us have kept it alive. The results we see about us are but the fruition of the principles he taught and lived. One of his prime purposes in life was to help usher in the kingdom of enlightenment, which is so closely affiliated with religion.

State aid extended to public schools during the biennial period of 1899-1901 amounted to \$200,000, as compared with more than \$7,000,000 this present biennium. There will not, I am sure, be any cessation of the State's activities along this line. During the current two-year period the sum of \$6,500,000 will be available for the State equalizing fund alone. This money is apportioned among counties which are not able to collect adequate funds through local taxation. This equalizing fund must be constantly increased until it is sufficient to bring about genuine equality of opportunity in our public school system.

In addition to the equalizing fund, which, since its establishment has amounted to more than \$18,000,000, the State, during the past few years, has loaned the counties \$17,500,000 with which to build larger and better schoolhouses. This money is placed with the counties for a period of twenty years, at the same rate of interest the State has to pay on bonds issued to secure it, so there is no profit involved. Within the memory of practically every one here today, including these young students, North Carolina has extended educational aid at a rate surpassing that of any other state in the Union. These figures are given to illustrate the point that our State is genuinely interested in the cause of education, which, like every other great forward movement, is a matter of growth and development. They are more than "statistics." They represent an interpretation of spiritual values. Material wealth, rightly used, must be the servant and not the master. Without arrogance, therefore, we are privileged to rejoice in present achievements. We would be delinquent in our duty if we did not rejoice because our progress has been well earned. North Carolina has never gone at any task blindly. It has weighed results before launching any important movement.

We have been called ultra-conservative when we were merely exercising that form of patience which was so strikingly brought out in the life of General Hill.

In 1900, North Carolina was spending only \$2.72 per capita on its school children in elementary grades, as compared with approximately \$40 today, while the value of public school property has increased from a million to approximately eighty-three million dollars. During the period from 1920 to 1926 alone the increase was \$70,000,000. The enrollment of children has increased proportionately.

What is the significance of this building and these exercises? I believe, as I am sure you believe, that this building, renamed in honor of General Hill, and this marker, calling the attention of this and future generations to his noble life and character, bear eloquent tribute to the faith of this community in public education and the things that endure, because they contribute to the cultural and spiritual uplift of the people. As we contemplate the causes which brought us here today, as we view this building, as we behold this marker and consider the motives which prompted its erection, we must be impressed with the fact that the exercises conducted here illustrate two of the great spiritual influences of our people.

In the first place, they constitute a memorial to those who have gone before—the pioneers who, on account of stern circumstances, were denied the privileges we enjoy today. We have come here to honor them. We realize that we owe them a special tribute because they caught the vision of a higher duty and set themselves resolutely and unselfishly to the task of giving better educational advantages to those who would come after them. In particular, it is a memorial to the great man whose life and work in war and in peace was so noble that we are anxious that not only the present generation but future generations as well should revere his name and emulate his example.

In the second place, these material structures dedicated to the great man whose work has hallowed the ground on which they stand, serve not only as a memorial to those whose vision and sacrifice made them possible, but also as a challenge to us and to the generations to come, to see to it that the great cause of public education shall endure. These are the things upon which we

must depend if we are to redeem the promise of democracy that not a single son or daughter of this great State shall fail to feel the benign influence and quickening power of universal training and culture.

CRIME PREVENTION AND LAW ENFORCEMENT

ADDRESS DELIVERED BEFORE THE NORTH CAROLINA ASSOCIATION
OF CHIEFS OF POLICE, DURHAM, N. C.

OCTOBER 21, 1927

Since the dawn of civilization the human race has been governed by law. As a precedent, there was the divine law, enacted by the Creator to govern the conduct of the first pair. We are told in the Bible that when Adam and Eve violated God's will they were placed under a penalty and that from that time on they suffered. Their suffering was as much the result of disobedience to superior authority as it was the result of the actual offense committed.

Human government is based on law, expressed in statutes and ordinances, and violators, inevitably, must suffer the consequences. If they are not actually punished in the courts, they must surely lose their sense of self-respect to a large extent.

Ours is essentially a government of laws, and these laws express clearly and definitely the sovereign will of the people, because they are enacted by their representatives. Whether a law is good or bad does not alter the individual's obligation to observe it. If he thinks it is bad, he has a moral and legal right to use honorable means to have it repealed, but he has no right to wilfully violate it because it does not meet with his approval or may, perchance, cause him personal inconvenience. Such action contributes toward anarchy which, broadly expressed, is lawlessness.

No one would pretend to claim that all laws are equal in importance. They are not, but a violation is a violation—the spirit is the same. We hear much at the present time about "lawlessness." There have always been on the earth certain people with a disposition to oppose constituted authority. The chief weakness of the present age in this respect, it seems to me,

is not the fact that the criminal element, as it has always done, opposes law and order but the tendency on the part of some law-abiding people to overlook this attitude because it does not directly affect them. To aid and abet in the violation of law by winking at it constitutes a serious offense against society and the sovereign will of the people, as expressed in rules and regulations designed for the protection of life and property, which we call laws.

Law is a solemn compact between the governed and those chosen to govern them. It cannot be treated with disrespect without dire consequences. The ill results may not be immediate but they are inevitable. Social and governmental morale cannot hold out when it is attacked from the inside. A war of defense against a common enemy or even a war of aggression is more easily won than a war involving internal strife.

There are two methods of enforcing law in its broad sense. One is through the military and the other through the courts. We maintain an army and a navy not for the purpose of encouraging war but to prevent it, if possible. We have established courts not primarily to punish people but to discourage lawlessness. A military unit is not an arbitrary force but an organization of citizens. Neither is a court. It is presided over by a citizen elected by his fellows and issues are tried before juries summoned from the everyday walks of life.

Law enforcement is more important than punishing those who have violated the law. Prevention is always better than cure. Anti-toxin is more preferable than a case of diphtheria, typhoid fever or influenza. No state or nation where the lawless are in the majority can be as healthy, from a civic or social standpoint, as that in which the citizens frown as a unit upon revolt against constituted authority expressed in lawless acts.

North Carolina, while it has not achieved a state of perfection, has gone a long way toward the suppression of lawlessness. There can be but one answer—because public sentiment frowns upon mob rule and kindred vices. Those elected to high offices have coöperated to the best of their ability, I am sure, but success could not have come without the backing of the people, whose supreme will they have sought to enforce. We hear a lot these days about “relative terms.” Law is not a relative term but a

direct force. A citizen is law abiding or he is not. He either upholds the law in all its dignity or he does not. Of course, there are those who may commit petty offenses in a thoughtless manner. On the other hand, in this day of enlightenment there is less excuse to plead ignorance than ever before.

More thought is being given to law observance than in the past. We hear it discussed from pulpit and platform and read about it in daily papers and magazines. It constitutes a problem we cannot shun. No official holds a more important position than one charged with enforcing the law. For that reason, I esteem it both a pleasure and a privilege to address this message to you gentlemen. In our great plan of law enforcement we have courts, solicitors, prosecuting attorneys and others chosen from among the people; but upon no one is there a greater responsibility than that which rests upon the individual policeman.

Gentlemen, you are more than so many men in uniform making your rounds daily. There is much drudgery attached to your work. There are many discouraging factors that enter into a proper performance of your duties. But, above all, you are charged with a responsibility peculiar to your calling. In your hands rest the details of law enforcement. You protect life and property—you render to the law what is commonly known as “first aid.” During the still hours of the night, in all kinds of weather, you keep vigil. You search out dark corners to see if, perchance, danger lurks there; you take your stand on the busy street to see that citizens are protected against injury. You answer the call of duty to out-of-the-way places; and, having arrived at your destination, you bring reassurance and afford a sense of protection to those who have called you. Society would be at the mercy of criminals without you, and our courts would cease to function.

The policeman’s job is no easy berth. Those who think it is are laboring under a misconception. You are—each and every one of you—charged with a grave responsibility.

A policeman should be, first of all, a man of uprightness and integrity. He should be able to meet and withstand personal temptation and to abstain from the vices that undermine character. He should be in hearty accord with the fundamental principles of law and order, else he cannot perform the duties

imposed upon him. In the dark as in the light he must be a *man*. Brute strength alone will not suffice. Of course, there are times when you have to resort to force. That is necessary in the performance of your duties; but that is not enough. You must have tact and sympathy. You must be able, whenever possible, to prevent crime as well as to arrest criminals. You must be sympathetic and must win the confidence of the community in which you work.

Besides being a man of character and fitness, a policeman should be well paid. He should not be compelled to reside in a hovel, and should be enabled to provide well for himself and his family. If he is not, he will be easily discouraged; and when a policeman, as well as any other public official, becomes personally discouraged he cannot perform his duties in an efficient manner. The liberties of the citizens rest in his hands to a large extent. This being the case, his status must not only be recognized but rewarded.

Our cities are, in many instances, judged by the adequacy of their police forces. That is because no citizen feels safe in a poorly protected community. Under such conditions he cannot be at ease; he cannot feel satisfied about the safety of his family while he is away earning a livelihood for them.

Not long ago, passing through a Raleigh street, I noticed a sign which read: "School Zone." Reaching the next street intersection, I saw a man in uniform helping children across. Surely, the parents back home felt a sense of security at knowing their little ones were being thus protected. This is but an example of the fine work our police officers are going. We are giving more thought to preventive measures than ever before. Suppose the school corner referred to had been unprotected and some child had been run over by an automobile or a truck. Of course, the offending driver could have been dealt with but that would not have restored the life of the little one who was the victim. Is it not much better to give protection than to mete out punishment?

I am glad you have assembled here to discuss the problems with which you have to contend, and I sincerely hope that your deliberations will be beneficial and that you may evolve new and helpful ideas. You enjoy the confidence of the communities

from which you come, or you would not hold your present positions. Your profession has its weaknesses, of course. All human institutions have, but you can do more to cure them than your critics can.

I know of no higher appeal to make to you than to urge you to continue your noble efforts to combat crime and to promote respect for law and order. Lawlessness is a horrible thing. Its consequences are far-reaching and its results affect all classes of our people. Remember, your communities are dependent upon your efforts to a large extent; the courts count on you to aid them in enforcing the law, and society looks to you to maintain the highest ideals in your official and personal conduct.

In addressing this message to you, I take occasion to call upon the people of this State to give their police officers their hearty and earnest coöperation in the suppression of crime and in the promotion of the healthful spirit of law and order. New devices are being invented every day to evade the law. Criminals are more expert than ever before. While they ply their nefarious business, opposed in all respects to decency and morality, they are, at the same time, seeking loopholes to escape punishment if apprehended. Allied with them, morally if not actually, are those who make light of the law and will give it no assistance. Drunken drivers are constantly a menace to our peace and happiness. Makers and distributors of illicit intoxicants are fighting constituted authority with every ounce of their energy, and loafers roaming the streets of our cities are living on the efforts of others and often by gambling and engaging in other vicious and questionable pursuits. I am not trying to draw a dark picture or to inspire pessimism, because I confidently believe that the lawless element constitutes a small minority in this land of ours, but I bring these conditions to your attention with the earnest plea that you use every means at your command to combat them and, best of all, to eliminate them. Your work takes you into places that the average citizen never has occasion to go. You must visit the slums as well as the boulevards and fine suburbs. You are the eyes of the law. Keep your vision clear.

In the faithful performance of your duties you have the backing of the best people of this State. I trust you, realizing this, will take heart, renew the fight and seek to drive crime off the face of

the earth. It has no rightful place among men and women created in the image and likeness of God. Crime is a usurper and has no moral claim on any one. You can do much to bring added disfavor down upon it.

SPIRITUAL VALUES NECESSARY IN HUMAN ENDEAVOR

ADDRESS DELIVERED ON FOUNDERS' DAY AT FLORA MACDONALD
COLLEGE, RED SPRINGS, N. C.

OCTOBER 29, 1927

I esteem it a pleasure, as well as a high privilege, to lay aside temporarily my official duties and come to this beautiful, restful spot, to join with you in the celebration of Founders' Day. It is not my purpose on this occasion to rehearse at length the history of Flora Macdonald College but to consider with you, the alumnae and friends of the college, some of the things which have made it a great institution. I believe that its remarkable development is due to the fact that it has never lost sight of spiritual things. It has progressed materially, and in the upward struggle it has known periods of depression and discouragement, but it has constantly and consistently "put first things first." Therein lies its true greatness. Had you yielded to the purely human urge to build up a great plant, regardless of spiritual values, your labors would have been in vain. Had you based your curriculum on the pursuit of cold knowledge alone you would have neglected the factors that have fostered your worthy endeavors. I believe, as I am sure you believe, that Flora Macdonald College has been fortunate in having at its head from its foundation a man in whom the student body and others familiar with his life of consecration and service have great confidence. I refer to Dr. C. G. Vardell, whose peculiar fitness for the position he has so long occupied here is recognized by the friends of this institution and by our educational forces generally.

Education is the bulwark of civilization, but the fact that a man or woman is educated does not necessarily indicate greatness. It takes more than that to make real men and women.

Knowledge must be linked with consecration to service if it is to count for most. Hence, the value of Christian education, for it is only through the application of the principles of religion that lasting service can be performed.

There is no end to the good that has been and will continue to be accomplished through the religious education of womanhood. Men have their important duties to perform and should, of course, be educated, but we all know that the father's influence over the lives of our young people can never be commensurate with that exercised by the mother's. They function as spiritual instructors in the home; they teach in our public schools and in our colleges and in all movements for civic betterment they play an important part, challenging the best efforts of man in all respects and surpassing them in many points. I do not mean that the father, for example, is not responsible for the spiritual well-being and training of his children. He cannot shirk his duty in this respect and I would not excuse him for any spiritual delinquency of which he might be guilty; but, somehow, God, in His divine plan for nurturing children, has worked through mothers to a much greater degree than He has through fathers.

Throughout history we read of men whose greatness can be attributed directly to the influence of Christian mothers. Let us consider first the Wesleys, upon whose teachings the great Methodist denomination was founded. The great principles of Methodism may have found their place in the religious world without John and Charles Wesley, but these men could never have been the spiritual leaders they were without the influence of Susanna Wesley's teachings. Christian mothers gave the world John Calvin, John Knox and Martin Luther, the influence of whose teachings will never die; they gave Carey and Judson of the great Baptist denomination who carried the Gospel of Christ into many foreign lands. And, above all, a godly mother, chosen from on high to be called blessed throughout all generations, was the human agency through which the Saviour came into the world.

To no institution is woman more indebted than to religion, and she has proved her gratitude by fighting its battles with unflinching devotion. It gave her enlightenment, emancipation and her rightful place in the world. In return she has given it her

best and has implanted its principles in the lives of her children throughout the centuries.

The world has never been more in need of the benign influence of Christian education of women than it is today. Confronted by complex problems that come to light daily, we must employ more than mere book knowledge to meet and overcome them. We must view them through the eyes of an undying faith in religion and all that it stands for, and we must apply the principles of Christianity in their solution. Christian education is most important in the development of all the enduring qualities of life.

We live in a time when many who regard themselves as super-intellectuals decry the very Word of God itself, and when it appears that an organized effort is being made to tear down the Christian religion and trample in the dust some of the sacred principles for which it stands and without which this world would be a hopeless place. I say without hesitation that there is no substitute for religious training. The governments under which we live were founded upon its precepts, and without belief in God we could never have achieved the successes that have come to us.

Throughout my life, and especially since becoming governor, I have been impressed with the futility of human laws to control the ugly passions of mankind. Even though our human laws are based on the Ten Commandments, the great Magna Charta of humanity, and tempered with the precepts of the Sermon on the Mount, they are impotent without a knowledge of and faith in the Supreme Law Giver. Jesus never sought to tear down. He always tried to build up. He reconstructed the lives of broken men and women and planted hope in their hearts. He did not attempt to set at naught the Mosaic law. On the contrary, He expanded that law and gave it a new interpretation, in order that it might meet the needs of the oncoming generations who were to live under the reconstructive influence of the Christian era.

Human laws are necessary for the protection of society, but the person who obeys them simply because he knows he will be punished has missed the mark. With him it is simply a matter of avoiding the penalty that comes as a result of transgression. We should refrain from doing evil because we believe it is the will of

God that we should live clean lives. The great Founder of the Christian religion did not stress penalties as such. He taught men and women to do right for right's sake and in order that they might live in harmony with the divine will. That principle holds good in human government. To be a good citizen, one must obey the laws, because he does not wish to bring reproach upon his own good name or that of his community, his state or his nation, and not simply to avoid punishment. If this attitude were universal, there would be no need for our jails and other penal institutions, which are maintained at great expense to the law-abiding element. No one believes more in the absolute separation of church and state than I do, yet I can say without hesitation that, in my opinion, no government that is not founded on the principles laid down in the Bible can long survive. Church and state must forever remain separate in this country but to separate the idea of God from our government would be fatal.

Christian education must and does take all these things into account. That is why it has been such a blessing to the world. You have maintained the principles of Christian education at this institution. Therein lies your greatness. That is why your graduates have meant so much to the communities in which they live, and that is why mothers and fathers feel safe about the daughters they send here. Education, even in its highly technical sense, is important. Knowledge is always worth while. It is an essential element and must be employed in every phase of human life where a display of intelligence is needed. But mere intellectuality that is not grounded in spiritual elements is like the proverbial bay tree. It may flourish today but when the testing time comes it will wither and die.

In this day of so-called "higher criticism" and other "isms" that are arraying themselves against spiritual interpretations, the world needs Christian education as never before. Opponents of religion slew its adherents in days gone by; but, realizing that they could not kill the soul, although they put the body out of the way, they have resorted to different tactics and now employ ridicule and scorn. It takes more real moral stamina to stand up under sarcasm than to face physical danger. One of the commonest weapons now in use is the false assertion that if one holds to the principles of Christianity as handed down by our

forefathers he must necessarily be ignorant and does not maintain a receptive attitude toward the truth. Such doctrine is a delusion and a snare. Some of the most brilliant minds in this and other countries are found in the ranks of religious adherents, among men and women who have never yielded an inch of ground in their religious convictions. From Christian institutions have gone forth men and women who have influenced the destinies of nations, who have promoted the cause of scientific research and who have otherwise proved blessings to humanity. True religion has never conflicted with truth and never will, because it is founded on truth. Christian education has never been and will never be a drawback to progress—but without it, there could be no real progress.

Before concluding my remarks here today, it is in my heart to stress the necessity for a more general study of the Holy Bible, within the pages of which may be found a solace for every human sorrow, a solution for every spiritual problem, if we will but seek them out. It is not only the Book of books, revealing the Word of God to men and women; it is an indispensable piece of literature, even if viewed from that standpoint alone. But we must not regard it as simply so much literature. While written by men of learning, it was not given as a literary masterpiece but as the soul's guide-book, pointing the way to spiritual truths as no other book has ever done. It will never become old or obsolete, its lessons are vital to every human being on the face of the earth. None becomes so exalted that he does not need it in his daily life; none sinks so low in sin and despair that it cannot help to lift him up and place his feet on the sure foundation of eternal truth. It was not written to furnish entertainment, but to edify the soul and to inspire faith in the hearts of all people; it is not a textbook on science or mathematics or geography, but a divine revelation of spiritual things. It has been the mainstay of true civilization since first given to man; and when other writings have been forgotten its truths will stand out just as vividly as they have done in generations past and as they do today.

Let us not depart from the Bible, nor from the lessons it gives us. It is an all-important book. For its preservation men have suffered and died. Opponents of the spiritual realm have sought to destroy it, but their efforts have failed. It has been handed

down to us pure and spotless—and triumphant. Let us reverence it more, study it more, apply its precepts to a greater extent. By so doing we may not only become better men and women ourselves, but lift the world to higher levels of usefulness and help to usher in the era of universal brotherhood, based on principles of truth, mercy and justice.

In concluding this brief address, I should like to make a direct appeal to every individual here today to give loyal support to this college which has meant so much to this community and the State at large and whose alumnae have gone out into the world to put into practice the high precepts they learned here. The leavening influence of Flora Macdonald College will be felt among generations yet unborn, even as it is being felt today, through the consecrated lives and godly teachings of the many Christian wives and mothers it has sent out to engage in lines of noble service. This institution does more than to merely educate the students that come here for training. It instills into their lives the principles of religion and thereby better fits them for Christian service by unfolding to them divine truths, but exalting the Bible as the only safe guide in life and by holding fast to holy things. No life is well grounded whose tap-root does not sink deep into the spiritual realm, the source from which all good must be derived.

We are gathered here today as friends of this institution, interested in its well being. Let us prove our friendship by our loyal support. It has proved worthy of that support; it has maintained, throughout its existence, a high standard of which it need not be ashamed. But it needs our help and encouragement. Let us give these essential elements and in so doing we will receive a blessing for ourselves.

GOD'S GIFT TO HUMANITY

ADDRESS AT THE OPENING OF THE SOUTHEASTERN FLOWER
SHOW AT KENILWORTH INN, ASHEVILLE, N. C.

NOVEMBER 10, 1927

I know of no more appropriate place for such an occasion as this than Asheville, the metropolis of our North Carolina mountain

region and one of the most important centers in all Southern Appalachia, which nature has endowed with an abundance of flowers. The rhododendron, the laurel and other floral products of this section have helped to make it famous the world over as a place of natural beauty. From early spring until late fall the mountains are beautiful and fragrant, bidding travelers pause for physical and spiritual refreshment.

The language of the flower is universal and age-long. No man has yet discovered the origin of its alphabet, and the rudiments of its grammar and rhetoric are lost in the dim past.

The call of the flower has ever found its way to the hearts of men and women throughout the earth. Flowers do not constitute a physical necessity; we could do without them and retain our physical vigor, but in their absence many a soul would be dwarfed and many a heart-yearning would fail to find expression. They are our friends from the cradle to the grave. Through them endearing messages are sent from the lover to his sweetheart, and they adorn the altar when two hearts are united in holy wedlock. When death claims us they are sent by friends and loved ones to express sentiments they are powerless to utter, and in them we find the message of the resurrection in the beautiful Easter lily.

There is no habitable land without its flowers, God's gift to humanity; no people who do not utilize them for the promotion of the aesthetic. They adorn the palaces of kings and are found in the hovel of the poorest peasant. Somehow, flowers seem to link the heart with thoughts of heaven as nothing else does, and I hope the day will never come when we will not appreciate their value and their spiritual significance. They are more than natural results of biological processes, nor can their true meaning ever be learned from books on botany. Their significance must be understood by the soul if it would catch the message of hope and cheer and comfort that they bring.

Like human children, these children of Mother Nature radiate happiness, peace, and comfort. Mary Howitt says in her *Use of Flowers*:

God might have made the earth bring forth
Enough for great and small,
The oak tree, and the cedar tree,
Without a flower at all.

Then wherefore, wherefore were they made
 All dyed with rainbow light,
 All fashioned with supremest grace,
 Upspringing day and night?

Our outward life requires them not.
 Then wherefore had they birth?
 To minister delight to man;
 To beautify the earth;

To whisper hope—to comfort man
 Whene'er his faith is dim.
 For whoso careth for the flowers
 Will care much more for Him!

NORTH CAROLINA'S PART IN THE WORLD WAR

ADDRESS DELIVERED ON ARMISTICE DAY, LINCOLNTON, N. C.

NOVEMBER 11, 1927

Nine years ago today the world was thrilled by the news that an armistice had been signed, halting the most titanic struggle in the world's history. Many wept for joy; others received the tidings in a spirit of quiet reverence. The emotions that swept the hearts of our people were varied. Endless processions moved to and fro along the streets of our cities while bells and whistles rang and shrieked. With lightning-like rapidity the news was carried into the remotest districts.

The motives that prompted the United States to enter the World War have never been seriously questioned. Even those understood to favor peace at any price laid aside their prejudices once their country had made its final decision. There were critics, to be sure, but these failed to hinder America's progress in that great crisis which followed the conviction that our entrance was necessary to bring about a lasting peace. With nations, as with individuals, suffering is often necessary to bring about freedom from suffering. America's motives were not selfish, propaganda to the contrary notwithstanding. It was not a war of aggression on our part. We had no selfish ends to serve. We entered that struggle because we felt we owed it to

humanity to help stamp out the spirit of oppression and to use all the resources at our command to bring about justice to all people, both great and small. No man can say that America did not measure up; that it did not faithfully carry on during the months that this nation was actively engaged in fighting the battles of the World War.

Whatever may have been the results of this great conflict from a political, or economic standpoint, one thing is certain: It revealed America to itself and demonstrated the futility of national and individual selfishness, teaching us all that only through the medium of universal brotherhood, based on principles of right and justice, can the world be lifted out of the sordid, physical things of human experience and achieve a permanent, lasting peace and consequent satisfaction. We should not be discouraged when we realize that all that the signing of the Armistice should have meant has not come to pass. Processes of world development are often slow; means for bringing about conditions toward which we all look forward may seem inadequate at times, and selfishness often proves a stumbling block, but truth will prevail in the end.

North Carolina's part in the World War was truly in keeping with the part it played in previous conflicts waged for freedom and independence. It is needless to dwell here upon struggles that preceded this climax. Nor is it essential that we review the outstanding events of the World War. The breaking of the Hindenburg line, accomplished in part by North Carolinians serving in the Thirtieth Division, and other brilliant fighting on the part of our soldiers demonstrated the spirit that dominated the troops from this State. This was not a new spirit. It was revealed at Kings Mountain, not so far from this very spot, when forefathers of men in the Thirtieth Division won such a remarkable victory over Colonel Patrick Ferguson, British commander, and thereby hastened the end of the Revolutionary War. The record of our men throughout the World War exemplified the same dauntless spirit that has ever marked the citizenship of this State.

In this connection I pause to pay tribute to the splendid service performed by our women. While they did not don the habiliments of war, with the exception of those in active service

with the Red Cross and kindred organizations, yet the work they accomplished was indispensable. Unselfishly they parted with sons, brothers and other relatives and, remaining at home, many of them took up the active duties of helping to carry on the world's business. At the same time, they kept the homes intact, ever looking forward to the day when their loved ones would return. They served in the camps, at the depots through which troop trains passed daily and in numerous other ways. Now that the war is over they are working, collectively and individually, in behalf of permanent peace. Women naturally hate war. It has, throughout the years, robbed them of too much for them to sanction or encourage it.

Although the World War terminated nearly a decade ago, there is no rest for the valiant who have seen the vision of greater things. To the men who served in that struggle we must look for help at this time. The part our men played in that fight was commendable, but our labors in other directions must continue. Patriotism is needed today as much as it was in 1910.

Life is a great battle and veterans of the World War having achieved fame and victory "over there," must continue to fight the no less important battles of peace times. They must wage relentless war against the common enemies of mankind, less bloody but more virile than the enemy they faced on the fields of France and Belgium. They must array themselves against the subtle forces that would break our citizenry and stunt our national growth.

I make this appeal to ex-service men because they constitute a preferred class. Before they were taken into active service ten years ago they were set apart, examined and found fit. The government did not pursue a haphazard method in choosing its fighters. It sought out and enlisted the service of the best. For that reason, men, you must answer the peace-time call to service, not to relieve others of the responsibility that is theirs but because of your peculiar fitness.

Ignorance, oppression of the weak, social and economic injustice, intemperance, disease and death and numerous other enemies of mankind must be successfully combated if we are to go forward along right lines. We must defend religion and the Bible, because in this Book of books is found the true chart after

which we must fashion our lives and our conduct if we are to count for most. We must maintain and defend the Christian Sabbath—must see to it that commercialism does not claim seven days out of each week, because it is necessary that one day be set aside for the body to rest and the soul to meditate on things divine. Intemperance robs man of his vital powers and ought, if for no other reason, to be outlawed. Disease can, to a large extent, be overcome through right living and the proper sanitation; the death rate, in consequence, can be made still lower.

In waging our peace time battles we must remember that we cannot count solely upon material things; neither can we overlook them. Regenerative forces must be brought into play and utilized and all true reforms must result from right motives. Yet, it takes a proper use of the material things to bring this about. We should not seek wealth for the luxury it will bring us but for the good we can accomplish through a proper application of that which we accumulate. We have progressed to a remarkable degree in our educational achievements since the World War. A recently issued bulletin, printed in South Carolina and referred to in some of the newspapers of our own State, credited North Carolina with having led the entire nation in the ratio of its increased expenditures for public education and with having actually spent more than any other Southern state, with the exception of Texas. We have spent far more per capita than Texas. Why this record of achievement? I verily believe that it is because this State has kept alive and defended the finer things of life. We have grown wonderfully rich by utilizing our natural resources; but in the onward march of material progress we have not forgotten those dependent upon us for enlightenment and relief from suffering. Ignorance is hydra-headed. It has many sinister attributes. We must do more than defend education and support educational institutions. We must wage relentless warfare against the results of ignorance.

We hear much in this day and time about crime waves. The curse of lawlessness is one of the greatest enemies of modern civilization, both here and elsewhere. We must not be content with denouncing this menace. We must seek to find some remedy. We must constantly strive to enforce our statutory laws. But I am more and more convinced of the futility of

human laws to govern the ugly passions of mankind. These laws must be enacted for the protection of society as a whole and violators must be punished who transgress them, but we can never overcome crime waves until men seek to do right for right's sake and because they realize they owe this duty to God and their fellows.

The prevalence of lawlessness among young people should give us much concern and inspire us to redouble our efforts to stamp out this curse. On a recent visit to Caledonia Farm and other prison camps I was forcibly struck with the fact that such a large number of the inmates of these institutions were young men between eighteen and twenty-five years old. Many of these had been convicted of larceny and robbery and not a few were serving time for having stolen automobiles. They had yielded to the temptation to take for their own pleasure that which they had not earned. Many, I found, had been given to idleness and would not work. These young men, branded criminals, were about the same ages you ex-service men were when your country called you to the colors. The contrast between your lives and theirs is pitiable. Will you not give this problem your serious consideration and resolve anew to fight the conditions that led them to their present plight?

I have referred to social and economic injustice, to the oppression of the weak. No man has the right to prosper at the expense of another or to thrive on oppression. The rights of the weak, irrespective of their station in life, should always be respected. Right relationships must be stressed, standards of brotherhood must be set up and staunchly maintained if equity is to be administered in our social and economic life. If we permit oppression to exist we will not be true to ourselves or to the traditions of our State, which was founded by God-fearing people and has always frowned upon tyranny in any form. There are various forms of injustice. Some of these can be corrected by human laws. Others cannot but must be settled through right relationships, through the law of proper spiritual values. Legal procedure cannot reconstruct the hearts of men. Only the recreative forces of the Supreme Being and those who seek to do His will can do this.

The thought that I would leave with you today is a plea to

rededicate yourselves to the service of your fellows rather than exultation over the material victories you achieved during the World War. Should war be declared at this time it would become my duty, as governor of the State, to call men to arms. I hope I shall not have this duty thrust upon me. But as I stand before you today I issue a call to higher service and I enlist with you for that service. We must present a solid front against the subtle enemies that are ever making war upon mankind; we must wage continued warfare against those forces that are seeking to destroy the faith and ideals of our people; but, above all, we must dedicate our own lives to the cause of altruistic service if we are to prevail in the fight. We must utilize the material but we must not depend upon that for safety. We must put "first things first" and must see our duty through the eyes of faith. If we will do this, we can attain to the higher levels of usefulness to ourselves and our fellow-men, and real victory will be our reward.

EDUCATIONAL AND INDUSTRIAL PROGRESS IN NORTH CAROLINA

ADDRESS DELIVERED AT THE CITIZENS' BANQUET
DURHAM, N. C.

NOVEMBER 18, 1927

Education and industry have become so inseparably linked together in North Carolina that it would be impossible to study the factors involved in the State's recent progress without taking both into full account. I appreciate the fact—and I know you do—that we have on this occasion gathered in a city in which each has played and is playing an important part. In Durham, as in few other places, education and industry have joined hands not only in community building but in influencing other sections as well. It would be a waste of time for me to refer in detail to the industrial activity to be found here. I remember very vividly this slogan: "Durham, renowned the world round." Educationally, Duke University had heralded Durham's fame still further and no city in North Carolina can boast of a finer public school system.

North Carolina has not always enjoyed the educational and industrial progress that today makes it stand out a state of good schools and thrift. The upward path has not been easy. Our handicaps have been many. Culture on the part of our people has never been lacking, nor have we lacked the will to do big things. Possessed of those enduring qualities that have ever marked the races from which our people sprang, North Carolinians felt the urge long before they were in a position to develop their natural resources, but they realized their inability to go forward under conditions then existing. They waited rather than to sound a plea for pity. The War Between the Sections left us prostrate, but a benign Providence had seen to it that we were endowed with a vast store of resources that could be developed at the opportune time. Today we stand in the vanguard of modern progress.

We can say without boasting that our educational gains have been phenomenal during the past quarter of a century and especially during the past decade. In 1901, we were spending only about a million dollars a year on all public education. Today we are spending at the rate of about \$30,000,000, as compared with \$10,000,000 as late as 1920. In 1901 our public school property was worth less than two million dollars. At the present time it is appraised at \$100,000,000. These figures do not include large sums appropriated for the maintenance and expansion of our institutions for higher learning, including our State University, our colleges and our normal schools located in all parts of the Commonwealth.

I might go on and tell you still more of the romantic story of North Carolina's educational awakening and the subsequent period of unprecedented industrial activity, but time will not permit. While I am speaking from a state standpoint, I feel it would not be fair to leave this subject without pointing out the fact that the great Christian denominations of North Carolina have spent millions in the erection and maintenance of splendid colleges and high schools.

Education naturally quickens any people to a sense of its physical and spiritual needs and creates a keener desire to overcome disease, so far as it is possible to do so through the use of scientific methods. North Carolina has, I believe, one of the

best public health departments in America. Working in coöperation with this central body, which maintains headquarters at Raleigh, are county and community forces. In 1901 this State was spending only \$2,000 for the promotion of health. Today it is spending at the rate of \$500,000 annually, with telling results. A lower mortality rate among our people has resulted and preventable diseases have been greatly reduced.

North Carolina, in 1921, found that it could not go forward through mud. Since that time we have authorized \$115,000,000 for the construction of a state-wide highway system that has attracted attention the world over. This system as it now stands is estimated to be worth \$140,000,000, including expenditures made by counties prior to the enactment of the road law in 1921. More than 7,500 miles of highways have been constructed, including 3,500 miles of hard-surfaced roads. We have put our road building on a sound, economic basis. The money the State derives from taxes on gasoline and motor vehicle licenses is sufficient to pay (a) the interest on outstanding obligations, (b) sinking fund and serial maturities of principal of all bonds, (c) full maintenance of the entire highway system, and (d) provide a surplus of around \$4,500,000 a year for construction of new highways. North Carolina levies no ad valorem tax on real estate or personal property. Hence, the roads we have built are not stacked up against the homes of our people.

From industrial insignificance we have risen to a point of economic prominence among all the states of the nation. Our manufactured products, which a few years ago were too few to mention, are today worth more than a billion and a quarter dollars annually. We have many major industries, including cotton, tobacco, and furniture factories. At the same time there is a diversification in our industrial life that is both wholesome and beneficial. Thousands of our people are employed in our factories and they work together in harmony. Disastrous labor disputes are unknown among us.

During the fiscal year ending June 30, 1927, North Carolina taxpayers paid the federal government \$205,000,000. Much of this came from our tobacco factories and other major industries. While some of those who have invested in these industries actually reside outside of North Carolina, they have put their money to

work in this State and the factories in which they are interested furnish employment for our people.

Hydro-electric power has greatly aided in the material advancement of North Carolina. Public service corporations have developed up to this time about 1,110,000 horse-power and private and municipal developments have brought this total to something like 1,250,000 horse-power. When the first hydro-electric plant started in this State it was regarded as an experiment. There were many skeptics, but we know now that they lacked vision.

One of the principal reasons why North Carolina has made such unprecedented progress in industrial development these last twenty-five years is because the state government, backed by public sentiment, has pursued a helpful and liberal policy toward capital, not only that furnished by our own people, but that which has come from the outside for investment in our State. The richest individual and the largest corporation has generally been accorded the same fair and just treatment as the humblest citizen of our commonwealth. We do not coddle wealth, but what is more important, we do not bait it. If the State is to continue its wonderful industrial expansion, if it is to make the best use of its allied industry and manufacture and of its marvelous natural resources, if it is eventually to secure economic independence for its farm dwellers, we all know that to these ends nothing will contribute more substantially than to have it understood that every industry will be treated fairly and justly in respect to taxation and otherwise.

North Carolina is, I am convinced, destined to become one of the first two or three leading industrial states in America within the next twenty-five years. Our natural resources are not more than half developed at the present time. The same is true of its hydro-electric potentialities in particular.

I might go on with the story of our remarkable progress, but time will not permit. I hope you will think well over the things I have told you in this brief time. We must continue to expand our educational as well as our industrial forces; and we must continue to accumulate wealth, not merely for wealth's sake but for the good we can do with it. It is true we have a few political demagogues among us, but their voice is inarticulate for they have no part in shaping the great policies of our State. No more

outstanding type of the North Carolina business man, characterized by the enduring qualities of life has been found than the late James B. Duke. The evidence of his generosity has been embodied in a living monument here in the form of a great university. The building of Duke University, however, was not what makes Mr. Duke a great man. It was the fact that when, as the result of thrift and industry he had amassed a large fortune, he had the vision and determination to dedicate it to the nobler purposes of life. It seems to me that it was the true North Carolina spirit, with which he was so richly endowed, that caused him to do this great thing. Mr. Duke was not an educated man, in the ordinary acceptation of the term, but he possessed, as our people generally have possessed, the firm determination to establish and maintain an adequate system of education. This determination is, after all, the best assurance of continued educational advancement, and nowhere is it so well expressed as in this statement of Barrie, the great Scottish man-of-letters: "Mighty are the Universities of Scotland and they will prevail. But even in our high exultations, never forget that they are not *four* (Aberdeen, Edinburgh, Glasgow and St. Andrews), but *five*: The greatest of these is the poor, proud homes which you came out of, which said so long ago, there shall be education in this land. *She*, not St. Andrews, is the oldest University in Scotland and all the others are her whelps."

The only university of which Mr. Duke was an alumnus was a poor, proud home, where he learned the lessons of economy and self-reliance. When he had accumulated great wealth, through the application of these enduring qualities which he learned at his mother's knee, he came back and placed it in the lap of his native State—the mother of us all, and dedicated it to the establishment and maintenance of a great institution of learning. No one can visualize the benign influence and quickening power that will follow his magnanimous and constructive act.

In conclusion, let me say that the enduring qualities of life which so generally characterize our people must be recognized as our greatest asset when we come to think of the great task which lies before us of building a greater and better commonwealth.

ALUMNI FAITH IN THE UNIVERSITY

REMARKS IN ACCEPTING, ON BEHALF OF THE STATE
AND THE UNIVERSITY, THE KENAN MEMORIAL
STADIUM AT CHAPEL HILL, N. C.

NOVEMBER 24, 1927

There is no greater occasion of happy pride to State and University than one like this when a distinguished son of North Carolina and its University thus honors the land of his youth and cherishes his alma mater with so gracious an acknowledgment of his love and gratitude. The University finds justification of its traditions, services, purposes and ideals in the lives of its alumni. That they love it, are grateful to it, and sustain it with their counsel and material aid is most heartening. And the State observing this interchange of mutual benefits between the University and its alumni, benefiting by the institution and the sons it sends forth into its own life, is confirmed in the faith that led it to found and maintain a university.

The University takes pride in her long record of service to the members of Mr. Kenan's family. She has won continuity and strength through the power she has gathered from them—statesmen, soldiers, business men, educators, wise counselors, and benefactors. The tradition of their life and services both in the paternal and maternal lines is woven into the life of the institution. The University feels privileged to honor them, for in doing so she lends strength to her own cause.

William Rand Kenan, Jr., son of an alumnus of the University, son of a daughter of Chapel Hill, is in himself an epitome of the best of this State and institution. In his qualities of mind and heart he sets a standard for the emulation of the youth of the University and of the State.

In his rise to success as builder, financier, engineer and captain of industry in the nation he typifies the brain and energy and constructive genius of the new civilization we are building. Bringing forward the character and traditions of a great family he has enlarged and magnified them. In his actions the generosity and magnanimity of his spirit are manifest and in none so beautiful as in this gift so modestly tendered.

This stadium makes possible the culmination of an athletic program long under way at Carolina and characterized by student initiative, energy and fine sportsmanship.

The marked growth in athletics since 1914 has been made possible by the foresight, generosity and loyalty of another son of the University—Captain Isaac Emerson of the Class of '79, who gave in 1914 Emerson Field, which for the first time in the history of the University made possible the assembling of large crowds on this campus. Emerson Field created a need by stimulating the whole athletic life. The Kenan Memorial Stadium admirably meets this need.

It is a work of architectural art. Adapting itself to the natural forest beauty of Chapel Hill it enhances and adds to the dignity and charm of the growing university. It will bring into nature's forum great convocations of our people and make possible the presentation here of festivals, plays, and pageants.

Great in usefulness, great in artistic setting and possibilities, it has been tendered so modestly, so generously, and so tactfully as to manifest anew the gracious qualities of its donor. In enabling him to pay a tribute of love to the memory of his parents, it permits him to give outward expression of the feelings of loyalty which he cherishes for his alma mater.

On behalf of the state of North Carolina, and the University of North Carolina, I accept this gift of the Kenan Memorial Stadium, and in doing so I recognize the generous impulse and reverent spirit that actuated Mr. Kenan in giving it. It is a magnificent structure and its usefulness will continue throughout the years.

TIES BETWEEN NORTH CAROLINA AND VIRGINIA

ADDRESS DELIVERED AT COMMEMORATING THE COMPLETION
OF THE LINK IN UNITED STATES HIGHWAY NUMBER 1
AT SOUTH HILL, VIRGINIA

NOVEMBER 26, 1927

I esteem it a great honor, as well as a pleasure, that I am permitted to join with the people of Virginia today, as a representative of the state of North Carolina, in celebrating this

significant occasion. We are here today to commemorate the completion of the link in the trans-continental highway known as United States Route Number 1. In striking contrast are the many evidences of progress, prosperity and happiness we see here today as compared with the conditions of two hundred years ago, when this spot marked the dividing line between the scattered settlements along the border line of the wilderness to the westward. This vicinity was in reality the western frontier peopled by the hardy pioneers who had sought new homes in the isolation of the forests.

It is a pleasure to me to be here today, not only because of the significance of the occasion itself, but also because I am associated still further in extending greetings to the citizens of Virginia, with your beloved governor. I hold him in very high esteem as a man and class him among the greatest governors in the history of the nation. When I was elected governor, I set about trying to improve the methods of state administration in North Carolina. About the same time Governor Byrd undertook a number of important reforms in the administration of government in Virginia. The expansion of governmental functions and the large sums of money that must be handled in carrying on these activities make it essential that modern methods of business be applied to administering the affairs of the states.

During the past three days Mrs. McLean and I have been delighted to have had as our guests in Raleigh, Governor and Mrs. Byrd. On Thanksgiving day we went over to Chapel Hill to witness the great football game played by teams representing those time-honored rivals for athletic prowess, the University of Virginia and the University of North Carolina. It was a great occasion, and it was most interesting to see the friendly rivalry and sportsman-like conduct in that great game. Today, we took part in another interesting ceremony, when we opened wide the gates between the two states, opening up a great highway that can have no other effect than further cementing the friendly relations that have always existed between the two commonwealths.

In my boyhood days I heard a story which may in part illustrate an incident I wish to relate. The highest ambition of an auld Scotsman down in my country was to own all of the land.

that adjoined his acres. He never succeeded in his ambition, but he continuously increased his holdings. I am reminded that much of this section of Virginia was settled by the Ulster Scots and they were only living up to the traditions of the race when they kept gravitating down into North Carolina, until they finally added more than one hundred thousand acres of land, on which were located about two hundred settlers, later found to be within the boundaries of North Carolina. My State wanted a survey, but these hardy Scots had an idea of the result, the dispute coming to a head just about two hundred years ago.

As a result, under the direction of a joint boundary commission named by the two states, a survey was made of the Virginia-North Carolina state line, starting at the seacoast and running westward. Civilization then ended near where we are today, the settlements reaching up to the foothills from the banks of the Roanoke River. When the line had gone about fifty miles into the wilderness, the North Carolina members of the commission were ready to stop, but one member of that commission contended for and succeeded in extending the line still further, to a point along the present Patrick-Stokes county line. The record of that controversy and its settlement comes down to us from an account written by a distinguished Virginian. He was none other than William Byrd, II, honored ancestor of your beloved governor.

That was one of the very few disputes that have been developed between the people of the two states. In practically every other important matter during the past three centuries, Virginia and North Carolina have stood together. It is hardly necessary for me to mention here the many close relations and common ties that have bound the two commonwealths together. Few states in the Union have a firmer basis for abiding friendship and mutual understanding. The part of the American continent now known as North Carolina, along with many other states, was once included in what is now known as Virginia, well referred to as the mother of states and of statesmen.

In settlement and in colonization you Virginians took the lead, as you have in many other respects. But, if you did take the lead, we evened that score by attracting many of your hardy and pioneer citizens to settle in and build up North Carolina.

The geographic condition of the North Carolina coast prevented direct settlement, so we were for many years an area of secondary colonization. The same coastal condition caused our people to carry on their trade through Virginia markets, especially those of Petersburg and Norfolk, a habit that many of them still follow. This created a close economic relationship between the two colonies that exists until today.

Still closer were the ties established during the pre-Revolutionary days. North Carolina and Virginia were the first of the colonies to propose and to declare for independence from Great Britain. North Carolina sprang to Virginia's aid in 1775 by sending troops under Colonel Howe to help repel British operations in the vicinity of Norfolk. Throughout the Revolutionary War the citizens of the two states fought side by side, in Virginia and in North Carolina, both giving their utmost to the cause of independence which they had first proposed and declared. Likewise, in the War of 1812, they made common cause against the enemy and in support of the national government.

Virginia and North Carolina made the cause of the Confederacy their own, both sacrificing heavily in men and means. Side by side with the Virginians and largely on Virginia soil, North Carolinians staged their defense of home and Southland.

After the war was over and the soldiers of the two states returned to their devastated farms and desolate homes, where they were faced with similar problems. Together they went through the period of reconstruction and together they emerged from that nightmare of poverty and depression. Hand in hand they set about rebuilding their ruined areas and revivifying their disheartened citizens.

We North Carolinians cannot but feel pride in the achievements and the progress made by our older sister. Many of your citizens crossed over the state line and helped to settle North Carolina. Through your domain led the old Philadelphia and Yadkin River trail, passing through the Valley of Virginia. From Pennsylvania and West Virginia they came. I am proud that my maternal ancestors were among those pioneers who followed that trail and were among the people who settled the Piedmont Section of North Carolina, helping to give impetus to that movement which has resulted in the industrial development

of that great section. It was over this same trail that their descendants returned to the homes of their forefathers, as followers of General Lee to fateful Gettysburg.

North Carolina and Virginia have reached their present high positions among states by following parallel lines. Throughout the years, since the beginning of colonization, they have come up to the present time, hand in hand, with mutual interests and ambitions. Their citizens have mingled and intermarried, exchanged wares, worked and fought side by side. North Carolinians have helped to build such of your cities as Norfolk and Petersburg, Richmond and Lynchburg. Virginia citizens have contributed much to the development of North Carolina cities and communities. The close relationship has continued through the years, one present evidence being the work North Carolina and Virginia are doing in establishing the Shenandoah and the Smoky Mountain National Parks, which are to be developed as twin projects. In friendly rivalry, athletes representing the educational institutions of the two states have met and contended for many years, maintaining that respect and admiration for each other that are the marks of true sportsmanship.

The opening of this more than two hundred miles of highway, forming a link in the great trans-continental route, from Canada to Southern Florida, is an important event in highway construction. I look upon it as being even more significant in many respects than the opening of the cross-continent railroads fifty years ago. It will mean more in the interchange of visits and communication between our people. The route starts at Fort Kent, Maine, near the Canadian line, extending a distance of 2,328 miles by the time it reaches Miami, Fla. In addition to traversing these two states, it passes through all of the original Thirteen States, making still closer the tie that has bound them together since the period of their struggle for independence.

In those days methods of travel and intercourse were crude and slow. The sections were sparsely settled and only a few miles could be covered within a day, almost prohibiting visits and communication. Then there was little opportunity for disseminating information. That was one argument of the opponents to the enlargement and western expansion of the United

States. Settlements were isolated and a few miles served as an almost impassable barrier.

Today, one person in five, or an average of approximately each family in the United States, owns an automobile. Many of these cars are used during the week-days for business purposes, but on Sunday, at least, almost every head of a family gathers his wife and children together and strikes out on a trip of exploration and visitation. In this manner, and by means of the good roads, people formerly separated by long distances are brought close together and are enabled to exchange thoughts and ideas, establishing hundreds of miles away friendships that were formerly confined to their own communities. No way has yet been devised by which the great value of such friendly intercourse can be estimated. Millions, from Maine to Florida, and, in fact, from all the states east of the Mississippi River, will pass over this United States Highway Number 1, which, within a year, if the expected happens, will be the longest solid concrete road in America.

But the benefits to be derived from this highway are not confined to the route it follows. It will serve as an impetus to highway construction, not only through your State and my State, but in other states. Both states will be eager to connect with this great trunk line and to extend the network of highways further into the interior, thus offering means of travel and enlightenment to our most isolated sections. North Carolina has 177 miles of United States Number 1, most of which are hard surfaced or under contract, and the remaining sections are oiled gravel road, making a complete all-weather road in our State. It will not be long before the entire mileage will be hard-surfaced, and the other states to the south are bending their best efforts toward finishing the links within their boundaries.

The completion of this highway offers almost unlimited possibilities for commercial traffic. This, and the other highways that have been built and will be constructed in Virginia and North Carolina, will serve as valuable auxiliaries and feeders to the great railroad systems.

I was impressed recently by the comparative figures on investments in railroad and automobile facilities in North Carolina. The total amount invested in railroad equipment and facilities, I

found, is approximately \$250,000,000 as against approximately \$500,000,000 invested in facilities and equipment for automotive transportation. This includes the cost of state highways, but not the amount invested in country and private roads and in city streets, used largely by automobiles, valued at approximately \$100,000,000. I have no doubt that something like the same proportion would be shown in a comparison of railroad and automotive equipment in Virginia.

The completion of this link in the great north to south highway is not an end within itself, but an important means to still greater development and progress in education, industry, commerce, agriculture, and the other lines of activity in which the people of the two great commonwealths are successfully engaged.

The event we are celebrating today is merely another evidence of the close relationship that has existed from the very beginnings of the two colonies. This slab of cement is only an outward sign that the ties of friendship between us are cemented all the closer. The opening of the gates over this imaginary boundary line this morning was symbolic of the utter absence of any barrier between the Old North State and the Mother of States. It extends a welcome to the people of Virginia to visit the citizens of North Carolina just as much as it is an invitation to us to visit you. The road runs two ways. We invite you to use the southern end of it and to mingle with our people, just as we expect to mingle with you, thus making mutual benefits to be derived from the completion of this link in the great trans-continental highway.

I wish to thank Governor Byrd for this opportunity to mingle thus with him, with former Governor Trinkle, and other Virginia officials and citizens, as a representative of North Carolina, and I desire to express the hope that the ties of mutual admiration and affection that have always existed between Virginia and North Carolina may be strengthened and perpetuated by his new means of social and commercial intercourse.

Governor Byrd, in behalf of the people of North Carolina, I extend to you, and through you to the people of Virginia, friendly salutations and cordial congratulations upon the completion of your part of this great project.

WORK OF THE SOCIETY OF MAYFLOWER DESCENDANTS

MESSAGE SENT AND READ AT THE THIRD ANNUAL CONVENTION
OF THE SOCIETY OF MAYFLOWER DESCENDANTS IN THE
STATE OF NORTH CAROLINA, CHARLOTTE, N. C.

DECEMBER 3, 1927

It is with pleasure that I accept the invitation to send a brief message to the members of the Society of Mayflower Descendants in the state of North Carolina. I realize that yours is a new organization, but I am in hearty accord with its aims and purposes and think it will prove a valuable adjunct to the other patriotic and historical organizations in the State.

Your organization and others of this kind serve important purposes in the promotion of patriotic sentiment and in stimulating the spirit of public service. You have for emulation the remarkable record of the little group of men and women who braved the storms and dangers of the sea to face still greater dangers and hardships on a new and unfounded continent, for the purpose of enjoying the freedom to worship God according to the dictates of their own consciences—a sentiment later included in the Constitution of the United States.

We all, whether descended from the little group, or from the later immigrants, look back upon the achievements of that little band with a peculiar sort of pride and satisfaction. Their Compact before landing at Plymouth has been referred to as the cornerstone of civil and religious liberty in America. Undoubtedly the spirit of that document forms the basic principles upon which our Constitution was founded.

There is need today for the same spirit that dominated your noble ancestors and I know of no other organization more suitable than that established by their descendants to help foster and promulgate sentiment for observance of the laws of the land. Your progenitors have been American citizens for more than three hundred years and you above all others should be imbued with patriotism and loyalty for the land you have called your own for so long a time.

I am in hearty accord with your work of preserving for posterity the valuable records of your ancestors. They are records

that are worthy of permanent places in our libraries. In this connection, I wish to acknowledge the valuable contribution made by your governor, Mr. Burnham Standish Colburn, not only in his private collection of Mayflower records, but also for the great assistance I am informed he has rendered the North Carolina Historical Society and to other historical agencies.

In conclusion, let me express the hope that you will continue to amass records and valuable papers for our libraries and that you will also continue to meet the responsibilities resting upon you as descendants of the Pilgrim fathers.

FARMERS MUST STUDY THEIR LANDS SCIENTIFICALLY

ADDRESS DELIVERED AT A DINNER GIVEN TO HONOR
NORTH CAROLINA'S FIRST "MASTER FARMERS" AT
THE SIR WALTER HOTEL, RALEIGH, N. C.

DECEMBER 16, 1927

Just who is responsible for it, I do not know, but a new expression has come into use during the past few years. We have heard for some time of the Master Mechanics and other masters of various activities. Now we have the Master Farmer. My impression of the other masters is that they are those who operate plants, and employing printers or mechanics, supposedly, but not necessarily an artisan at his trade.

The Master Farmer, if I understand it correctly, is that farmer in a given county, who, by his application to the business of agriculture, study of successful methods, application of proper principles, and by the dint of hard work, has been picked by those considered competent to judge, as the best and the most successful farmer in that county. In this case, certainly, the master applied to a farmer, means that he has in reality become a master of the art—for farming is an art, even if it is a close ally of nature and at the mercy of the elements—of making the soil produce two ears of corn, where it produced only one before.

The promoters of this Master Farmer idea are to be congratulated upon the start thus made and on the probabilities that lie ahead of it. The thought, followed up completely, has the

possibility of making master farmers of a large part of the farming population of North Carolina and of completely *evolutionizing* agricultural methods in the State. Those of you who have already achieved the distinction of becoming master farmers have been picked out and placed in a class to yourselves. You are marked men. You have written after your names, as do the holders of college degrees letters which stand for pioneer, for you have blazed the way; leader, for you have taken front rank; master, for you have demonstrated that you have mastered your occupation.

I want to congratulate you on your achievement, and I want at the same time to remind you that the same achievement which has given you this worthy honor, has placed upon you a no less worthy responsibility. Because you have thus been honored, you will be pointed to by the other farmers of your county, as you have doubtless been looked up to for years as a pioneer, a leader, a master. It is a poor pioneer who does not make the way easier for those who follow; it is a poor leader who has no one to fall in step behind him; it is a poor master who is not able to inspire others, by his example, to improve their own conditions.

You have not become master farmers by chance. You have been working for this distinction for years, though you probably never thought of the term master farmer until recently. You have been studying your soil, the kinds of fertilizers to use on certain soil combinations, the kinds of crops to grow on this or that piece of land. You have rotated your crops and built up fertility, making tests to enable you to utilize your tillable acres to the best advantage. You have read your farm papers and magazines to get new thoughts and new ideas and worked them out as they apply to your own lands and location, climate and other conditions. You have applied this knowledge and information to your own problems and have been able to solve them, in part or entirely.

You have gone further. You have studied farm methods as placed before you by experts at farmers' institutes and at the State College. You have in a measure applied the principles of good business to your calling, just as the banker, the merchant, the professional man must study if he hopes to become successful. And, just as these men are specialists in this day of specialization,

so have you, and so must all farmers, become specialists, if they are to be able to wrest a prosperous living from the soil.

Moreover, you and the farmers all over North Carolina must be able to count the costs of your operations and hold them down to a point below that shown by your returns. The day is fast passing when a farmer will continue to grow a crop of corn, or tobacco, or cotton or any other product in a field when it costs more to grow, harvest and market it than he receives for the commodity. By simple methods of listing items of cost, you can have a complete cost accounting system that will show you where your profits are and where your losses. You can then set about increasing the profits from the profitable fields and either abandon or change your method of handling the tract which shows a loss.

I know you have to fight to wrest a good living from the soil; you are at the mercy of the elements and rain or sunshine can either make or break you. You have to watch market conditions and make sure that you do not over-produce and that you produce enough. You must diversify your crops, as well as specialize in them. You must know your land as the aviator knows his plane, or the jockey his horse. There are a thousand and one things the farmer must know if he hopes to make a success of farming.

You master farmers have learned many of these things, but the mere fact that you have been selected as masters is proof that you do not claim to know it all. You will continue to study, to apply new and better methods to your farming and farm marketing. You will, by example and by precept, lead other farmers in your communities and counties to a better understanding of farm problems and to a fuller enjoyment of farm benefits. Upon you rests some of the responsibility, at least, of making every North Carolina farmer a master farmer—the master, and not the slave of the land he tills.

THE CITIZEN'S DUTY TO EXAMINE HIS RIGHTS OF SUFFRAGE

ADDRESS DELIVERED AT A MEETING OF THE RALEIGH POST
OF THE AMERICAN LEGION, RALEIGH, N. C.

DECEMBER 16, 1927

I think the time is at hand when restrictions should be put on the privilege now enjoyed by small minorities of imposing debts and burdens on all of the property owners of a city or town, county, district or other subdivision.

But there are also other problems which you as Legionnaires must take the lead in solving. You are composed of the very pick of American citizenship, because you had to measure up to high physical and mental standards before you were accepted in the service. You not only have the privilege, but upon you falls the duty very largely of assuming the leadership in the forward movements of the world. The American Legion is influential because it represents not the classes, but the masses; it is powerful because its personnel is full of youth, vigor and enthusiasm; it is national, not sectional; it is benevolent, but not denominational; and, finally, it is patriotic, but not political. What more virile or effective exponent of progress and world betterment could be imagined?

Your influence is already being felt and it will increase as the years go by. Along with this increased influence comes added responsibilities and the way you meet these responsibilities will determine whether your organization will serve the purposes for which it was intended, as outlined in the preamble to your constitution.

One of your first responsibilities is to help inculcate into the minds of the people of your State the proper respect for all laws. This is especially true of the young people who seem to have taken as a sort of license lessened restraint that followed the World War. I was struck recently by a visit to the Caledonia Prison Farm to find so many of the prisoners were young men between the ages of eighteen and twenty-five years. I could not help contrasting their status with that you occupied at about their age. You were entering or engaged in service for your

country, while they are required to serve their State in payment of an obligation contracted by breaking the laws it has set up for their conduct toward their fellow-men. You, who have been through the strict military discipline, are well qualified to help teach the young people to follow the less stringent civil regulations. You must help teach the younger people that many evils follow disobedience to the laws of their State.

Just here I consider that it is not out of place for me to speak briefly on the perennial question of preparedness for war while we are enjoying the benefits of peace. I have expressed my views on this subject frequently but it comes up so often that it becomes at least pertinent to repeat what I have previously said.

I do not take the view of the extreme pacifists who contend that we should preach non-resistance constantly. Nor am I able to follow the aggressive militarists who contend that we should have a large standing army and a huge floating navy, ready to fight at the least provocation. Between these two extremes is the happy and sensible mean. And, with both extremes content that their position is the proper one, I suppose the result will always be somewhere near that mean.

I contend that if the claims of the extreme pacifists and non-resistance advocates are logical, then it would be just as logical for a man to have no gun or other weapon in his home to protect his family in case of attack, and that we might as well disband the police and fire departments and tear down the jails and penitentiaries. We have our police forces, and fire fighters, not to encourage lawlessness and wholesale burning, but to keep down crime and to prevent and stop fires. It is just as necessary to have fighting forces ready to defend our homes, our institutions and our country as it is to have our police and firemen to protect our homes and communities.

We have on one good authority that it is a proper rule of conduct to "Trust in God and keep your powder dry." General Robert E. Lee once announced that it was his rule to try to bring up as many trained soldiers as possible, with as good equipment as it was possible to have, have them at the right place at the right time and trust in the Lord for results. I do not believe, however, in military and naval forces that would burden the people to maintain them, or one so highly organized that our

country would feel like rushing into action at the drop of a hat. Our land is governed by the people, not by a monarch, so there is no fear that our army could be taken over and utilized to promote the interests of any one man or group of men, as some of the extreme pacifists contend.

One of the most serious problems that faces the United States today, however, and one in which all good citizens, Legionnaires and others must become vitally interested, if our form of government is to endure, is a proper conception of the right of suffrage. It is a serious situation when only 50 per cent of the eligible voters of the United States take part in a general election, as was the case in 1924.

In North Carolina, the same authority shows, only 37.7 per cent of the eligible voters cast their ballots in the last general election.

Wake County probably has over 20,000 people who are eligible to vote, and probably 15,000 of the number are registered. In the last election only 5,052, or probably not more than one-fourth, exercised the privilege. The city of Raleigh probably has upward of 15,000 who are due the right of suffrage.

Recently 2,164 people out of possibly 15,000 voters in Raleigh, less than one-seventh, decreed that all of the property owners of the city of Raleigh should be subject to a bond issue. This constitutes one of the most serious of our problems. Under our present plan a small number of people, one tenth, or one-twentieth, or even one-fiftieth of the citizens, under our present plan, may hang a heavy burden of debt around the necks of all of the property owners in any city, county or subdivision. I think the time is at hand when further restriction must be placed on this practice.

The last session of the General Assembly made a start in correcting this rule of the small minority by giving the people an easier method of calling for the vote of the people when the authorities of counties desire to issue bonds. Previously the county commissioners, for instance, under the constitution, as interpreted by the Supreme Court, could issue bonds for any necessary expense. Under the new county finance act the people are given information as to what the bonds are for, and, on petition of 15 per cent of the number voting in the last general

election, they are permitted a referendum on whether or not the proposed debt will be contracted. Still further restrictions must be placed around this wholesale issuing of bonds, so that more people will have a voice in how the money they pay in taxes is to be expended.

This problem of citizenship and particularly the part of it which has to do with suffrage is a serious one. We need to impress upon all who have the right to vote that it is a duty as well. By suffrage the voters express their preferences as to the men who will represent them in making laws and administering the affairs of government. We must seek to make them understand that it is much more desirable that they take an active interest in the elections, than it is to let matters take their course and then criticise what may be an actual, but more likely is an imagined or reported, deviation on the part of some public official.

In this problem, as well as in those of law observance, eliminating social inequalities and injustices, disseminating proper conception of the peace-time preparedness for military emergencies, you Legionnaires and members of the auxiliary have a privilege and a duty to perform. You will not be able to reach a final or definite solution, for I think that would be impossible, but will be able to bring about great improvement through your joint and concentrated efforts toward showing the people about you the duties they owe to their section, their state and their nation in the proper exercise of the right of suffrage.

HELPING RURAL FAMILIES

ADDRESS DELIVERED BEFORE THE AMERICAN HOME
DEPARTMENT OF THE STATE FEDERATION OF
WOMAN'S CLUBS, RALEIGH, N. C.

FEBRUARY 9, 1928

I sometimes become impatient at the charge emanating from one or two prejudiced individuals that we are giving too much attention to budgets, balance sheets and other business methods in the administration of government, and that we are inclined to overlook the spiritual values of life. If I know what is in my

own heart, I am more concerned with the spiritual progress of North Carolina than I am with any mere matter of material progress. I realize, however, that we cannot develop and expand our services of government, involving as they do the necessity for larger sums of money to carry them on, unless we husband our material resources. If we are to have the money with which to pay for the various things which contribute to the educational and cultural advancement of our people, our business enterprises must prosper and serve; the money collected to carry on the services of government must be handled upon a business-like basis, in order that waste and extravagance may be prevented. We cannot continue to collect large sums in taxes from the people and issue large bonds in large amounts for permanent improvements needed to make our people happy and more contented unless we keep our credit structure and the general business reputation of our State and local governments above suspicion of waste and mismanagement.

I am in hearty accord with your efforts to bring about better living conditions in the homes of the people of North Carolina, as they relate to sanitation, the use of labor saving devices, light, heat, and water. There is as much need for efforts along this line as in any which touch the life of our people generally. Fifteen years ago I advocated furnishing the homes of operatives connected with the mills in which I was interested with water and light facilities. The homes of mill operatives are usually small and it was a task and a big expense to install bath tubs, lavatories and toilets, but it was done in these mills. If such a program can be carried out generally, it will mean much to our people living in mill villages and in rural communities.

I am thoroughly convinced that the people who live in rural communities lack these conveniences more than any other class. The mill villages are usually near cities where electricity and water are almost always available. Some of these facilities are rapidly being extended into rural communities, through power plants and electric lines. If only 10 per cent of the homes in rural communities can be provided such facilities, it will be a great boon as it will be only a matter of time then before 75 per cent will be using these devices. Nothing will contribute more toward raising the standards of living in North Carolina than the

general provision for these home comforts. Many of our people have no recreational facilities or home conveniences especially the women in the rural homes. The time has come when we cannot longer afford to neglect such matters. The economic problem enters into such consideration, however. We can't force owners to provide such conveniences until they are able to pay the costs, but we can do much to educate those who are able to provide these facilities to do so. Often they do not appreciate what they are sacrificing by doing without them.

There is nothing more important than sanitation and public health and I have always stood 100 per cent behind the work of the State Board of Health. I know of no service in the State that is doing more to improve the health conditions among our people. We also have the welfare work, the home demonstration work and other agencies that are doing much along this line of home betterment.

What is the remedy? How are we to reach the people? How are we to bring about the desire for these things and then how to bring about the desired ends? A program of agitation and education are necessary to lead the people into the proper state of mind, and to convince them of the necessity that some financial sacrifice must be made to obtain them.

I feel that the best results can be obtained through coöperation and concerted action of the civic organizations with the state and county governmental agencies. In the first place, you of the American Home Department of the State Federation of Woman's Clubs can help bring about coöperation among these various departments and prevent diffusion of effort and waste of time and money. Then, you can coöperate with such governmental agencies in carrying out the objects sought. You can't spend too much money, for that would impair the efficiency of your organization. You must depend upon volunteers among your membership to help the state and county agencies. I do not feel that civic organizations should take the lead, for the agencies established have their programs worked out, but such bodies can be of great assistance through coöperation with the established agencies.

We are greatly concerned with the condition of families of prisoners. The prisoners are well taken care of, 90 per cent of

them are living under better conditions than they did in their own homes. But their families should be the chief objects of our interest and solicitude. We attempted to help out these families by turning over a percentage of the earnings of the prisoners. In few cases did any of it reach the homes. If we are to do anything for these families, it must be done without regard to the earnings of particular prisoners. It is a common burden and a common problem, and we must handle it on the basis of need in the particular families.

Fine results have been accomplished by coöperation on the part of civic clubs, under the direction of Mr. Bridges, in looking after the families of prisoners. Often, through this method, we are able to help the families to become self-supporting. It is certain that something is helping to improve the morale of the prisoners in the State's prison, and I attribute that, in part, to the attention given their families. A few years ago the prisoners were almost in a state of mutiny, would not work and caused much trouble. Contractors often refused to use them on public work. Now the conditions are such that they are doing splendid work and they are generally happier and more contented.

MORALITY AND CHARACTER TRAINING

ADDRESS DELIVERED AT UNITED CHURCH IN INTRODUCING
DR. FRANCIS P. GAINES, PRESIDENT OF WAKE FOREST
COLLEGE, AT THE FIRST MEETING OF THE INSTITUTE
FOR PARENTAL EDUCATION AT RALEIGH, N. C.

FEBRUARY 16, 1928

I desire to commend most heartily the aims and objects of this Institute for Parental Education, which are, broadly speaking, a study by parents of the needs and requirements for the full and well rounded development of our children, which are not only our greatest assets, but the bulwark of our civilization. You have received much information from the specialists and students who have addressed you during the past three days.

The purpose of education is to provide a happy, useful and prosperous citizenry. This training falls into two classes, academic training for mental efficiency and moral or character

development. I consider this character training just as important as the academic phase, for it makes no difference how well educated a person is, he will not be a well-rounded and successful citizen if he is lacking in real character.

In North Carolina, perhaps, as well as in the country as a whole, there is some difference of opinion as to the proper relationship between academic and character training. North Carolina may be termed a religious state, and has in its various religious denominations that give it necessary strength and stability. There is a popular prejudice against teaching the Bible in the public schools for fear of conflict in religious doctrine. So, we have to some extent been influenced to neglect the teaching of religion in the schools. Evidence of this neglect is seen in the increasing lawlessness and the general failure to live up to the moral law upon which all human law is based. Because of so much lawlessness, particularly among the young people, I feel that the time has come when new measures are needed to check the tendencies and the thoughts of the educators are naturally turning toward character training.

Character training, of course, must begin in the home. The hearthstone must continue to be the foundation stone of training in morals. But we must not forget that, due to the environment and other causes, many children are denied the opportunity for moral training in the home. We must always remember that a great part of the child's time during the plastic period is spent away from the home and the influence of the parents and in the schoolroom. Therefore, we cannot afford to neglect character training in the schools. One advantage of such training in the schools is the thing we sometimes call mass psychology, instruction being easier to impart to the group than to the individual child.

If these views are correct, then we must devise some plan for a definite scheme of character training in our public schools. After giving this subject serious consideration for several years, I have come to the conclusion that we should adopt some course of character training in our public schools, especially in the elementary grades, as a definite part of the curriculum.

I believe it would be practicable to adopt a textbook, frequently referred to as a "Morality Code," as a basis of such a course.

The children should be taught, not only the requisites of good citizenship, but the cardinal traits of character necessary to make noble, useful and prosperous men and women.

While there are many of these cardinal traits of character, I desire to emphasize only a few of them, such as truth, loyalty, faithfulness, self-control, good sportsmanship or fair play, self-reliance, the spirit of coöperation, or ability to do teamwork, obedience to parents, teachers and to the law, social efficiency, and others.

It is a well-known fact that personality and noble character traits are worth more than mere material wealth. Regardless of the attainments in mental efficiency, a man or woman will fail if real character and moral stamina are lacking. Without these fundamental traits, we shall not be able to build a better commonwealth and a better nation. In my opinion, we shall never be able to develop character and morality to its fullest extent, no matter how high we go in our mental scheme of development, until we establish a system of training in the homes and in the schools that will serve to produce men and women of high moral character. Spiritual qualities, after all, must furnish the leaven to enable future generations to build and perpetuate a greater North Carolina and a greater America.

It is my pleasure to present the speaker of the evening, who will doubtless be able to give us some valuable and interesting information on this general theme, under his subject of "Architects of Personality." It is gratifying to all of us to have present the head of Wake Forest College, a recent successor to that noble man and great educator, known internationally as a man of letters, Dr. William Louis Poteat, now president emeritus, whom many of you had the pleasure of hearing at this institute. As the new head of this institution which has contributed so much to the educational life and the citizenship of North Carolina, I'm sure the speaker will continue and enlarge the activities of his predecessor.

I present Dr. Francis Pendleton Gaines, president of Wake Forest College, whom I am sure we will hear with pleasure and profit.

SCIENTIFIC FARMING

RADIO TALK TO THE HIGH SCHOOL AGRICULTURAL
STUDENTS OVER THE STATE, DELIVERED AT THE
STUDIO OF STATION WPTF, OF THE DURHAM
LIFE INSURANCE COMPANY, RALEIGH, N. C.

MARCH 2, 1928

I should enjoy talking to each and every one of you face to face and tell you some of the things I have in mind regarding the important work you are preparing yourself to do. That is manifestly impossible and I welcome this opportunity to address over the radio from Station WPTF, operated by the Durham Life Insurance Company of Raleigh, a greater audience than I could reach at any gathering.

I feel particularly interested in the farmer boys, for I was one of you having been born and reared on a farm. I have not been able to get away from that early life and training; I am still largely engaged in farming, although at a distance at present. For this reason, I feel that I can talk with you about this most important of industries in North Carolina, even if I may not be in a position to give you constructive advice. I do feel, however, that my years of farming experience, mingled with my business and financial activities, give me the background of information on which I may make some suggestion that may be of benefit to you.

As you are well aware, farming is undergoing a remarkable change from the old hit-or-miss methods that were followed by our forefathers. Improved machinery is being introduced, much of which can be used even on our lowlands, hills and mountains. This is taking the place of at least a part of the manual labor and making farming more attractive to the younger men. Even in the brief span of years since you were children, many changes in farming methods have taken place and others are constantly being introduced. You can see them all around you constantly. Within a few years the new methods of today will pass into the discard and still others will take their place. For that reason it is necessary for you to become accustomed to the changes and to adopting innovations, in order that you may keep abreast of the times and not be left behind as an "old fogey."

The agricultural schools are engaged in giving you instruction in soil content and needs, rotation and diversification of crops, not only for the best immediate results, but for building up the fertility of the soil much of which is worn out and has formerly been abandoned. These schools teach you methods of ditching and terracing land, application of fertilizers, planting crops that build up the soil by storing up plant food from the air and the water. You are taught to discern the kind of crop that is best suited to a certain kind of soil and information is given you as to best methods of fighting the insects that prey upon and often almost destroy certain crops.

Marketing is also a part of the instruction given you. It is worth little to you to produce a large crop of corn, or cotton, or tobacco, or peanuts, if there is no market for your surplus. For that reason, you must study market conditions and be able to judge, often a season in advance, what crops to plant, and after the harvest, determine the most profitable time to place your produce on the market. Just now there is a concerted movement in the cotton growing states to curtail the 1928 cotton crop, on the well-established principle that a big crop, glutting the market, will result in a low price. If a ten-million bale cotton crop will bring greater returns to the cotton grower than a sixteen-million bale crop, it is manifestly a wise thing to hold the crop acreage down and for the farmer to devote the time and expense necessary to produce the difference of six million bales growing some other crop.

Just here I want to impress upon you the importance of what may be termed marketing the finished product, or as the Westerners refer to it, selling the corn "on the hoof." If corn is low it will be found that the returns will be greater if you feed it to hogs and sell the meat, or feed it to cattle and sell butter and milk or beef. I feel that we are not getting the best results out of our farms as long as we overlook the splendid grazing areas in our State and spend the money we make on other crops for pork and beef produced elsewhere. That, of course, is covered in your instruction, but I add my approval to the general diversification program in our agricultural schools and colleges, especially to the point of getting our farmers to raise as nearly as possible all of the food and feed supplies they need for their families and

their live stock. It will then be proper to devote their energies to raising the so-called money crops as a surplus.

Many of our famers are making what I consider a very serious mistake. I refer to the too frequent lack of business methods in the operation of the farm. If the farmers as a whole adopt and follow closely a simple form of cost accounting, many of the troubles they now experience would disappear. When a manufacturer produces an article he knows to the fraction of a cent just what it cost him and he makes his price accordingly. If the market is glutted, he abandons that article and manufactures something else. The farmer should keep records that would show him what every pound of cotton or tobacco, every bushel of corn or wheat, every pound of pork or beef, every sale of milk and better cost him. He should record his sale price and check it against this cost, so he will know whether he has made or lost money on each item. By the introduction of simple cost accounting methods, this can be done. I know of no more important and more neglected phase of farming. If I can induce you to give some thought to counting the cost and checking it against the returns, I shall feel that the time you have taken in listening in will have been well spent.

There is, of course, no panacea for all of the ills that agriculture has fallen heir to. Times and conditions change and the regular operation of economic laws are sometimes modified by artificial measures adopted by the federal government. After all, however, the farmers must to a large extent work out their own salvation. They must use business methods and foresight, just as the manufacturers have to do. Farmers often pay too much attention to the railings of demagogues, who are influenced by selfish political motives. Generally speaking the farmer must help himself first, and then call on others.

This is aptly illustrated by the story from ancient history of the man whose wagon became stuck in the mud so that his team could not pull it out. He stood by and called upon Hercules, the mythological god of strength, to come down and pull his wagon out of the mud. A mysterious voice answered saying: "Put your own shoulder to the wheel and then call on Hercules." The man followed the suggestion, adding his strength to that of his team, and the wagon moved out. The lesson in the story is that

you, the young farmers of the next few years, in whose hands this important industry must rest, should put your shoulders to the wheel, do your own part well, and then you will be in better position to call on others to help you in your important task of making farming profitable. By giving the difficult task your best thought and energy, you will continue to hold North Carolina close to the top in agricultural development and will probably reap a rich harvest of personal achievement and satisfaction in the realization that you are contributing your part toward making this a better and finer State in which to live, and prosper.

As governor of the State I feel the deepest interest in your success in performing the great task which lies before you.

AMERICAN LEGION MAKE MEN BETTER CITIZENS

ADDRESS* DELIVERED ON OCCASION OF ANNUAL POST
OFFICERS CONVENTION OF NORTH CAROLINA
AMERICAN LEGION AT LUMBERTON, N. C.

MARCH 13, 1928

We of the older citizens were resolving then that we would never forget the sacrifice and service you younger men were rendering and would show due appreciation in years to come for your ready response to the call of your country. Many seem to have forgotten those resolutions and promises. I have tried to live up to them. It has been my pleasure, in my position as governor, to recognize the services of our former soldiers, not as special favors, but in just recognition of their contributions to their State and Nation. You are marked men. You were selected because you were physically and mentally fit to perform arduous duties in a time of stress and crisis. I have borne this special fitness on the part of former service men in mind in making the appointments it has fallen my lot to make as governor of North Carolina.

It is to the everlasting credit of former service men that they have been so modest in regard to the great service they have

*This does not include the entire address as it was not procurable.

rendered. They have not engaged in boasting and vainglorious recital of their services and achievements. They have not pushed themselves forward and made claims as a result of their sacrifices. When they laid down their arms, they again took their accustomed places in the civil ranks, sometimes with disadvantages, without complaining and with fuller appreciation of their duties to their communities, their State and to the Nation they helped to defend.

I feel that it is entirely proper that the men who were in the World War should bind themselves together in an American Legion, not for the purpose of demanding or receiving special privileges as a class, and without class consciousness. You were brothers in service and sacrifice and I feel it entirely proper and desirable that you remain brothers in association and in service to mankind in the years to come. For this reason, I do not hesitate to urge all ex-service men to join the American Legion. I think that its purposes and objectives are worthy, helpful and constructive. No man can be a real member of the American Legion without being a more useful and a more patriotic citizen.

Pacifists have had much to say recently regarding the activities of the American Legion favoring preparedness. I maintain that the American Legion and other groups of ex-service men are the forces that will keep us away from militarism, and not the professional pacifists who claim to see a military-bound nation in the years to come, as a result of the present efforts. The Legionnaires and other former service men, who have had their baptism of fire and who suffered for lack of preparedness in the World War, know above all others what it means to face well-seasoned enemy forces without proper military training. Moreover, these same former service men know too much of the horrors of war to lead us into a militarism that will place us on a par with the former militaristic nations. The ex-service men, above all others, are our guarantees against militarism, just as they are our chief reliance for world peace.

The American Legion supplies the best instrument of organized opinion and action to solve the many complex peace problems that face the State and Nation today. It is a powerful organization because its personnel is full of youth and vigor, yet with the stabilizing and saving influence of experience; it is national in its

scope, not sectional or provincial; it is benevolent in its purposes, but not restricted by denominational lines, and finally, it is thoroughly patriotic, but not restricted to political parties.

You Legionnaires are in strategic position, therefore, to lead in the forward movements of the world you saved. You can thus become the most virile and most effective exponents of progress and world betterment. I call on you, as leaders, to recognize your opportunities and realize your responsibilities in directing the thoughts and actions of private citizens and officials into channels that will lead to more effective government and more progressive and intelligent citizenship.

OUR DEBT TO THE PIONEERS

ADDRESS DELIVERED AT THE UNVEILING OF A MARKER
COMMEMORATING THE END OF THE TUSCARORA
WAR, SNOW HILL, N. C.

MARCH 24, 1928

We have gathered here today to celebrate the anniversary of an occasion that followed closely a time that has been described by historians as the darkest hour in North Carolina history. Probably there have been few periods in the annals of our State that have been filled with more discouraging or more disastrous events than the eighteen months preceding this date 215 years ago. At no other time, probably, was the settlement which had been commenced in this State any nearer to annihilation than it was during that brief span. It is the reversal of this gloomy picture, the silver lining of the cloud, brought about by the complete routing of the Tuscarora Indians, that we are here to celebrate today.

I shall speak briefly on what may be termed "our debt to the pioneers," those hardy souls who had sufficient courage to break away from the conventional, the usual, the everyday affairs of life and brave dangers on uncharted seas and untried shores. Occupying a prominent place among them in importance are the frontiersmen who faced the wilderness and its desperate hardships, and often death itself at the hands of hostile savages in order that the seeds of civilization might be planted in this section, making

possible the events which led up to the occasion we celebrate today.

Foremost among the pioneers may be mentioned Christopher Columbus, that Genoan sailor, who set out to find a new way to India and discovered instead a new continent and paving the way for the many other pioneers who followed him and thus opened a new world to the march of civilization.

High also in the pioneer ranks stands Sir Walter Raleigh, who, although his enterprise resulted in failure and he died in prison, had the courage to strike out and attempt to form a settlement in the new and wild lands on our coast. Although lost to the world, his colony served as an example in pioneering and blazed the way for others to follow with better results. His name has been perpetuated in the naming of our state capital, for it was on our shores that his ill-fated colony ended.

The pages of history are filled with the record of deeds of valor and courage of these hardy frontiersmen who faced the dangers encountered in the wilderness of America to found new homes, new communities and new states. We find their footprints at Plymouth and Jamestown and in many later settlements. They overflowed from Virginia and blazed their ways through the forests of Eastern North Carolina, finding fertile lands along the bays and streams near the Atlantic Ocean. For years we see them pushing further into the interior, meeting and overcoming obstacles as they arose, until they had settled a strip of fertile land all along the Atlantic seaboard.

This section played its part in that early civilization. Let us turn back the calendar to a period immediately preceding the two hundred and fifteenth anniversary of the occasion we celebrate today. We see scattered settlements and isolated farm-houses of sturdy pioneers who had sought freedom and adventure in the vast wilderness. By closer inspection we see a people torn with internal strife, following the historical Cary's Rebellion. We see the Indians, resisting the approach of the white man and looking for every opportunity to show their resentment.

Even the school children present are familiar with the horrible massacre of more than two hundred white settlers in that early September morning of 1711. They also know of the fights that led up to the occasion we celebrate and of the ready response

made by the settlers from South Carolina who came to the aid of the settlers of this section on two important occasions. You are familiar with the history of the three-day battle near this town, in which the Indians were defeated and routed, marking the end of the Tuscarora wars.

While I sometimes have a feeling of regret on account of the necessity for driving out these native Indians, I realize that this has been the history of the march of civilization in all ages. It has been the record of the progress of the world that the fittest of the races has survived.

The rugged pioneers did not stop along the Atlantic seaboard but continued to push onward and westward. The restless and courageous spirit that blazed the way across the continent, over mountains, plains, and valleys is admirably exemplified in such persons as Daniel Boone, who might well be called the master pioneer. Thousands of others, unknown and unsung, might well be placed high in the ranks of the pioneers who pushed further into the interior, until they finally reached the Pacific Coast and paved the way for the great and powerful nation of which we are so proud today.

But the pioneering spirit is not confined to the frontiersman and is not restricted to conquering the wilderness and braving the dangers from Indians and wild animals. Our records are full of the recital of the activities of pioneers in other fields of endeavor. We have many examples of pioneering in religion, in education, in agriculture, in industry. We owe no less a debt of gratitude to those who have led the way in our spiritual and material progress than to the hardy souls who set forth into the forests. Each has served his day and generation admirably. In turn their activities have resulted in the remarkable state in which we live today, and we cannot pay homage to one without giving just recognition to the other. All are due the thanks and respect of an appreciative people.

North Carolina's history is literally teeming with accounts of events that have played vital parts in shaping the destiny of the State. Spot after spot may be pointed out on which some outstanding incident of the earlier years was enacted. Only a few of the hundreds of such places have ever been marked to inform posterity of the occasions. For many years we were in the

throes of poverty and discord, following the War for American Independence, as well as after the great strife between the sections. Yet, even with those handicaps, we have been extremely laggard in giving proper recognition and honor to the memory of the pioneers and incidents that have enabled us to emerge from the darkness of the past years into the sunlight of our present-day industrial, educational, agricultural and spiritual achievements.

It is not only fitting, but a sacred duty that we, the descendants of those colonists who rallied to the defense of their homes and families in one of North Carolina's darkest hours, should honor them and their sacrifices with permanent and abiding markers. In honoring them, we honor ourselves, for a recital of their valor and courage is the best way to inspire the present generation to emulate the examples of patriotism they furnish. Their records are an inspiration and a challenge to us to continue along the high plane they reached in preserving the State and the Nation they served and sacrificed to found and foster.

One of the bulwarks of free government is the duty of exalting patriotism through the erection of fitting memorials and markers to commemorate the work of the fathers of the republic. Nothing is more important to the life of a people than an accurate knowledge of their history and a continuing reminder of the obligations it imposes upon succeeding generations.

This occasion is more significant because it demonstrates the fact that although we have long delayed in giving full recognition to the importance of the events transpiring here, we have not forgotten our duty. As we get further away, in both time and results, of that great military struggle of 65 years ago, one which took the flower of our manhood, as well as our spirit and our material possessions—as we are enjoying a period of progress and prosperity that has come from our natural resources and the indomitable courage and vision of our citizenship, it is well that we take thought of those ancestors who were willing to place their all on the altar of their country.

We are particularly fortunate in that we have a group of patriotic and enthusiastic women in our State, organized as the daughters of those heroes of the struggle for independence, who unselfishly and laudably seek out these spots, often remote and obscure, at which some of the great events in our history have

been enacted, and permanently marking them, thus handing down to posterity the records of sacrifices, services and often death itself of the forefathers who made our great commonwealth possible.

I want to commend particularly, on this occasion, the work of Mrs. W. B. Murphy, a co-worker of the Colonel Alexander McAllister Chapter, Daughters of the American Revolution, and the officials of Greene County for placing a permanent marker near the spot on which the backbone of early Indian resistance and slaughter were checked, here near the site of this attractive and prosperous town of Snow Hill. I desire to extend the thanks of the State and of this section to these individuals and organizations for the lasting service they have rendered the State.

In conclusion, let me say that if we can only realize the significance of this occasion and catch some of the inspiration it furnishes, we will strive harder to meet our present obligations and duties as faithfully as did the pioneers whose memory we are now honoring faced their responsibilities. We will increase and extend our efforts to build a better and a nobler state on the broad foundation they laid and will be able to hand down to posterity the priceless heritage that has come down to us from our noble and patriotic forefathers.

BOND ISSUES FOR HIGHWAY CONSTRUCTION

ADDRESS DELIVERED AT ELIZABETH CITY, N. C.,
AND EDENTON, N. C.

APRIL 6 AND 7, 1928

I have had a number of requests lately for an expression of my opinion in regard to the matter of further bond issues for highway construction, particularly since the recent resolution adopted by the Highway Commission to the effect that the commission would not request the next General Assembly to authorize the issuance of additional bonds for highway purposes. I have a very definite opinion about this important business and feel that I should express it frankly. The General Assemblies of 1921 and 1923 authorized the issuance of \$65,000,000 in bonds for the construc-

tion of state highways for the ensuing four-year period. The General Assemblies of 1925 and 1927, upon my recommendation, authorized the issuance of \$51,850,000 additional bonds, including \$600,000 for the erection of the Chowan River Bridge and \$1,250,000 for the erection of the Cape Fear River Bridge, for highway construction. It will be seen, therefore, that within a period of eight years the General Assembly authorized the total amount of \$116,850,000 in bonds for highway construction. With the amounts received from federal aid and surplus revenues derived from gasoline, motor vehicle taxes and other sources we will have expended by January 1, 1929, approximately \$140,000,000 for our state highway system which could not be duplicated today for less than \$150,000,000.

The system, including the additional mileage authorized by the General Assembly of 1927, comprises 7,700 miles of dependable highways, connecting every county seat and principal town and city in the State, about half of which is hard surfaced.

North Carolina's plan of highway construction, from its conception up to the present time, has proceeded along sound, safe and conservative lines. I heartily approved of the plan when it was launched in the General Assembly of 1921. I have approved by words and acts every important step which has been taken in promoting it. I strongly urged the authorization of the \$51,850,000 of highway bonds by the General Assemblies of 1925 and 1927. Having backed the program from the beginning up to the present time, I feel that I cannot justly be suspected of lack of enthusiasm for the cause.

The value and popularity of the state highway system has been fully demonstrated. The highways constructed under this system have contributed in large measure to the wonderful development of our State. While the program of rapidly expanding our highway system, under the bond issue plan, has had no more ardent advocate, I believe we have come now to the time when further bond issues for highway construction should come to an end, for a period of years at least.

I have given the matter of state finances my earnest consideration from the time I became governor to the present time.

The public debt of the State, including bond authorizations made by the General Assembly of 1927, under which all the

bonds have not yet been issued but for which either bonds or bond anticipation notes will be issued by January 1, 1929, will be approximately \$185,000,000. Of this amount \$116,850,000 represents bonds for highway purposes. All of this debt except \$11,000,000 has been incurred in the past eight years for highway construction and permanent improvements at our educational, charitable and correctional institutions and loans to counties for the purpose of erecting buildings for the public schools. In the matter of our state debt, we rank near the top, only New York and Illinois having a larger debt than ours. Ordinary business prudence dictates that we should not approach too closely to the constitutional limitations upon our debt contracting power. Of the total debt, the sum of \$116,850,000 representing about 64 per cent of the total, has been incurred in the construction of the state highway system, which is usually termed self-sustaining because sufficient revenue is produced by the operation of motor vehicles on the highways to pay the cost of administration of the Highway Commission, interest on all highway bonds, sinking funds and serial payments to retire all highway bonds within a period of twenty-five years, full maintenance of the highway system, and a considerable surplus for construction and reconstruction.

I realize that under our present system of allocating the funds derived from bond issues and other sources for highway construction to the various counties and districts, some counties, particularly in the eastern and western sections of the State, have not had their highway mileage improved and rounded out as completely as counties in the central and more populous sections of the State. It must be remembered in this connection that while the highway system was projected upon the plan of connecting by dependable highways every county seat and principal town and city in the State, the system was nevertheless predicated upon the idea that it should be a State system and not a county system. When the program was first presented to the legislature it was agreed that the general principle of coöperation, expressed in the slogan, "All for one and one for all," should be the controlling motive. I believe the time has come when this idea should be reasserted and put into effect.

I believe there are other ways than the resort to bond issues, whereby funds may be obtained for continuing our highway system construction. For example, a considerable sum will be available annually from federal appropriations. This will amount to about \$1,750,000 from now on, even if there is no increase in these appropriations over what is now in prospect. For another example, current revenues derived from present sources of taxation after providing for administration, maintenance and debt service. If additional money for construction is needed, it can be provided by levying an additional one-half of one cent per gallon on gasoline, or even one cent may be added without increasing the tax to a point where it will be higher than in many other states.

Many of the states of the Union are now providing all of their funds for highway purposes from current revenues and without resorting to the bond issue plan at all.

I earnestly believe that, from the sources above mentioned for each of the two years beginning January 1, 1929, at least \$7,000,000 for highway construction will be available, without levying additional tax on gasoline. If we levy an additional tax of one-half cent on gasoline there will be available for construction the additional sum of \$1,500,000, or twice that if we levy one cent per gallon, or a grand total of ten million dollars from all sources for construction for each of the years 1929 and 1930.

This does not include the sum that will be available for maintaining the roads already constructed, amounting to some \$4,500,000 annually, nor does it include the sum that will be available for maintaining mileage to be added to the State from time to time. Under such a program of construction, and with some amendments to the present laws whereby the Highway Commission should be given power to give special consideration in the distribution of funds for construction purposes to those sections of the State where natural barriers such as rivers, bays, and mountains exist, or other special needs appear, I believe all reasonable demands for the continuance of the highway program can be adequately met, including repayment of the \$4,000,000 remaining unpaid on advances made by some counties to the Highway Commission for construction purposes, and the gradual increase in mileage in the state system can also be taken

care of. I believe, therefore, the situation can be fairly, satisfactorily and adequately met without resorting to further bond issues.

Unfortunately there are some thoughtless persons among us who believe that the highway system will not be complete until all of the mileage within the system, even after it is substantially increased has been hard surfaced. It should be remembered that there are many miles of highway in North Carolina which we could not afford to hard surface, no matter how much money might be available. We must take into consideration the question of traffic density and the actual need for the cement or other hard-surface type of construction. To use the hard-surface type of construction on many of the highways of the State where traffic is light or the soil is adaptable to other dependable types would be about as uneconomical and unbusiness-like as to construct a four-track Class A type of railroad from University Station to Chapel Hill.

Naturally, any program of expenditures for permanent improvements must be predicated upon the theory that the particular character of improvements is needed and will be carried out in such a manner that a reasonable return in service will be derived from the investment in each case. If expensive hard-surfaced highways are built in places where the amount and character of traffic will not justify it, or where less expensive types of construction will meet the need, the structure of the entire highway system will be weakened and perhaps ultimately destroyed.

North Carolina has made wonderful progress. Its program of public improvements has elicited favorable comment, not only throughout America, but throughout the whole civilized world. Up to the present time the plans have been laid out and executed along sound and constructive lines.

The most important duty which devolves upon the intelligent and patriotic citizenry of the State at the present time, however, is to see to it that in our desires for further expansion and progress we do not overstep the bounds of prudent and constructive financial policy.

We must keep in mind always that the most important consideration is to handle all our financial affairs in such a way that

there shall be no weakening or ultimate injury to the general credit structure of the State.

Under the constitution and laws of the state of North Carolina, the governor and state treasurer are charged with the solemn duty of administering the finances of the State. By reason of their intimate contact with the fiscal operations of the state government in all of its complex ramifications, they are more familiar with the financial resources and liabilities of the State, present and potential, than any other officials. I mention this by way of introduction to the declaration that I have discussed the views which I have just expressed with our able and conscientious state treasurer and that he concurs fully in the opinion I have expressed.

WAKE FOREST COLLEGE AND NORTH CAROLINA PROGRESS

ADDRESS DELIVERED AT THE CEREMONIES INCIDENT TO
THE INAUGURATION OF DR. FRANCIS PENDLETON
GAINES AS THE PRESIDENT OF WAKE FOREST
COLLEGE, WAKE FOREST, N. C.

APRIL 25, 1928

It is with a very unaffected sense of pleasure that I am permitted to join with the leaders of educational thought and accomplishment in the exercises of this hour. I regard the occasion as peculiarly significant, because I believe, as I am sure you believe, that we are celebrating the beginning of a new era in the history of Wake Forest College. As we mentally review the origin and progress of the institution, we see a small, struggling college, established in the forests of Wake County nearly a century ago, with only sixteen students, a restricted site and a primitive building.

Until the outbreak of the War Between the States, the years passed rather uneventfully. Then this, like all other institutions for higher learning in the State, was forced to suspend operations. We passed through the most terrible civil war in all history. When it ended we had lost 60 per cent of our virile man-power and 80 per cent of our material resources. Our people were bewildered in mind and broken in spirit. Then followed a

period of reconstruction, many aspects of which were more distressing than the war itself.

When tranquillity was finally restored, it was quite natural to suppose that education and culture would stand neglected, for a time at least; that all the energies of the people would be concentrated upon the urgent task of rebuilding our social and industrial system, in allaying the passions and prejudices engendered by the war and in accumulating sufficient material resources to meet our actual necessities until our financial and economic system could be rebuilt.

Our people were then too poor to supply funds for a system of public schools, much less the facilities needed for institutions of higher learning. But, in spite of these disheartening conditions, this institution, along with others in the State, began a new era of development and expansion early in the seventies, because there existed then, as there has always existed on our part, a firm determination to establish and maintain an adequate system of education.

No finer or more worthy tribute to the temper and character of our citizenry could be imagined than this: As soon as the semblance of self-government had been restored, their first thought, though their material resources were meager, was the rehabilitation of this college and the other institutions of the State.

From that period until this good hour the record of Wake Forest College has been one of steady progress and development. Today we behold a strong and well-balanced institution, with more than seven hundred students, a spacious campus, splendid buildings and a faculty of eminent educators, supported loyally and effectively by the great religious denomination which founded it and has nurtured it throughout the years. But its chief glory as an institution, and certainly its chief contribution to the state of North Carolina, does not lie in its material resources, as splendid as they are, but in the spiritual ideals it has translated into the lives and character of those who have gone forth from it to bless and strengthen the State as a whole.

North Carolina has made remarkable progress within the past quarter of a century, and more particularly within the past seven years, in the building of a better and more effective system of education. It has been said, and truthfully, that during the

past ten years the rate of our educational progress has been greater than that of any other state in the Republic within the same period. Our hearts glow with pardonable pride when we contemplate this inspiring record.

In this connection, however, let me emphasize this significant and encouraging aspect of the situation: While our people are justly proud of what they have accomplished, they are determined not to slacken their efforts but to press steadily forward to higher levels of educational attainment. They have put their hands to the plow, and there must be no turning back until the citizenry of North Carolina has educational advantages as good as can be found anywhere. Education, like every other great force in life, is a matter of growth and development. Hence, it is dependent upon a firm determination, deeply rooted in the hearts and minds of the people, that progress in education shall not lag.

In this connection, I like to recall the sentiment so beautifully expressed by the celebrated Scotsman, J. M. Barrie, when he said: "Mighty are the universities of Scotland and they will prevail, but even in your highest exultations, never forget that they are not four (Aberdeen, Edinburgh, Glasgow and St. Andrews) but *five*; and that the greatest of these (the fifth) is the poor, proud homes we come out of, which said so long ago: 'There shall be education in this land.' She, not St. Andrews, is the oldest university in Scotland, and all the others are her whelps!"

The people of North Carolina have said: "There shall be education in this land!" and it is because we realize that this determination is irrevocable that we do not become disheartened or slacken our efforts in the face of occasional discouragement and failure.

No one can contemplate the origin, the growth and the record of achievement of Wake Forest College without being convinced that the Christian character developed in the "poor, proud homes we come out of" has been the foundation stone upon which this institution has rested during its long, useful and constructive career.

I feel very sincerely, just as I believe the people of North Carolina generally feel, that Wake Forest has contributed in large measure not only to our educational progress in the past, but that, above all, it has helped to create in the minds of our people the

determination that educational progress shall continue until North Carolina has wiped out every vestige of illiteracy and there is available to every child in the State educational advantages that will enable him to develop into a useful, happy and prosperous citizen.

During the period in which it has been my privilege to be well acquainted with the work of Wake Forest College it has had as its presidents men of scholarly attainments, conspicuous ability and high Christian character. The first of these that comes to my mind was the late Dr. Charles E. Taylor. When I think of him I am reminded that the tone of an institution is often determined by the person who gives it direction. The spirit of a noble man who has directed the fortunes of any institution does not die with his physical passing. "That which is mortal puts on immortality." It was so with Doctor Taylor. The mortal man has passed on, but the immortal lives today in the life of Wake Forest College as truly as it lived when he moved in and out among you, and the sweet spirit of his influence will continue to enrich this institution for all time to come. The shattering of a full-blown rose by no means takes away from it its fragrance, which continues, more delicate than ever.

It is my sincere belief, shared, I think, by those present here today, that the greatest era of growth and usefulness in the history of this college has been the period just closed, during which time the beloved, the scholarly and the renowned Dr. William Louis Poteat directed its destinies. He gave it not only national but international standing. He gained for it a new position in the constellation of which it is a member, and it stands as a beacon light in the educational firmament. Though he voluntarily relinquished his active duties as president, the college could not give him up entirely and he remains as its president emeritus. His name and his fame will be forever linked with that of this institution, which he has served so faithfully and so well. The benign influence and quickening power of his unselfish life will be felt here as long as the cardinal virtues of truth and devotion to duty are revered of men.

Wake Forest now stands upon the threshold of a new era of useful and constructive service. It has met the tests imposed upon it by the past. It will prove worthy in the future under the

guiding hand of Doctor Francis Pendleton Gaines, the new president, whose inauguration is the occasion of the significant and solemn exercises of this hour. He is a man of intellectual power and, in this respect, a worthy successor to those whose mantle has fallen upon his shoulders. Those of us who have had occasion to learn of his scholarly attainments, to observe his noble bearing, his magnetic personality and his unusual charm and versatility as a speaker are thoroughly convinced that the trustees of this institution have been singularly fortunate in securing one so well fitted by natural ability, ripe scholarship and high Christian character for the presidency. He is a man of spiritual discernment, this being the capstone of any well-rounded life of service.

On behalf of the people of the state of North Carolina, as well as myself personally, I desire to acknowledge the great contribution Wake Forest has made, not only to the cause of education generally, but also in providing useful and constructive leaders for the great task of building a greater commonwealth in North Carolina.

I am glad to welcome you, Doctor Gaines, into the life and activities of our State, as a stockholder in our great enterprise.

The people of the State have faith in your character and in your ability to measure up fully to your responsibilities.

We offer you no special advice, no formula of success; but, in a spirit of friendly coöperation and sympathy, we salute you and bid you Godspeed in the great work that lies before you.

PREVENTIVE MEDICINE

ADDRESS* TO THE NORTH CAROLINA MEDICAL SOCIETY AND
STATE BOARD OF HEALTH, PINEHURST

MAY 2, 1928

I delayed acceptance or rejection of the invitation to be present with you today because I hoped until the last moment that it would be possible for me to attend your meeting. I found, however, that it would be necessary for me to fulfill engagements

*This address was read by Dr. Charles O'H. Laughinghouse, secretary of the State Board of Health.

I had previously made, as a result of which I am forced to send you a brief message, instead of appearing in person, as I sincerely wished to do.

I desire in the first place to extend to the members of the medical profession my sincere thanks for the valuable and indispensable contribution they have made to the cause of public health, and thus to the happiness and prosperity of the people of North Carolina.

It is a well-known fact that personal happiness and economic efficiency are dependent almost entirely upon the health and earning period of the individuals, making up a community or a state. For that reason, I attribute to the medical profession much of the credit for the great material, as well as cultural and educational progress we have made during the past few years.

I am deeply interested, also, in the evidence of progress made within the medical profession itself. For many years it has busied itself almost entirely with the *cure* of human ills. Within recent years, I am glad of the trend I have noticed, toward *preventive* medicine. I have long believed in the old and trite adage that "an ounce of prevention is worth a pound of cure." The medical profession is today, more than ever before, devoting its best efforts toward the "ounce of prevention."

This trend is shown in the increasing attention given to prenatal care of expectant mothers, the examination of school children to detect latent or obscure conditions which might later cause trouble, and in the stress now being given by the medical profession to periodic health examinations. I recall that the former president of the North Carolina Medical Society, Dr. John O. Meyer, in his annual message, painted a picture, not too Utopian, of the possibilities of increasing the span of life greatly by regular and systematic examinations. Dr. J. T. Burrus, present president of this organization, has admirably advocated such work, and I feel sure that the General Assembly of next year will make provision for extending and expanding this important phase of public health work.

This attitude towards preventive medicine not only permeates the medical profession, but is also reflected in the activities of the North Carolina State Board of Health and will undoubtedly result in longer life for our citizens and a longer period of pro-

ductivity, in which to accomplish life's purposes. Just here, I desire to extend my thanks and those of the people of the state of North Carolina to the members of the medical profession for the invaluable and often unrequited services they have rendered to the State Board of Health.

I can do little more, in this brief message, than extend to the members of the medical profession and the State Board of Health my thanks and those of the people of the State, for the valuable services already rendered, and to bespeak the continued help and assistance to the end that health, happiness and prosperity may be enjoyed by our people in future years.

NORTH CAROLINA GIVING RECOGNITION TO HER HEROES

ADDRESS DELIVERED ON OCCASION OF UNVEILING OF
A MARKER ON SITE OF OLD FAYETTEVILLE
ARSENAL AT FAYETTEVILLE

TUESDAY, MAY 22, 1928

The complete story and significance of the old Fayetteville Arsenal and Armory can by no means be related on the bronze tablet which rests upon stone salvaged from the piles of rubbish to which the handsome and valuable structures were reduced by Gen. William T. Sherman in the spring of 1865. The history of that arsenal contains many interesting incidents, the most important, probably, having to do with the last four years of its existence—the period of the War Between the States.

The people of Fayetteville are too familiar with the historical incidents connected with the old arsenal for me to dwell upon them. They have already been reviewed sufficiently here today. I shall speak briefly, therefore, of the significance of the arsenal, and more particularly on the spirit of patriotism and fidelity to family and homeland manifested during those trying days from 1861 to 1865 by the people of the South.

I feel that I am at least partially qualified to speak of the loyalty and devotion of the people of Fayetteville and vicinity. My maternal great-great-grandfather lost his life in the bend of the Cape Fear River, south of Fayetteville, shot by the Loyalists,

because of his adherence to the cause of American Independence. Although my father was a native of the adjoining county of Robeson, he and his older brother came to Fayetteville and enlisted under the Confederate flag in Starr's Battery, a Fayetteville company. He was associated with Fayetteville men until after the last fighting in which his company was engaged—the Battle of Bentonville.

It is but natural that among my earliest recollections should be the stories of the great valor and unconquerable spirit of the men of Fayetteville, as related to me by my father. Because of his association with the people of this section, and because of the proximity to the home of my people, the history of Fayetteville has been closely connected with my own life and that of my ancestors. For these reasons, and many others, I feel that the ties of friendship, association and kinship between me and the people of this community are very close and, even at a personal sacrifice, I came to be with you today on this significant occasion.

You have heard from childhood of the incidents connected with the capture of this arsenal from the federal government by the state of North Carolina backed by 500 members of military companies of Fayetteville and this section. You know also of the great importance of this arsenal in supplying arms and ammunition, not only to the soldiers of North Carolina, but to those of other Confederate states as well.

Just here I desire to pay a tribute to the thoughtfulness and foresight of Governor John W. Ellis. He sent a representative here to arrange the surrender of the arsenal soon after the declaration of war and before the valuable stores and machinery had been destroyed by the federal forces, as happened in other states. The story of how this capture was accomplished without the firing of a hostile shot is a matter of history. The munitions found here were a godsend to North Carolina and the Southern States, none of which had made preparation for the war that came upon them so suddenly.

This spot was the scene of unusual activity during the war period. The arsenal, turned over to the Confederacy, became an important war industry, turning out guns and ammunition for the followers of Lee and Jackson. The machinery was augmented by that from Harpers Ferry, Va., and with this came

the families of thirty-odd artisans, the children of many of whom are among the leading citizens of Fayetteville today. Day and night the men and machinery were engaged in supplying fighting equipment for the armies in the field.

For these reasons, Fayetteville became the object of hatred of the federal troops and this town felt the iron heel of the overwhelming forces more severely. Gen. William T. Sherman, most ruthless of all raiders, entered the town on March 11 and before leaving four days later had, with battering rams and firebrands, razed and destroyed the buildings and equipment. These forces did not stop here, but burned the half dozen cotton mills in the town and the office of the *Fayetteville Observer*, in addition to pillaging and plundering the citizens of the town. The people of Fayetteville knew the pinch of poverty and the meaning of privation.

But the spirit of the people of Fayetteville, like that of the people of North Carolina generally, while crushed by results of the war, was not destroyed and arose again out of the ashes of despair. With the same courage and valor with which they followed Lee and Jackson in times of war, they attacked the peace problems, chief of which was providing the necessities of life, and here they won a great victory. On this site of destruction has arisen comfortable homes and business houses. The State is enjoying a season of prosperity and progress little dreamed of a few years ago.

It is a natural and fitting thing that we should, while this prosperous era continues, turn our thoughts to the men who offered themselves as living sacrifices for their homes and their states. Nothing is more laudable than the act of turning back the pages of history and reviewing the acts of heroism and valor of our ancestors. In so doing, we are not only paying just tribute to them, but we are receiving inspiration and courage for our own peace-time tasks. While we were recovering from the great catastrophe of the sixties, we did not have the means of adequately honoring our valiant ancestors.

Evidence of our inclination to pay tribute to them is seen in two recent instances in North Carolina. The General Assembly of North Carolina last year increased the fund for pensions to Confederate veterans from \$1,000,000 to \$1,400,000, even with the

diminishing of the numbers of the wearers of the gray. That same body appropriated \$50,000 for the erection of a monument to the valor and bravery of the North Carolina soldiers who charged up the heights of Gettysburg. These incidents reflect the increasing appreciation of the people of our State of the services rendered by its soldiers in the War Between the Sections.

While speaking of the appreciation of the people of North Carolina, I desire to call your attention to the great services that have been rendered to North Carolina by one of her sons who served as an officer at this old arsenal more than sixty years ago. I refer to Captain Samuel A. Ashe, distinguished and beloved North Carolina citizen and historian. I express my own sentiments and what I believe to be the sentiments of the people of North Carolina generally, when I say that we owe an everlasting debt of gratitude to Captain Ashe, who has devoted a long and distinguished life to unselfish and constructive service to his State in peace and in war. As a young man in the War Between the Sections, he maintained the reputation for valorous service made by his distinguished ancestors. Since the war in private life and in public positions, he has rendered to his State services of immeasurable value. If he had done nothing else than write the great history which bears his name, he would have merited the unstinted praise of the people of the State. His service has been one of sacrifice and love. I hope the day may yet come when the citizens of North Carolina will demonstrate the real appreciation I am sure they feel for his work in giving us his splendid history of North Carolina.

To the United Daughters of the Confederacy, I desire to express personal and official appreciation. They are to be commended for the task they have undertaken so earnestly and so unselfishly in marking the spots hallowed by the valorous deeds of their fathers and grandfathers during that period of strife. There are many such places in North Carolina. Some of them have been marked already, many others should be marked. I extend to the United Daughters of the Confederacy my hearty approval of this laudable policy and express the hope that they will continue it until not a single spot of Confederate importance remains unmarked.

I commend particularly the J. E. B. Stuart Chapter for this attractive marker, erected in conjunction with the North Carolina Historical Commission. I know that Mrs. John H. Anderson is one of the most enthusiastic and interested members and I am familiar with the untiring efforts she has exerted in bringing this occasion to its present successful culmination. I know also of her faithful and continuous efforts to have accepted as a National Military Park the site of the Battle of Bentonville, probably the site of the greatest battle in North Carolina. In her love and devotion to the cause of the Confederate veterans, she is the worthy daughter of a worthy mother. The veterans of North Carolina have had few friends as faithful and as devoted to their interests as has been Mrs. London. Constantly she has brought to the attention of the General Assembly the need and importance of increasing the amount of pensions to the soldiers and their widows.

It is such women as Mrs. London and Mrs. Anderson and other worthy descendants of the heroes of other days who continuously strive to keep alive the spirit of love and reverence for those who by their patriotism and self-sacrifice have merited our aid by looking after their needs while they are still among us and marking the historic spots at which they served and suffered. In this way alone can we hand down to posterity the glorious record of their achievements and thus inspire and encourage our children and our children's children to emulate their example.

THE MACNEIL PIONEERS

ADDRESS DELIVERED IN ACCEPTING THE MEMORIAL TO
THE MACNEILL PIONEERS AT FLORA MACDONALD
COLLEGE, RED SPRINGS, N. C.

MAY 23, 1928

The fact that I belong to the same branch of the great Anglo-Saxon family to which the members of this association and most of the audience belong creates at the outset a feeling of friendship as well as kinship. The occasion and the circumstances make it difficult for me to restrain my natural inclination to pay personal tribute to the Scottish people.

I hope it will not be considered indelicate for me at least to quote the disinterested tribute of a distinguished historian, who said:

It is a hardy race, the Scots. It believed in prayer and it believed in work. It had faith and it could fight. It came to these shores and we find it achieving success in New Hampshire, in Pennsylvania, in Virginia, and in the Carolinas. It was at Cape Breton, and at Quebec. It was in the Continental Congress, and in the Continental Army. It was in the infant navy and in the adult navy. It sailed with Preble and it fought with Decatur. It was with Farragut at Mobile, and roved with Semmes on strange seas. It gained the victory at Kings Mountain and saw the surrender at Yorktown. It helped to make the Constitution and did more than its share in winning the West. It was with Stonewall Jackson at Chancellorsville, and with George H. Thomas at Chickamauga. It triumphed with Grant and surrendered with Lee. It believes in the family and in the home, in the church and in the school, and representative government in church and in state is part of its religion. It is for the Sabbath that God ordained. It is mighty nearly the elected crown of American citizenship—yet vaunteth not itself.

A distinguished North Carolinian, Dr. R. D. W. Connor, professor of history in the University of North Carolina, said:

Some estimate of the contribution of the Scot to our constitutional history may be found when we remember that to them we are indebted for the separation of church and state in our government; for the clause requiring the establishment of public schools, and for the most democratic features of our constitution, particularly the division of power into three branches, executive, legislative and judicial.

A splendid historical address has already been delivered today by a worthy descendant of the MacNeill pioneers. It is unnecessary for me to repeat what he has so well said.

I shall speak briefly of the debt we owe the pioneers.

The pages of history are filled with the record of heroic acts of these hardy pioneers who faced the dangers of the wilderness of America in order to found new homes, new communities and new states. We find their footprints at Plymouth, at Jamestown, on Roanoke Island, and in many other places in North America. They blazed their way through Eastern Carolina, gradually pushing into the interior, meeting and overcoming obstacles as they arose until they had settled all of that area which we now call North Carolina.

It is altogether fitting that monuments should be erected to the sturdy pioneers, who had sufficient courage to break away from the conventional and leave their kindred and native land to brave the dangers of uncharted seas and untried shores, to found a new continent.

High in the ranks of American pioneers stands the Highland Scots who settled this section of North Carolina nearly two centuries ago.

The record of the Scotch settlers of the Cape Fear section toward whom our thoughts are particularly directed today, shows that they have been true to the best traditions of their race, in all the relationships of life. Our records are full of the recital of their activities in North Carolina. We have examples of their pioneering spirit in religion, in education, in agriculture, in industry and in every other field of human endeavor.

Among these sturdy Highlanders no name stands out more boldly than that of MacNeil. From the advent of the first MacNeill nearly two hundred years ago down to this day, the name has been honored and respected, not only in the United States but throughout the whole of North America, where most of them live.

In art, in literature, in science, in government, and in all of the activities of life, the name MacNeill has been written high upon the pages of history. That great family has contributed in large measure to the building of our great State.

Time will not permit me to call the roll of all who have borne an honorable and constructive part in this great record of achievement. I feel I cannot refrain, however, from mentioning two whose names stand out in bold relief. Of the earlier period, I mention James MacNeill Whistler, who achieved national and international fame as one of the greatest artists the Anglo-Saxon race has produced. His MacNeill mother, a descendant of the early settlers of the Cape Fear section, was a fine type of the Highland Scotch woman of pioneer days. It is said that the portrait of his mother, which more than any other work enabled Whistler "To climb the steep where fame's proud temple shines afar," was made possible by reason of the fact that the artist received from his mother the conception of noble womanhood,

and divine inspiration which was responsible for his great genius and success as a painter.

I cannot let the moment pass without mentioning another distinguished MacNeill of a recent period—North Carolina's gifted poet, John Charles MacNeill, who was my boyhood friend and schoolmate. His beautiful and inspiring verses are a constant reminder that we are definitely poorer because of his untimely passing.

We are assembled here today for a laudable purpose—to give outward expression to the spiritual sentiment which will endure long after the granite and bronze of which this marker is made shall have crumbled into dust.

I feel, as I am sure you feel, that the real purpose of this memorial is to call the attention of this and future generations to the noble lives of those sturdy people—the early MacNeill pioneers, who did their part nobly and passed on. As we contemplate the causes which brought us here, as we view this splendid institution of learning consecrated to the great cause of Christian education, as we behold this memorial and consider the motives of patriotic devotion to race and family which prompted its erection, we must be impressed with the fact that they illustrate two of the great spiritual values of life.

First, they represent a memorial to the character of the MacNeill pioneers who performed their full part in laying the foundation upon which succeeding generations have built a great civilization.

While we have been neglectful in perpetuating the memory of these early pioneers who wrought so nobly that our civilization was able to emerge from the darkness of the past years into sunlight of our present-day material, educational and cultural achievement, we have not failed finally in our duty to them. The MacNeills of the present generation who have come here to honor them have done far more than honor their ancestors—they have truly honored themselves. You have come to honor and to pay a special tribute to your ancestors because they caught the vision of a higher duty and set themselves resolutely and unselfishly to the great task of establishing a new civilization upon the great foundation of religion and Christian education. You have erected a memorial to these noble men and women so

that not only the present generation but future generations as well will learn of their deeds and emulate their example.

Again, the monument erected here and dedicated to these who wrought so well in the early period of our history serves not only as a memorial to them, but it serves also as a challenge to this generation and the generations to come to see to it that the priceless heritage that has come down to them from their patriotic forebears shall endure for all time.

I desire publicly to acknowledge our appreciation of the interest manifested by the president of the Clan MacNeill Association of America, to the chief of the clan, the MacNeill of Barra, to Colonel Walter Scott, and to the other distinguished guests who have made this memorial possible, and who have journeyed from distant states to join with us in the patriotic exercises of the hour.

Worthy Chief and officers and members of the Clan MacNeill Association of America, I have the honor to accept this memorial not only as chairman of the board of trustees of the Flora Macdonald College, in whose custody it is to remain, but also on behalf of the people of North Carolina, who appreciate the great contribution which the MacNeills have made to the building of a better and nobler commonwealth in North Carolina.

EDUCATION MUST HAVE A MORAL CORE

ADDRESS DELIVERED TO THE GRADUATING CLASS AT
ELON COLLEGE, ELON COLLEGE, N. C.

MAY 29, 1928

It is always with a deep sense of responsibility that I address a class of young college graduates. You have completed the prescribed courses and earned your diplomas, and now you stand on the threshold of active service in the battles of life. Heretofore, you have depended largely upon your parents and your teachers to give you knowledge and to develop in you a spirit of self-reliance, but now you must face the real issues of life on your own account. You are destined to meet new problems as you go forth from this institution into fields of activity that may seem strange to you. Readjustments will be necessary and you will

require more than ordinary education. Culture and academic education alone will not suffice. These great forces, important though they are, will prove futile unless your intellectual attainments have a moral core; they will be ineffectual unless you give them a spiritual interpretation and application.

I come to you, my young friends, not to "speak as one having authority" but, as best I can, to point you to the way of truth as I see it, in the light of my own experience and observation.

If I have any message to leave with you, it is to say that the only panacea for the ills which afflict mankind in his individual, national or international relations, is the philosophy of true religion. We have tried utilitarianism and found nothing but failure and vexation of spirit.

Now, what is the moral law, which I say, should be the core of all education? The answer is simple. It consists of those concrete precepts of morality which may be gleaned from the Holy Bible. We find them running through the Ten Commandments in fundamental form; again we find them interpreted and applied to the everyday life of mankind in the Sermon on the Mount.

Moreover, education should have a moral core for reasons that are purely practical. There is nothing inconsistent about this viewpoint and it cannot be successfully attacked even by those who hold no definite religious views themselves.

The man who does not consider himself bound by the moral law is not even recognized in our governmental scheme. In our own state of North Carolina no one who does not profess a belief in Almighty God can hold public office. This is safe and logical. The atheist is governed by no moral law; hence, the people are afraid to trust to his administration the affairs of State. The reasonable assumption is that if he does not believe in a God he cannot properly fulfill his duties and obligations to society.

While it is true that church and state are and ought always to be separate, yet it is equally true that this nation in which we live could not function without the sanctions of the moral law; it would soon fall into a state of decay should the idea of God be left out. The history of civilization proves this.

Students of our history will recall how our colonies, in the beginning of their epoch making development, preferred to

ignore the man-made laws of the mother country and set up in their stead the great moral precepts contained in the Bible. The convention called for the purpose of drafting a constitution for our government was opened for business by offering a prayer of thanksgiving to Almighty God for His leadership. The first Continental Congress was opened with prayer, upon motion of Samuel Adams.

A distinguished jurist, Eli Ritter, said: "I am not driven to the necessity of basing my claim upon the legal proposition that Christianity is a part of the law of our land, but I do assert that the civilization which obtains in the United States has been, from the beginning of this government, the Christian civilization; and the standards of morality that have obtained in this government from the beginning has ever been, and is now the Christian standard of morality, which is the same as the Mosaic and the Bible standard." That we are a Christian people has been declared by the highest court in the land. In the case of *Holy Trinity Church against the United States*, (143 U. S. 457), our own Supreme Court, at Washington, has declared that "No action against religion can be implied to any legislature, state or national, because this is a religious people." This is historically true. From the discovery of this continent until the present hour there is a single voice making the affirmation.

The Court then goes on to quote, by way of illustration, the recognition of religion in the commission of Christopher Columbus; in the first grant of land to Sir Walter Raleigh; in the charter of William Penn to the Province of Pennsylvania; and in the Declaration of Independence. Continuing the Court says: "There is no dissonance in these declarations. There is a universal language pervading them all, having one meaning; they affirm and reaffirm that this is a religious nation." They are not individual sayings; they speak the voice of the entire nation.

Our courts, from the highest to the lowest, are opened in the name of God. The name of Deity runs through our public documents, legislative, executive and judicial, and cannot be divorced therefrom without endangering their legality. Even time is reckoned on the basis of belief in God; all official documents bear this phrase: "In the Year of Our Lord," and money is

coined bearing the motto: "In God We Trust." In our own state of North Carolina, we recognize our dependence upon God, in no uncertain terms, in the preamble to our constitution.

Before the advent of Christ, the Holy Bible, in which you will find the moral law unfolded in all its beauty and significance, was the law. Men lived by it and were judged by it in courts of justice. And even now all laws that affect the well-being of mankind are generally based upon the same moral law. Some of you, no doubt, will take up the practice of law as a chosen profession. In *Corpus Juris*, the great legal work, which means, literally, "the body of the law," we find this: "The Bible is the inspired Word of God, the Creator of the Universe is its author." Can anything be more sublime, and is it any wonder then that men and women in all ages have followed its precepts?

Following the general definition of the Bible thus given, *Corpus Juris* continues with this remarkable statement:

There is, perhaps, no book so widely used and so highly respected as the Bible; no other that has been translated into as many tongues; no other that has had such marked influence upon the habits and life of the world.

It is to this the greatest of all textbooks that we must look if we would make our lives count for most. We must supplement all earthly knowledge with the great truths we find therein, and must incorporate into our lives the teachings it sets forth if we expect to achieve success in the truest form.

This college is devoted not only to education, but to Christian education, which goes beyond the bounds of mere book-learning and takes into account not only our relations to God but our relationship to our fellow-men.

The world has never been more in need of the benign influence of Christian education than it is today. Confronted by complex problems that come to light almost daily, we often grope around for solutions that can be found only in the moral law. We must employ more than mere intellectuality to master these problems. We must view them through the eyes of an undying faith in religion and all that it stands for, and we must apply the principles of the moral law in our daily tasks. Christian education

therefore is most important in the development of all the enduring qualities of life.

We live in a time when many who regard themselves as super-intellectuals decry the very word of God itself, and it appears that an organized effort is being made to tear down religion and trample in the dust some of the sacred principles for which it stands and without which this world would be a hopeless place. I say without hesitation that there is no effective substitute for religious training.

Throughout my life, and especially since becoming governor, I have been impressed with the futility of human laws to control the ugly passions of mankind. Even though our laws are based upon the Ten Commandments—the great Magna Charta of humanity—and tempered with the precepts of the Sermon on the Mount, they are impotent without a knowledge of and faith in the Supreme Lawgiver.

To be a good citizen, one must obey the laws because he does not wish to bring reproach upon his own good name and that of his community and not simply to avoid punishment. If this attitude were universal, there would be no need for our jails or other penal institutions which are maintained at great expense to the law-abiding element.

No one need hesitate about making the moral law and the Bible the core of his education. There is nothing about it of which to be ashamed. The person who needs to hang his head in shame is the one who thinks he owes no obligation to the moral law. Some of the most brilliant minds in this and other countries are found in the ranks of religious adherents, among men and women who have never yielded an inch of ground in their religious convictions. From Christian institutions have gone forth men and women whose devout lives have influenced the destinies of nations, who have promoted the cause of scientific research and who have proved blessings to humanity. True religion has never conflicted with truth and never will, because it is founded on truth. Christian education has never been a drawback to progress, but without it there could be no progress in the truest sense of that word.

Religion, which is based on the great precepts contained in the Bible, has always played a leading role in world affairs. Men

and women who have given the world the greatest service have been godly men and women—not necessarily rulers in temporal things—who have been willing to sacrifice for the sake of service to others. I bring you a striking example of this from a pamphlet entitled “Lives That Live.”

One day Stanley found Livingstone in the interior of Africa. “Come with me. Cities like Edinburg and London want you. The people of America want to see you and hear you lecture. Money will come in like a golden river. You have earned your honors and now rest.” “No,” answered Livingstone. “I am not ambitious for honors. I am only ambitious to do the will of God.” Back to the jungles, the fever swamp, the savages, the poisoned arrows—back to certain death went David Livingstone. The world wondered when the black savages carried his body out of Africa, 1,500 miles to the seacoast, and placed their precious burden at the feet of the English Consul. Nothing strange about that. With solemn music they brought David Livingstone in, and buried him among the kings. No wreaths for the statue of George who bothered us with the Stamp Act and other injustices; but the tomb of David Livingstone is never without its laurel wreath of immortal remembrance. For he is a king by divine right.

David Livingstone did not depend upon his own strength, nor upon man-made laws and institutions. His power came from a higher source. He was, of course, a man of intellectual qualities and obeyed the civil laws; he was self-reliant, but not self-sufficient, the moral law was his guide, the final arbiter in his personal conduct. The scoffer may say that he went against what should have been his better judgment and was, consequently, a failure. But I assert that he was no failure. He was “more than conqueror,” and his name will live in the earth when others whose lives were far more spectacular, from a worldly standpoint, have been long forgotten.

Most of you are North Carolinians. You come from homes located in a state that has made a greater ratio of progress during the past few years than any other commonwealth in the republic. We all rejoice at North Carolina’s achievements. We take pride in its schools, its good roads, its institutions for the care of the unfortunate and in its industrial development. But we must not lose sight of the fact that our moral and religious foundation must be made sure. If we do not our material advancement will prove a curse instead of a blessing. When we become a self-

sufficient people, we will have lost our real power, for self-sufficiency breeds arrogance, and arrogance is an undermining rather than a constructive force.

North Carolina's wealth and natural resources, important though they are, do not constitute our real greatness. That lies in the fact that we have been God-fearing people and have laid a spiritual foundation upon which our material achievements have been built as a superstructure. Our progress has been slow at times. Discouragements have been numerous. We have passed through crises that all but crushed us; yet, withal, we have kept our vision clear and have looked beyond man-made institutions for the real source of power.

I hope that each of you will bear in mind the fact that there can be no permanent satisfaction in any form of education or other advancement that does not rest upon a moral foundation. It may please and tickle the fancy for a while, but ultimately the futility of it all will show itself, perhaps when it is too late. All human institutions are but experiments. In the past, they have gone down one by one, and given place to something better. Permanency can be found only in the motivation of character found only in true religion, because, as I have endeavored to point out to you, this is a basic force, set into operation by God himself. It teaches the individual to think not only for himself but of others. Somewhere at the bottom of all true progress lies truth. It is for us to tear away all that obscures it and bring it to light again. "Thou shalt love thy neighbor as thyself." In these words man's whole duty is stated. Were this philosophy followed throughout the universe, there would be no need for legislatures and parliaments, lawyers and politicians, courts and judges, statesmen or soldiery, and war and despair would quickly vanish from the earth. Those words were not written for one race but for all races, not for one country but for all countries throughout the world, not for one man but for men everywhere—for every man! The moral law teaches all to strive toward ushering in this kingdom of love and understanding—an inspiration not found in any man-made law or institution. Perish the thought that self-sufficiency can bring this about, or that it can be accomplished by placing our trust in ourselves or the things we may be able to accomplish by ourselves alone! In every life

there is hidden a source of inspiration which controls outward actions. The life without its inspiration is void and empty, and soon forgotten.

It is my earnest hope that you will bear these things in mind and remember that if religion and soul-culture are to remain vital forces, you must do your part toward perpetuating them. Upon leaving this institution, you will find that many bids will be made for your services. The scoffer will endeavor to divert your minds from the great lessons of morality and religion you have learned in this institution and use you to promote his cause. Irreligious men everywhere have their eyes on the colleges of this country. They take a special delight in trying to break down your faith; and when they have won for their ranks a recruit from a Christian institution, they feel they have gained a signal victory. You must be on your guard. Even the atheist may seek to interest you. Indifference will certainly extend you an invitation to throw aside your convictions and drift with a pleasure-seeking world toward that haven which never appears in sight.

On the other hand, you will be called upon to stand by the true teaching of Christian education and there will be many to aid and comfort you. Do not think for a moment that you will stand alone if you stand for the right and make the moral law the guide of your lives. On the other hand, you will enjoy abiding companionship with those who will stand ready to help you to the end; and these companions will not desert you, for they will be moved by the same motives that spur you on. You have only to study the lives of the truly great to verify this statement. Greatness that is not linked with consecration is vain. Therefore, make no apologies to any man for standing for the right thing and for asserting your dependence upon God and His word.

Before concluding my remarks today, it is in my heart, therefore, to stress the necessity for a more general study of the Bible, within the pages of which may be found a solace for every human sorrow, a solution for every human problem, if we will but seek them out. It is not only the Book of books, revealing the way of life to men and women; it is an indispensable piece of literature that none of us can afford to be without. While written by men

of learning, it was not given as a literary masterpiece, but as the soul's guidebook, pointing the way to spiritual truths. It will never become old or obsolete; its lessons are vital to every human being on the face of the earth. It contains a message to every class, to every individual. None becomes so exalted that he does not need it in his daily life; none sinks so low in sin and despair that it cannot lift him up and place his feet on the sure foundation of eternal earth. It was not written to furnish entertainment but to edify the soul and inspire faith in the hearts of all people; it is not a textbook on science or geography, but a divine revelation of spiritual things. It has been the mainstay of true civilization since first given to man, and when other writings have been forgotten, its truths will stand out in bold relief against the background of all time. Thus, we have the real foundation of the moral law.

Let us not, therefore, depart from the Bible and its teachings. It is the all-important Book. For its preservation men have suffered and died. Opponents of the spiritual realm have sought to destroy it, but without success. It has been handed down pure and spotless—and triumphant. Let us reverence it more, study it more, apply its precepts to a greater extent, for by so doing we may not only become better men and women ourselves, but lift the world to higher levels of usefulness, and help to usher in the era of peace and universal brotherhood based on principles of truth, mercy and justice.

IMPORTANCE OF EDUCATING WOMEN

INTRODUCTION OF W. F. GEORGE TO THE GRADUATING CLASS
OF NORTH CAROLINA COLLEGE FOR WOMEN,
GREENSBORO, N. C.

JUNE 4, 1928

At no stage in our country's development has woman occupied the place of prime importance she now holds in our national, state and community life. Dissenters who professed to fear the results of taking woman into active partnership with man in the conduct of affairs have been happily disillusioned. We all

realize that to check the cultural progress of woman would be to throw a stumbling-block in the path of civilization. She has proved her fitness for full citizenship. Nor has she descended from the pedestal of domestic usefulness. Her position in the home remains unchanged. She would not exchange that for all the civic power that could be bestowed upon her.

The spiritual vision of woman has at no time been beclouded by the duties assigned her. On the contrary, it has been definitely quickened by her new contacts. She has helped to give us better homes by her participation in matters of public welfare, because she has been placed in a position where she can demand conditions that will safeguard the home and promote civic virtue among us.

This college, dedicated to the higher education of womanhood, occupies one of the most important positions in our state system of education. When we educate a man, we educate the individual. When we educate a woman, we educate a family, because woman is the foundation-stone of the home—its spiritual chart and compass.

Recognizing the importance of giving our young women the full advantage of higher education to aid them in the duties of wifehood, motherhood and citizenship, North Carolina has invested nearly seven million dollars in grounds, buildings and other permanent improvements at this college and approximately four hundred and twenty thousand dollars is available annually for maintenance. No one begrudges this investment, which is one of the very best our State has ever made.

I cannot let this occasion pass without paying public tribute to my friend, the late Dr. Charles D. McIver, who gave this institution much of his very life itself and who, until the moment of his sudden death, loved it with a fervor seldom equalled. He was one of the two greatest apostles of the great educational awakening which took place in North Carolina a quarter of a century ago. His influence will never die in North Carolina as long as men and women love the cause of education. His successor, Dr. Julius I. Foust, the present head of this college, has proved himself worthy of the trust which was conferred upon him. His untiring efforts in behalf of the North Carolina College for Women and for the cause of education in general will remain indelibly written in our educational annals.

INTRODUCTION OF SENATOR GEORGE

It is a distinguished and highly appreciated honor that I have today in introducing to this audience the commencement speaker for this splendid institution. It is not necessary for me to say that he is held in the very highest esteem and admiration by the people of his own State. It was not long after he began the practice of law, more than a quarter of a century ago, before they realized his eminent ability and true worth. His record of service carried him through the courts, starting with the post of solicitor, the judge of the Circuit Court, later as judge of the Court of Appeals and finally as judge of the Supreme Court.

Before the term to which he had been elected on the Supreme bench expired, the people of Georgia called him to a still higher position, electing him to the United States Senate to fill an unexpired term, and later reelecting him. Today, after serving for less than six years, he has, by common consent, taken his proper place as one of the strong and dominating forces in the Senate. In revenue legislation and in legislation dealing with the courts and the judiciary, he has rendered distinctive service. Frequently have I heard our own Senator Simmons refer to him as one of his ablest colleagues on the Senate Finance Committee.

So conspicuous has been his service to his home State and so striking his ability and personality that he has recently been given an honor which has few parallels in the history of the United States. When the Democratic Executive Committee of Georgia met a few weeks ago, that body not only endorsed him unanimously as candidate for the presidency of the United States, but extended to him full authority to name all of the delegates from Georgia to the National Democratic Convention. Seldom does such distinction come to any man.

I am happy to have this opportunity to welcome to our State such a distinguished son of our sister state and of the South and to present to this discriminating audience United States Senator Walter F. George, who will, I am sure, entertain and enlighten you.

SUCCESS DEPENDS UPON CIVIC VIRTUES

ADDRESS DELIVERED BEFORE THE GRADUATING CLASS
OF DUKE UNIVERSITY, DURHAM, N. C.

JUNE 6, 1928

I congratulate each of you most heartily upon having completed the prescribed course at this University. Your diplomas constitute the documentary evidence of what you have accomplished from an academic standpoint. But this does not mean that your educational activities will cease. You are now confronted with another school, whose curricula will deal with the stern realities of life. To successfully complete this new course, you will be called upon to display tact, perseverance and industry that will cause you to draw more heavily upon your personalities and your moral courage than you have been called upon to do in college. As important as a university diploma is, it is not a signal to slacken your efforts but a challenge to proceed to utilize what you have learned. You must realize that a college education has only taught you the processes by which, if properly directed and applied, the real problems of life may be solved. Up to this time you have been storing up reserves. You have acquired knowledge. Now you must call on your reserves and apply that knowledge to the practical affairs of life and do it in the most effective manner, if you would achieve success.

It is my earnest hope that no one of you will make the mistake of feeling that a college diploma gives you the right to assume an attitude of self-satisfaction and self-sufficiency. If so, the diploma, instead of affording the means of success, will prove a hindrance.

For you, this day marks a period of transition, and henceforth you will be called upon to depend upon your own resources to exercise a spirit of self-reliance and to put your acquired knowledge to the practical test.

There are certain things the State expects of its college and university graduates. They should supply wise and constructive leadership in all lines of endeavor. For you the challenge of the future is the challenge to service and you cannot escape the obligation. Whether you serve as public representatives or as

private citizens, makes no difference, so long as you serve well and faithfully.

From you, the State also expects social guidance as well as sagacious civic leadership. In recent years society in its generic sense has become more and more a problem of civilization itself. We are no longer isolated rural communities, with each member bent upon his own little duties, to the exclusion of the larger interests of the group. On the contrary, we are a large concourse of people with varying and often conflicting aims. We should be imbued with the prime determination of doing our part in building a finer commonwealth in all its aspects—educational, social, industrial and religious.

It should be the aim of graduates from institutions of higher learning such as this to bring about a more sympathetic understanding among the diverse elements of our citizenship; of harmonizing the discordant factions, if any exist, and of smoothing out, by painstaking care and tactful treatment, differences of a social and religious nature, which may threaten to disrupt our people and divide them into belligerent and self-conscious groups. In short, the State expects of you full support in all matters which may affect the peace, happiness and prosperity of its citizenry.

You should bear in mind that when you carry home with you a diploma from Duke University, you have been commissioned by an institution that has become an important factor in the great educational system of our State. No man can now accurately appraise its potentialities, but all realize how vast they are. Hence, it is incumbent upon you to grow in usefulness and in righteousness, that you may interpret the greatness of your alma mater.

In this University you have studied the principles and functions of government. Upon your shoulders will shortly rest responsibilities which your elders will be forced to relinquish. This brings to my mind a quotation from Barrie's delightful little book called *Courage*, containing an address delivered at St. Andrew's University. In this address he made this most significant statement: "Youth have too long left exclusively in our hands the decisions of national matters that are more vital to them than to us. Things about the next war, for instance, and

why the last one ever had a beginning. I want you to know the time has arrived for you to demand a partnership in public affairs and to demand it courageously. To gain courage is what you come to St. Andrew's for." This injunction, my young friends, is no less applicable to the conditions today.

As a state, North Carolina has, during the past few years, shown a rate of progress unequalled, I believe, by any state in the Union. We have gone forward along all lines—building roads, developing our natural resources and laying the groundwork for even greater things in the future. But, above all and most important of all, the people of North Carolina have said: "There shall be education in this land," realizing as they do that ignorance and progress are eternal antagonists. To bear out this statement, we have only to read the lessons of history, to see that no nation has long endured which permitted ignorance and illiteracy to have the ascendancy. I believe, as I am sure you believe, that the ultimate goal of our educational system, whether secular or religious, is that equal opportunity shall be given to all to enjoy the best educational advantages. And I am firmly convinced that no educational system can achieve this, that does not stress the spiritual values and place them above all purely academic training; for, after all, no education is wholesome that depends for its inspiration entirely upon the purely material things of life. It is not the fact that North Carolina has built a fine system of highways that makes it a great state; it is not because she has successfully promoted the building of factories and developed her natural resources, as great as they are. But the real reason North Carolina has forged to the front so rapidly is because her people possess the enduring qualities that make these things possible. Without the quality of courage we could not have succeeded as we have. We have been free from arrogance and have never sought prosperity at the expense of others.

There is, after all, only one infallible test of any state or individual, and that is faithful adherence to what may be called the civic virtues. Is the citizenry religious? Is it honest and sincere? Is it happy, productive, friendly? If all these elements are present, then we have a great state. And, it is because I believe the people of North Carolina have these virtues, in a very high degree, that I have faith in the State, in her citizenry, and

in her future progress. Upon you, my young friends, as you go forth with the sanction of this university, must rest a part of the responsibility of perpetuating these virtues.

In behalf of the people of North Carolina, and for myself personally, I extend to you friendly salutations, and wish you Godspeed as you now become copartners in our great enterprise—the building of a greater and finer commonwealth.

INCREASING DEMANDS FOR TRAINED MINDS

REMARKS MADE IN DELIVERING THE DIPLOMAS TO THE
GRADUATING CLASS OF THE UNIVERSITY OF NORTH
CAROLINA AT CHAPEL HILL, N. C.

JUNE 11, 1928

At no time in the history of our State have we placed greater emphasis upon the importance of education than we are doing today. For the trained mind there is an ever-increasing demand. Recognizing this, North Carolina has, during recent years, redoubled its efforts to prepare its young people for lives of service.

While there is no stigma attached to those who, by force of circumstances beyond their control, have been unable to acquire intellectual development, yet, with the advantages that are now all but universal, there are few who can advance this excuse.

To this splendid company of young women and young men comprising the graduating class of 1928, I extend my sincere congratulations. While you have enjoyed unusual opportunities for the development of your intellectual faculties, yet you could never have completed your academic courses as successfully as you have done without determined effort on your part. The diplomas awarded you today constitute documentary evidence that you have earned the status they give you; that you have satisfactorily met the requirements laid down by the University, and that each of you has been commissioned by this noble institution to take your place in the ranks of those who are actively engaged in directing the future destiny of this State.

The University of North Carolina, for which provision was made in our first constitution, has always been an important factor in the life of the State. It has stood foursquare not only

for the advancement of liberal education but for the general welfare of North Carolina. It is today one of the great universities of this country and is well and favorably known throughout the civilized world. It represents an investment in plant of over eight millions of dollars, made by the people of North Carolina as an evidence of their sincere interest in its growth and development. It is remarkable that over half of this investment has been made within the past six years.

The knowledge you have gained here, as evidenced by your diplomas, will prove an indispensable asset to each of you. While education is a great asset in character building, it can never take the place of the cardinal virtues. For that reason, I hope that each of you will cling to the enduring qualities of life without which no one can attain success in its truest sense. You have now what the world terms an "education"; it is my sincere hope that you will succeed in the accumulation of honors and material assets, but be sure to remember always that these, within themselves, can never bring you true happiness. That will come only as the result of how you apply your talents and how you administer that which you may gain in a material way. Your diplomas mean much, as evidence that you have been strong and courageous in your fight for intellectual development, but these alone cannot make you good citizens. Nor do they mean that your fight has ended. On the contrary, it has just begun in earnest. You must now face the stern realities of life, each on his own responsibility, and you must become active in meeting and helping to solve the problems that confront the communities in which you live, as well as the State as a whole.

It has been an established custom at this university to present to each graduate at commencement another document in addition to his merited diploma—a copy of the Bible, recognized by the same constitution that established this institution as the Holy Book of the people of North Carolina. While the constitution seeks to bind no citizen to any creed, and while it guarantees to every one the right to make his own interpretations in matters of religion, yet it does recognize the Bible and its divine Author. It is plainly stated in the preamble to this constitution that those who framed it realized their dependence

upon Almighty God and considered it futile to enter into any form of government without providential guidance.

The presentation of these copies of our Holy Book is no prefatory matter, and I am sure it never will be interpreted as such. The custom that is being perpetuated on this occasion is highly significant and I hope will continue as long as the University of North Carolina stands.

And now, my young friends, as governor and ex-officio chairman of the board of trustees of the University, and on behalf of the people of the state of North Carolina, I bid you Godspeed as you are now about to leave the sacred precincts of your alma mater.

That you will continue to love it, I have not the slightest doubt; nor can I doubt but that you will strive to interpret in your individual lives the high ideals for which it has always stood.

The best wishes of the people of the State go with you as you take your places among those who are engaged in the laudable tasks of building a better and greater commonwealth.

WHAT CONSTITUTES THE STATE OF NORTH CAROLINA

REMARKS DELIVERED AT MEETING OF NORTH CAROLINA GRAND
CHAPTER, ORDER EASTERN STAR, RALEIGH, N. C.

JUNE 12, 1928

During the past three and a half years it has been my privilege, as well as a duty imposed upon me by the oath the governor of the State is required to take, to think, to act and to speak in terms of the state of North Carolina. Frequently, during that period, I have asked myself the question: "What constitutes the state of North Carolina?"

We are inclined, I think, to say that the State is composed of the area included within its geographical boundary, its natural resources, its agricultural and manufacturing industries, the great system of highways we have constructed, and all of our material assets. These are a part of North Carolina, but North Carolina is vastly more. It includes our history, our traditions,

the genius of our people. It takes in our enduring qualities of life, our background of religion, morality and passion for knowledge. It embraces those innate qualities which find expression in the establishing of our charitable, educational and eleemosynary institutions, and our great social, fraternal and benevolent organizations, important among which are the ancient and honorable order of Freemasonry and its sister order, the Eastern Star.

These orders, one coming down from the ages, the other of later origin, have been organized and developed for the purpose of putting into daily practice the altruistic principles handed down to us in the form of the Ten Commandments and interpreted in the moral law which forms the basis of the Sermon on the Mount. Soon after Adam and Eve quitted the Garden of Eden one of the greatest questions of all time was propounded and has come thundering down the ages: "Am I my brother's keeper?"

Men differ on doctrines, interpretations and the divinity of the inspiration of these principles, but I believe, and I am sure you believe, that the philosophy of life contained in that greatest of all books, the Holy Bible, is sound and basic, because it brings complete satisfaction in life and robs death of its sting.

The principles of the doctrine of the Fatherhood of God and the brotherhood of man, if I know them, are the foundation stone of the Masonic and Eastern Star orders. In these great fraternal societies, you have answered in no uncertain terms and affirmatively that question of the ages. Speaking louder than mere words are the acts of these organizations in assuming the privilege and the duty of being their brother's keeper. Here in North Carolina you have set up and maintained for many years that great orphanage at Oxford, as well as the Masonic and Eastern Star Home at Greensboro. You have given answer, not in a selfish or limited way, for you are contributing your time and your means toward caring for the sick and the afflicted, the widows and the orphans. You make no distinction or discrimination, but throw wide your doors to the children of non-Masons, as well as Masons, feeding, clothing and training boys and girls who, otherwise, probably would become charges of the community and of the State.

Not only do you deserve and receive full credit for the great and unselfish service you render to orphans and widows, and at the same time to your State, but your social and fraternal activities have a value that is incalculable. The spirit of brotherhood and mutual service and understanding pervading your orders is an inspiration and even a bulwark to many men and women who otherwise might be inclined to deviate from the paths of right. No man can follow the tenets of the Masonic order and no woman can live up to the requirements of the Eastern Star without being a better man and a better woman—and you cannot be members of these bodies without following their tenets and their requirements.

Let me, in closing these brief and scattered remarks, made under difficulties, congratulate you on your membership in the Eastern Star and extend to you the thanks of the people generally of North Carolina, as well as for myself personally, for the great contributions you are making to the life and the spirit of our great Commonwealth.

ACTIVITIES OF THE KNIGHTS OF PYTHIAS

MESSAGE SENT TO THE NORTH CAROLINA GRAND
LODGE KNIGHTS OF PYTHIAS, BURLINGTON

JUNE 13, 1928

I regret exceedingly, fellow Pythians, that I am unable to be with you in person, rather than to send this message. I had hoped until last week that I could so arrange my engagements that I could attend this meeting. I found, however, that I could not very well miss a meeting of a group of people interested in the endowment campaign for Flora Macdonald College, since I am chairman of the board of trustees of that institution, and the meeting could not be postponed without inconveniencing a large number of people. For that reason, I shall have to content myself with sending you this brief message.

Permit me to say, in the first place, that you may judge my estimate of the Knights of Pythians when I tell you that I have been a member of the order for a long time, in fact, the Knights of Pythias is the only secret, fraternal and benevolent order to which I belong. I will not say that it is the best of such fra-

ternities, but I have no hesitancy in saying that it is among the best and that I have derived much pleasure and great benefit from my membership in it. I feel that no man can be a true Pythian and live up to the tenets of the order without being a better man and a better citizen. The same may be said of the Masons, the Odd Fellows and members of other fraternal and benevolent societies. They are splendid adjuncts to the church, the home and the school and, like these agencies, serve to make better and nobler men and women of our citizenry.

One of the most commendable of the activities of the Knights of Pythias, probably, is the assistance the order gives to widows and orphans of its deceased members. In this splendid work, the Pythians render a special service, not only to the orphans involved, but to the state of North Carolina as well. I speak of this because, as governor of the State, I know something of the problems arising when the head of a family dies, leaving a widow and children without sufficient means of support. The benevolent orders step in, render aid to the family, placing the children in one of its splendid orphanages when it is necessary, and otherwise helps the family until it again becomes self-supporting. But for this aid, the family would often become a charge of the community and the State, as do many families less fortunately situated. The result is that many children are clothed, fed and given proper moral and mental training in a better home and under more homelike conditions than the State could provide.

In carrying out the order's motto, "Friendship, Charity and Benevolence," the members of our noble fraternity can aid in furthering a most sympathetic feeling for their fellow-men and dispense material aid to those who have every right to look to us for sympathy and support.

In closing this brief message, I feel that I can do nothing better than to urge you to live closer to the tenets of the order, to practice more diligently its precepts, so that you and mankind generally will feel its benign influence and quickening power.

I sincerely hope that the present meeting will result in furthering the interests of the order in North Carolina, and each of those in attendance will gain pleasure and profit from your brotherly association. Again let me express my deep regret that I am unable to be with you in person.

THE AMERICAN FLAG

REMARKS ON OCCASION OF THE CELEBRATION OF FLAG DAY
UNDER AUSPICES OF SONS OF THE AMERICAN REVOLUTION,
RALEIGH CHAPTER, RALEIGH, N. C.

JUNE 14, 1928

It is entirely appropriate that the Sons of the American Revolution, descendants of the men who fought, bled and died for American Independence, and other patriotic organizations should promote the observance of "Flag Day" in America, and that every patriotic citizen should join in some way in the celebration.

From the very foundation of human society, when the tribe was the unit of nationality, it has been the custom for people to rally round a symbol representing common sentiment and organization. The tribe was the first germ of organized society and government, each having its own standard then just as in later times, each nation has had its distinguishing emblem or flag. Among the relics that have been discovered of the most ancient people have been found the record of their standards. Notable examples of this character are found among the ruins of ancient Egypt. In that early period of the world's history the use of flags was common, and we know that each company in the Egyptian army had its own flag or standard. Long before woven fabrics were known, figures of sacred animals and other objects were used as national emblems. Among the relics found in the ruins of Nineveh many such relics have been found.

The custom prevailed during the Middle Ages and was in general use among the ancient Greeks and Romans. National emblems are frequently mentioned in the Bible, where they are referred to as banners, standards and ensigns. In the book of Numbers, which records the happenings of the fifteenth century before Christ, in order to facilitate the taking of a census, Moses required the children of Isreal to "pitch their tents, every man by his own tent and every man by his own standard." As soon as tapestries and other fabrics were invented, these were used in making flags and banners, and so the custom prevails to this date.

We all know the history of the adoption of the American Flag and it is unnecessary to repeat it here. It is proper, however,

that we should assemble on an occasion such as this for the purpose of contemplating for a moment the things which the American Flag represents. We are too much inclined to think of our flag as a material thing—a colored fabric suspended on a staff of wood. We should remember that the flag is more, that it is symbolic of everything comprehended in the designation of our great nation—the United States of America. It may be said to be symbolic of the spirit—the soul of America.

It represents our early history and traditions, the struggles and sacrifices of our forefathers for independence—the work of the pioneers who carved a great nation out of the wilderness. It represents the people of America and all the enduring qualities which characterize them. It represents our religious, educational and charitable institutions; our laws, our government, national state and local, and it also represents our ideals and our future ambitions.

We should, therefore, contemplate the flag of our nation in a spirit of reverence and patriotic fervor on an occasion such as this. We should not only contemplate the history of our country and accord due credit for the labors and sacrifices of our forefathers who made the nation possible, but we should embrace the opportunity to rededicate ourselves to the service of our country.

On the fourteenth day of next month, France will celebrate Bastille Day, because Lafayette, as the result of his intimacy with Thomas Jefferson, drafted for her a bill of rights, modeled upon the great American idea of free and representative government. On July 14, 1790, General Lafayette presided over the most imposing spectacle that, up to that time, had ever been offered a free people. A national holiday was established in France. All work was suspended. All classes of the citizenship from the highest to the lowest, assembled and took the oath of allegiance to be loyal to the government and to uphold the law. Lafayette, himself, pronounced the oath which was then repeated by the assembled multitude; and then the chief executive arose and took his oath of allegiance to the people of France, acknowledging his allegiance to the constitution and laws and his position as servant to the people. This ceremony has ever since been repeated annually.

It is a significant fact that the key of the Bastile, as the emblem of the departed power of kings of France, now hangs upon the wall at Mount Vernon, a gift from Lafayette to Washington as an emblem of gratitude to America for having pointed the way to liberty.

It would be a fine thing if the people of America should adopt a ceremony similar to the one observed in France on Bastile Day and observe it throughout every community in America on Flag Day.

The flag we honor today and under which we serve is the emblem of our unity, our power, our thought and purpose as a nation. It has no other meaning than that which we give it from generation to generation. It floats in majestic silence above the hosts who are willing and ready to follow it in peace or in war. Though silent, it speaks to us of the past, of the men and women who have gone before and the record they have written. We celebrate the day of its birth, and from that day until now it has witnessed a great history, has floated high as the symbol of great events, of the great plan of life worked out by a great people. Following it, we have come to a full realization of our ambitions of life, liberty and the right to happiness. We have come to be honored and respected throughout the world.

Let us always remember, however, that this noble position has been purchased at a great price and deserves to be cherished as our most sacred possession. Let us never forget that, while the American Flag today is the supreme emblem of liberty, saluted with admiration by men of every race and of every clime, the only way in which we can keep it true and unsullied is to see to it that the great principles of liberty, equality and justice which it represents are constantly and faithfully practiced in our individual and national lives.

BUSINESS METHODS NECESSARY IN MODERN FARMING

MESSAGE TO THE YOUNG TARHEEL FARMERS' CLUB
AT STATE COLLEGE, RALEIGH, N. C.

JUNE 21, 1928

I regret exceedingly that I cannot appear here in person and talk to you directly about a few of the subjects in which you and I have a common interest, as I had hoped to do. State business has called me away from Raleigh and I will have to be content with leaving this brief message.

Permit me, in the first place, to congratulate you on the fact that you are engaged in one of the basic industries of our country at a time when important changes are being brought about in the methods of agricultural activity. I desire also to commend you for your interest in keeping abreast of the times and in taking advantage of all of the new thought and methods that are being applied to the farming industry today. Some of you are old enough to recall the remarkable changes that have taken place within the past fifteen or twenty years. I can assure you that improvements in methods used in farming since I was a boy on a small farm in Robeson County have been almost revolutionary.

One of the most vital factors in our agricultural development within recent years, of course, has been the construction of our wonderful state highway system, supplemented by the county roads. Our modern highways and the general use of motor vehicles, not only furnish easier and quicker transportation of supplies needed on the farm and a larger and therefore more desirable market for farm products, but they also offer a ready means of social intercourse and the exchange of ideas, which are invaluable to the rural sections of any state.

With the almost universal use of the radio and the telephone, the rural dweller is no longer isolated, but is in close daily touch with the world and can keep fully advised of the great march of events.

One of the most hopeful movements of the past decade is the increased interest the rural people are taking in the improvement

of their homes and in creating a desirable home atmosphere. The uncomfortable log hut is a thing of the past. In its place has come a comfortable and attractive residence. Installation of light and water systems, additions of washing machines, ice machines, and numerous other labor-saving devices have greatly improved the conditions of the housewives in rural sections and made their tasks less irksome. These improvements are in their infancy, I realize, but they are being made rapidly and are serving to make rural life more comfortable and more desirable. I consider such improvements of equal importance to the more general use of tractors, riding plows, and other improved methods of farming. It is a deplorable fact that the life of the farmer's wife has, even in the recent past, been one of hard work and drudgery. Improvement in the farm home has more than anything else, served to make life more pleasant and more desirable for the entire family.

There is one other phase of farm activity I should like to mention briefly. The farmers of North Carolina are adopting improved methods in tilling, preserving and getting the most out of the soil; in caring for stock and developing such related activities as dairying and chicken raising; you keep up with the market conditions and have some idea of the proper time and the proper conditions under which to place your products on the market. These and other strictly farming problems are being solved, in part, if not completely.

One phase of farm activity, however, has been neglected. I am positive that a great amount of energy and money are being wasted every year in North Carolina because many of the farmers do not adopt and follow some simple method of counting the cost of their products and balancing it against receipts.

The manufacturer can tell you at the close of every day, every week and every year just what it cost him to produce a certain article and to market it. If the market price is not sufficient at any time to give him a just profit, he will abandon that article and produce something profitable. The modern merchant can tell you the profits he makes on any day's business. The successful banker knows at any time just how much is due to go to dividends and the amount left to be added to surplus and profits.

The day of hit-or-miss methods in agriculture is rapidly passing, just as the period of the hit-or-miss manufacturer, merchant and banker has about passed. You must devote at least a little of your time to the business end of agriculture. If you have a tract of land that is no longer profitable for cotton, change to some other crop. If another tract does not bring sufficient returns when planted in tobacco shift to something else. Keep a record of time and overhead expenses on various tracts and crops and if you do not receive a fair return for your labor and your investment, it is time to make a change. Agriculture is coming into a competitive stage. This, more than ever, is a period of the survival of the fittest. If you are not up-to-date farmers taking advantage of modern thought and ideas, you will soon be relegated to the rear and take your places as followers.

I sincerely believe that most of the farming ills will disappear if you will apply to agriculture, even in a limited measure the sound business principles that have brought success to other industries; if you will utilize the information you receive from agricultural agencies of the State and Nation; if you will make tests and experiments and apply the results in practical methods best suited to your own conditions; if you will stay away from the one-crop idea and follow diversification and rotation of crops; and, if you will study market conditions and produce crops that are marketable and market them at the most opportune times.

This, I realize, is a heavy schedule, but I am sure you are following most of the suggestions at present. I am convinced that, for your own preservation, it is essential for you to adopt others offered. North Carolina holds an important position in agriculture in the United States. The task is devolving upon you to improve the position of your State. By so doing, you will have the satisfaction of knowing that you are attaining success, with all of the personal advantages which accompany it. Moreover, you will know that you are contributing in large measure toward building a better and a greater commonwealth in North Carolina.

RELIGIOUS LIBERTY

ADDRESS DELIVERED AT BLADENBORO, N. C.

OCTOBER 3, 1928

I am thoroughly convinced, from what I have been reading in the newspapers and other periodicals carrying news of the present campaign, and from what others have told me, that a part of the real opposition to Governor Alfred E. Smith in the various states of the Union, including North Carolina, is based upon the fact that he is a Roman Catholic. This situation calls for candid and fearless treatment, and I, as a liberty-loving citizen and as governor of a great American commonwealth, where members of all creeds live, serve and worship, am willing to face the issue and help to dispel the honest doubt that has arisen among some of our good people. I do not attribute this sentiment against Governor Smith to religious intolerance, in the generally accepted use of these terms, but I do attribute it to a lack of knowledge and misunderstanding of the real attitude of Roman Catholics toward our government and its free institutions.

Furthermore, I am thoroughly convinced that the Republicans of North Carolina, certainly some of them, are secretly fostering the whispering campaign now in progress in the hope of profiting thereby and capturing, if possible, the electoral vote of this State for the candidate the leaders of the Republican party selected for them to vote for. For the Republican party to be working as quietly as it is in the present campaign in North Carolina is the exception rather than the rule. They know and we know that they cannot win this State under normal conditions. They do not hope to win it through any merit of their own party, but they are counting on Democratic dissatisfaction to aid them. Their leaders are openly boasting that they do not count on securing North Carolina's vote for Hoover through ordinary campaign methods, based on a purely partisan fight, but that they are willing to let the Democrats "do the work" and thereby help to defeat Governor Smith.

Is this not enough to challenge every loyal Democrat in the state of North Carolina to bend every energy toward seeing that this plan is not carried out?

It is not my purpose to defend the doctrines of the Roman Catholic Church. But, as a loyal American, and as a Protestant whose ancestors on both sides fought to establish religious freedom, I boldly declare that I stand ready to defend the right of any man or woman to worship God as he or she sees fit, whether Protestant or Catholic; and, furthermore, that as long as I live I shall never be a party to telling any otherwise worthy and capable aspirant to public office he is unfit simply because he subscribes to this religious creed or that. I have come to feel very deeply about this matter, as I have given it sober and thorough consideration, and I am willing to give voice to my conclusions in no uncertain terms. I speak not in a spirit of defiance toward those who honestly disagree with me, but I am thoroughly sincere in the stand I am taking and I shall not retreat from my present position.

By direct statements and by innuendo some Republicans are opposing Governor Smith because he is a Catholic, and in this, whether they know it or not, they are voicing a sentiment which is in direct contradiction to the attitude of Mr. Hoover himself, who, when a letter attacking Smith because of his religion was brought to his attention, is quoted as having said: "Whether this letter is authentic or a forgery, it does violence to every instinct that I possess. I resent and repudiate it." They might at least give heed to what their own candidate says. Presumably, it is to serve his cause that they are fostering this whispering campaign. Hence, they are harming him as much—I should say more—as they are seeking to harm the Democratic nominee. Shall we say they are disloyal to their own party in their effort to stir up strife among Democrats? You may answer this question for yourselves.

I believe that I am in a position to reach a fair and unbiased conclusion as to the so-called "danger" of electing a Roman Catholic to the Presidency. I have studied the history of the governments of the old world whose citizens held to the Roman Catholic faith, including the history of the Protestant Reformation, and I know that the religious question has played a con-

spicuous part. I am familiar with the religious persecutions of the first fifteen centuries following the founding of the Christian religion; I know of the sacrifices that have been made by Catholics and Protestants alike that religious liberty might not perish from the earth. Not only am I familiar with the privations of those who, in the middle ages, broke away from the Roman Catholic Church; but, mind you, I am also familiar with the persecutions that were heaped upon the heads of those who broke away from the Established Church in England, and that was not so far back, either, as we may learn from reading the early history of our own State.

My paternal forefathers, in the highlands of Scotland, fought for religious liberty in the early days of the Christian era. My maternal ancestors, later, fought for this same principle in the North of Ireland and underwent persecutions that their souls might be free. One reason they came to America was because they wished to see and assist in the erection of a government from under the control of the Established Church in England.

I know full well and all of you who are familiar with history know that the greatest persecutions since the world began have been suffered by those who called themselves Christians. These persecutions have not been confined to Protestant communicants; for we must remember that for many centuries there were no Protestant sects, and that the church was simply *the church*, neither Catholic nor Protestant. The word "Catholic," when first used, was not to denote Roman domination. It simply meant "universal." Those who are familiar with the struggles of the Christian Church in the early centuries will recall that in 732 the forces of Christendom and the Mohammedans met at Tours and fought for supremacy in Western Europe. Under the brilliant leadership of Charles Martel, the Christians lost only 1,007 men, while the Arabs, with a force far superior to that which marched under the banner of the Cross, suffered the loss of 375,000 men. This victory was regarded as the result of providential intervention; and it meant that the Crescent was to give way to the Cross among highly civilized people for all time to come. Gibbon, in his history, declares that this battle brought our British ancestors and their neighbors from under the civic and religious yoke of the Koran. So if it had not been for the

sacrifices of these early Catholics, if you please, England, instead of having been dominated by the influences of Christian religion during these past centuries, would have been a land of mosques instead of a land of Cathedrals dedicated to the worship of the one true God, through his Son, Jesus Christ, whom Protestants and Catholics alike worship.

Providence must have intervened at Tours, indeed, for with their inferior numbers the Christians could never have won through the employment of ordinary military tactics. As it was, they won through a ruse. The Moslems were advancing with a view to exterminating the followers of the Cross, when the word was passed out by Christian spies that another force of Christians was advancing from the rear to capture the loot that had been left. This threw the Arabs into confusion and resulted in a Christian victory that ended one of the most decisive battles in the history of the world.

We must not forget that our government is the result of the fight for religious liberty, which is guaranteed to every citizen in the first amendment to our National Constitution. In its establishment Catholics and Protestants joined hands and fought side by side for the principles we now hold dear. Charles Carroll, one of the signers of the Declaration of Independence, from Maryland, was a Catholic and there was no thought on his part of helping to establish a new nation and then make it Catholic or "take it for the pope." He was moved by motives just as patriotic as those which moved the three who signed from North Carolina. Judge William Gaston of our own State asked this question: "Was Lafayette, Pulaski, or Kosciusko a foe to civil freedom?" Following this, he made this statement: "Let me give you, however, the testimony of George Washington. On his accession to the Presidency, he was addressed by American Catholics who, adverting to the restrictions on their worship then existing, expressed themselves thus: 'The prospect of national prosperity is peculiarly pleasing to us on another account, because, while our country preserves her freedom and independence, we shall have a well-founded title to claim from her justice the equal rights of citizenship as the price of our blood spilt under your eye and on our common exertions for her defense under your auspicious conduct.' "

Was there anything arrogant in this plea? I ask you. Did it not ring with genuine patriotism and a desire to participate in the fruits of victory, even as the petitioners had fought for the establishment of the new western republic?

Note Washington's answer:

As mankind become more liberal, they will be more apt to allow that all who conduct themselves as worthy members of the community are equally entitled to the protection of civil government. I hope ever to see America among the foremost nations in examples of justice and liberality; and I presume that your fellow citizens will not forget the patriotic part you took in the accomplishment of their Revolution and the establishment of their government, or the important assistance which they received from a nation in which the Roman Catholic religion is professed.

Shall we, citizens of the enlightened twentieth century, deny the wish so fervently expressed by the father of our country? Shall we, in spite of this, in spite of the part the Roman Catholics have taken in the establishment and preservation of this nation, and in spite of the loyalty they have shown to the South and to North Carolina, as I shall presently show, dare to say that we will not support a candidate for any public office, who is otherwise worthy and well qualified, because he is a member of the Roman Catholic or any other church? Shall we be less tolerant than our sister state of New York, which has four times elected Alfred E. Smith governor, which has had other Catholic governors and where the Republican nominee for governor in the coming election is a Jew? Was there ever a protest raised against the election of William Howard Taft to the presidency because he was a Unitarian and did not profess a belief in the divinity of Jesus Christ? Not even in the Protestant Christian South was he fought on religious grounds. And this same Unitarian, Republican, northern president, when a vacancy occurred, elevated to the chief justiceship of the United States Supreme Court a Roman Catholic, a Democrat and a Confederate veteran. I refer to Chief Justice White, that eminent jurist who wrote the famous Oklahoma opinion in which he fearlessly defended the southern principle that members of the Negro race should never be allowed to participate in political domination. Did you ever hear a protest raised against Chief Justice White because he was

a Roman Catholic? And have you ever heard of one opinion he wrote favoring Catholics above Protestants?

As I stated at the outset, my friends, I am deeply concerned over this question, not because I hold any brief for the Roman Catholic Church or any other communion as such, but because I am not willing that it should go out to the world that North Carolina is too intolerant to vote for any man on account of his religious creed, so long as that man is a believer in the one true God whom we all worship. Should the outside world become convinced that our citizens were fighting any aspirant for public office because of his religious affiliations, we could never acquit ourselves from the charge that we were bigoted and intolerant. I do not believe we are, and I believe that those who are against the Democratic nominee on religious grounds are misinformed rather than intolerant. This being the case, those of us who have studied this question should inform rather than censure them, with a view to showing them the error of their way. Abuse will accomplish nothing in a political campaign, and if any have resorted to this, either in connection with church affiliations or for any other cause, it is extremely deplorable and not to be sanctioned or condoned by the sober thinking element.

I repeat that Catholics have been among our most patriotic citizens in war and in peace. They have been honored with public office, time after time, not only in other states but in our own State. So far as I have been able to discover, they have been as public spirited and as faithful to the duties of office as Protestants. There is not an instance on record where one has ever injured this nation by favoring members of his own creed to the hurt of Protestants or to the disadvantage of his country and ours.

The fight, in this instance, centers around Governor Smith. I have visited New York frequently since he has been its chief executive and I have never heard the slightest intimation that he favored Catholics over Protestants. As a matter of fact, his appointments show that those to whom he has given public office have not even been in proportion to the Catholic population of that State. His private secretary is a Protestant and a Mason of high degree. In his cabinet there are ten Protestants, three Roman Catholics and one Jew. He declared himself in favor of

religious freedom before and after his nomination for the presidency, and of the total number of persons he has appointed to office as governor of New York, one hundred and five have been Protestants and only thirty-three Catholics. I submit that this is not even in keeping with the Catholic population of New York. If anybody in that State has grounds for complaint it is the Catholic and not the Protestant. In his campaign address at Oklahoma City, while discussing the question of his Catholicism, he boldly declared that he did not want a single Catholic to vote for him because he is a Catholic, and this was one of the occasions on which he reaffirmed his belief that religious affiliation should never be considered in connection with a political issue, public service, or the candidacy of any man for office. This is the identical view that has always been held by Protestant churches as such. I know of no Protestant denomination in this country which teaches union of church and state or which tells its members not to vote for a man on account of his creed. If individual Protestants are doing this, they are not observing the spirit of Protestantism.

Governor Smith is a Roman Catholic for the same reason that I am a Presbyterian, and for the same reason that many of you are Presbyterians, Methodists and Baptists, because it is the religion that was taught him by a God-fearing mother; and, further, because he has a right, under our constitution and laws, to profess that or any other religion he sees fit. Mark this well, my friends, when the people of the United States or any part of it deny the right of any man to hold public office, whether it be president or constable, because of his religious beliefs, they will unsheath a two-edged sword that will cut both ways. I do not mind saying that I believe any man who denies the existence of God is unfit to hold public office, and in this I am in accord with the constitution of North Carolina, but how that man worships God is not a matter for me to pass upon but, rather, a question to be settled by his own conscience.

One of the greatest Democrats this country has ever produced was William Jennings Bryan. He was a sincere Protestant and a fundamentalist in his religious beliefs. So great were his convictions along this line that he actually gave his life for them, for it is said of him that he was told if he went to Dayton, Tenn.,

and exerted himself to too great a degree in the anti-evolution fight that was being waged there in the courts, that he could not endure the physical strain. He went anyway and many think it cost him his life. One of the greatest arguments for religious tolerance that ever came from an American came from William Jennings Bryan. He did not take it upon himself to defend the doctrines of the Roman Catholic church any more than I am defending these doctrines at this time, but he did defend the right of Catholics to be such, just as I defend that right.

Here is a portion of what the Great Commoner said on this subject:

In this country it is not necessary to protect any church. I have such confidence in the Catholic Church, which was for 1,500 years my Mother Church, as well as yours, that I deny it needs political aid. It was the Catholic Church that took our religion from its founders and preserved it. It was the only custodian for over fifteen centuries. When it did this for Catholics it did it for me and every Protestant. The Catholic Church, with its legacy of martyrs and blood and with the testimony of its long line of missionaries who went to every land, does not need a great party to protect it.

One of the weapons used in this campaign has been a spurious oath, said to belong to the Fourth Degree of the Knights of Columbus, an organization of Catholic men. It has been proved by a committee of high Masons that this oath is false. Nevertheless, it is being circulated and copies of it may have come to your attention. When these Masons, who hold no brief for Catholicism, but who belong to an organization that is free from religious proscription, made their investigation they found the following to be the true oath of the Knights of Columbus:

I swear to support the Constitution of the United States. I pledge myself as a Catholic citizen and Knight of Columbus to enlighten myself fully upon my duties as a citizen and to conscientiously perform such duties entirely in the interest of my country and regardless of all personal consequence. I pledge myself to do all in my power to preserve the integrity and purity of the ballot, and to promote reverence and respect for law and order. I promise to practice my religion openly and consistently but without ostentation, and to so conduct myself in public affairs, and in the exercise of public virtue, as to reflect nothing

but credit upon our holy Church, to the end that she may flourish and our country prosper to the greater honor and glory of God.

Is there anything unpatriotic about this obligation? Can you see in it any evidence that the members of this organization desire to capture the control of this government or any part of it for the Roman Catholic Church? Or do you detect one word of criticism for the Protestant friends of these Knights of Columbus?

This leads me to make this declaration: I have been thrown with Catholics in matters of government at Washington. This was especially true during and following the World War. I have sat on boards of which Catholics were members, and I have always found them to be just as loyal, just as patriotic as Protestants. I saw no difference between these and the Protestants associated with them in patriotic devotion to their country.

We all know that one of the greatest Democratic presidents this country has ever had, Woodrow Wilson, had a Roman Catholic private secretary in the person of Joseph Tumulty, whom I know intimately. He was probably the most trusted official with whom the late president associated. Loyal and patriotic in the highest degree and in his official duties, he dealt with Protestants and Catholics alike, with never an evidence that he favored Catholics above Protestants.

Before narrowing my remarks down to a discussion of the situation in North Carolina as regards the attitude of Catholics toward government, I wish to call attention to the fact that when Jefferson Davis, the sole president of the Southern Confederacy, was arrested it was a Roman Catholic, Charles O'Connor, who arranged his bail and secured his release—a Tammany Catholic, if you please; and among our Confederate officers, some of the most conspicuous, including General Beauregard, were members of the Catholic church, while a Jew, Judah P. Benjamin, was the attorney general of the Confederacy.

Among the soldiers of the Confederacy was the Rev. Father Abram J. Ryan, who was also a poet and wrote "The Conquered Banner" and "The Sword of Lee." These poems breathe patriotism and devotion to the southern cause and will live as long as southern sentiment lives. Can anything be more beautiful than this, from "The Conquered Banner":

For, though conquered, they adore it!
Love the cold, dead hands that bore it!
Weep for those who fell before it!
Pardon those who trailed and tore it!
But, oh! wildly they deplore it
Now who furl and fold it.

Or this, from "The Sword of Lee":

Forth from its scabbard, pure and bright,
Flashed the sword of Lee!
Far in the front of the deadly fight,
High o'er the brave in the cause of right,
Its stainless sheen, like a beacon light,
Led us to victory.

Could these verses have come from a heart that was not moved by a deep devotion to our beloved Southland?

I have told you how members of the Roman Catholic church played a conspicuous part in the establishment of this government, how they were numbered among the great leaders of the South during Civil War days.

How do we know that the Unknown Soldier, who lies buried in the bosom of Virginia, within the shadow of the Nation's capital, was not a Catholic? We do know that, during the World War, Catholics fought side by side with Protestants in the struggle for the perpetuation of democracy on the face of the earth; and their chaplains ministered to the spiritual needs of Protestants and Catholics alike, and that members of the Knights of Columbus, shoulder to shoulder with members of the Y. M. C. A., the American Red Cross and kindred organizations, contributed to the comfort of both Protestants and Catholics.

I am confident that none of the religious prejudice which has crept into this campaign is felt by those who served in the American Army and Navy during the World War. I say this because these men had an opportunity to observe Catholic patriotism and are well aware of the fact that it is synonymous with Protestant patriotism. This bears out my previous statement that religious prejudice is due more largely to misunderstanding than to any other cause.

Much of the criticism of Governor Smith on account of his religion has come from Republicans, and yet, under the present

Republican administration a large proportion of all government employees at Washington are Catholics. Compare this with Governor Smith's appointments in the state of New York and you will see that a Protestant Republican administration has more Catholic employees than Catholic Governor Smith has in New York.

While the Protestant churches have, for the most part, discarded the Catholic form of worship to a large extent, yet all Christians including both Catholics and Protestants, use the same Bible, even though the translations may differ slightly. Members of all communions repeat the Lord's Prayer, stress the Sermon on the Mount, John 3:16, and other passages bearing on salvation, immortality and right living, while a majority of Christians, both Catholic and Protestant, repeat the Apostles' Creed.

Still another striking similarity exists. In churches of all denominations the hymns of Cardinal John Newman, Catholic hymn writer, and of Charles Wesley, Methodist hymn writer, are used. Worshipers do not stop to consider the creeds of the authors of these beautiful hymns of Christendom, but their souls are uplifted by the sublimity of thought they convey. What can be more beautiful than Newman's "Lead, Kindly Light" or Wesley's "Jesus, Lover of My Soul"? To the strains of each, Catholics and Protestants, alike, bury their dead and engage in public worship.

You are all familiar with the hymn, "Lead, Kindly Light," the first verse of which is:

Lead, Kindly Light, amid th' encircling gloom;
 Lead thou me on;
 The night is dark, and I am far from home;
 Lead thou me on.
 Keep thou my feet, I do not ask to see the distant scene;
 One step enough for me.

And Wesley's immortal "Jesus, Lover of My Soul," which opens in this wise:

Jesus, Lover of My Soul,
 Let me to thy bosom fly;
 While the nearer waters roll,
 While the tempest still is high

Hide me, O, my Saviour, hide,
Till the storm of life is past,
Safe into the haven guide;
O, receive my soul at last.

There is another very beautiful hymn which is sung in all our Protestant churches whose author was a Roman Catholic, the Rev. Father Faber, who wrote many of the stately hymns of the church. The one to which I refer in this instance reads, in part, like this:

There's a wideness in God's mercy
Like the wideness of the sea;
There's a kindness in His justice
Which is more than liberty.

You are all familiar with that hymn, most of you anyway, for I have no doubt but that you have helped to sing it at many a revival meeting when the invitation was given to men and women to become Christians.

Our own state song was written by a Roman Catholic, Judge William Gaston, about whom I shall have more to say in a few moments. "The Old North State," although penned a century ago, was officially adopted by the General Assembly of 1927 and is sung at public schools and public gatherings throughout North Carolina. You recall it, of course:

Carolina, Carolina, heaven's blessings attend her,
While we live we will cherish, protect and defend her!
Hurrah, hurrah, the Old North State forever!

Note that in the opening line this distinguished North Carolina Catholic invoked the blessings of heaven upon his native State and ours.

In bringing this subject of religious tolerance still closer home by discussing the patriotic part Catholics have played in the life of North Carolina, I know of no more illustrious character to begin with than Judge Gaston. It is interesting to note that he was descended from French Huguenots. This means that his forefathers fought for religious liberty, and we know from the attitude he took in public affairs in North Carolina that this principle burned in his breast. His father was killed by the

Tories in New Bern, his native town, in 1781. His mother was a Catholic and he was educated at Georgetown, a Catholic school in the District of Columbia, and Princeton, the leading *Presbyterian* institution of learning in America. He served as State Senator from Craven County in 1800, 1812, 1818 and 1819 and was representative of the borough of New Bern in 1807, 1808, 1809, 1827, 1828 and 1829. He was also presidential elector in 1808 and was a member of the United States House of Representatives from 1813 to 1817. He was a member of the constitutional convention of 1835, associate justice of the Supreme Court from 1833 to 1844, and was a trustee of the University of North Carolina from 1802 until 1844. He was influential in establishing the Supreme Court of North Carolina in 1818. As we review this worthy record, we readily see that it has been given to few men to serve their State in so many ways.

One of the most notable utterances that ever fell from the lips of this distinguished North Carolinian was his speech in favor of religious toleration in 1835, in which year the state constitution was so amended as to permit Roman Catholics to hold public office. Up to that time only members of the Protestant religion were eligible. However, at the convention that recommended this change, the words "Christian religion" were substituted for "Protestant religion." The constitution adopted in 1868 removed this restriction and made the acknowledgment of the existence of God the only religious test to be applied those seeking public trust.

I will quote for your benefit some striking extracts from Judge Gaston's address. Among other things, he said:

I am opposed, out and out, to *any* interference by the State with the opinions of its citizens, and more especially with their *opinions* of religious subjects.

Religion is exclusively an affair between man and his God. If there be any subject upon which the interference of human power is more forbidden than all others it is religion. Born of faith, nurtured by hope, invigorated by charity, looking for its reward in a world beyond the grave, it is of Heaven, heavenly. The evidence upon which it is founded, and the sanctions by which it is upheld, are addressed solely to the understanding and the purified affections. Even He, from whom cometh every pure and perfect gift, to whom religion is directed as its

author, its end, and its exceedingly great reward, imposes no coercion upon his child.

Does this denote any belief in the union of church and state? I submit it is as clear a pronouncement to the contrary as could be uttered from any Protestant pulpit in America.

Further, employing still stronger terms to clarify his position as a loyal and patriotic Catholic, he declared:

The Catholics of this State are very few, and those who have had no opportunity of knowing them personally, and have learned of their tenets only through the medium of their enemies, cannot be much blamed for crediting the most ridiculous falsehoods. It has been asked whether the allegiance of Catholics to the pope be spiritual only, and the learned gentleman from Halifax has unquestionably shown that they do not owe him (that is, the pope) civil allegiance. Sir, I object *in toto* to the term allegiance as characterizing the connection between the Catholic and the chief bishop of his church. *I owe no allegiance* to any man or set of men on earth, save only to the State of North Carolina, and, so far as she has parted with her sovereignty, to the United States of America. The charge that Catholics owe allegiance to the pope is wholly false.

But it has been objected that the Catholic religion is unfavorable to freedom—nay, even incompatible with republican institutions. Ingenious speculations on such matters are worth little and prove still less. Let me ask who obtained the great charter of English freedom but the Catholic prelates and barons at Runnymede? The oldest, purest democracy on earth is the little republic of San Marino, not a day's journey from Rome. It has existed now for fourteen hundred years, and is so jealous of arbitrary power that the executive authority is divided between two governors who are elected every three months. Was William Tell, the founder of Swiss liberty, a Royalist? Are the Catholics of the Swiss Cantons in love with tyranny? Are the Irish Catholics friends to passive obedience and non-resistance?

The name of William Gaston still lives in history, in our State song and in one of the most progressive counties in all North Carolina, where there are located more cotton mills than in any other governmental subdivision in America.

Another Catholic patriot, for whom a county in North Carolina was fittingly named, was Thomas Burke, delegate from Orange County to the Provincial Congress in 1775 and 1776. He was imbued with republican principles and was a leader during the War of the Revolution. Burke was elected paymaster of the

North Carolina militia on May 13, 1776; he was a delegate to the Continental Congress from 1777 to 1781, and was governor of North Carolina from 1781 to 1782. He held office, as did Gaston, under the constitution of 1776, which provided that no Catholics were eligible. So marked were their abilities that their State overlooked this limitation and accorded them honor.

In 1776, Burke drafted with his own hands a set of instructions to the delegates from Orange County in the Halifax congress, to be held in November, that year, for the purpose of forming the constitution for the state of North Carolina. The third instruction read as follows:

We require that in framing the religious constitution you insist upon a free and unrestrained exercise of religion to every individual agreeable to that mode which each man shall choose for himself and that no one shall be compelled to pay towards the support of any clergyman except such as shall choose to be instructed, by and that every one regularly called and appointed shall have power to solemnize marriage contract notorious: Provided, however, persons who are intrusted in the discharge of any office shall give assurances that they *do not acknowledge supremacy ecclesiastical or civil in any foreign power or spiritual infallibility or authority to grant the divine pardon to any who may violate moral duties or commit crimes injurious to the Community*, and we positively enjoin you that on no pretense you consent to any other religious constitution or that the establishing of this shall be waived, postponed or delayed.

This pronouncement speaks for itself. It rings clear and reflects a spirit of democracy that cannot be questioned. Coming as it did from a Catholic, misunderstood in his time even as those of his faith today are misunderstood by those who are uninformed, it is all the more striking.

Despite the fact that the propaganda against Governor Smith because of his Catholicism, if successful, would aid the Republican party, yet two of their most eminent jurists in North Carolina were members of the Catholic church. They were Judge W. S. O'B. Robinson of Goldsboro, and Judge Robert Martin Douglas of Rockingham County, a son of the distinguished Stephen A. Douglas. I have no word of criticism for these men, both of whom were able and patriotic.

Included among other Catholics who served their State in official capacities was Matthias Evans Manly, native of Chatham

County, who represented New Bern in the House of Commons in 1834 and 1835; was judge of the Superior Court from 1840 to 1860; associate justice of the Supreme Court of North Carolina from 1860 to 1865, embracing the period of the Civil War; member of the convention of 1865; state senator from Craven County in 1866 and speaker of the Senate. He was elected to the United States Senate in 1866, but North Carolina was denied representation.

Now, let us compare the "creed" of Governor Smith with the sentiments expressed by those distinguished North Carolina Catholics whose utterances I have quoted:

I believe in the worship of God according to the faith and practice of the Roman Catholic Church.

I recognize no power in the institutions of my church to interfere with the operations of the constitution of the United States or the enforcement of the law of the land.

I believe in an absolute freedom of conscience for all men and in equality of all churches, all sects, and all beliefs before the law as a matter of right and not as a matter of favor.

I believe in the absolute separation of church and state and in the strict enforcement of the provisions of the constitution that Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof.

I believe that no tribunal of any church has any power to make any decree of any force in the law of the land, other than to establish the status of its own communicants within its own church.

I believe in the support of the public school as one of the cornerstones of American liberty.

I believe in the right of every parent to choose whether his child shall be educated in the public school or in a religious school supported by those of his own faith.

I believe in the non-interference by this country in the internal affairs of other nations and that we should stand steadfastly against any such interference by whomsoever it may be urged.

And I believe in the common brotherhood of man under the common fatherhood of God.

In this spirit I join with fellow Americans of all creeds in a fervent prayer that never again in this land will any public servant be challenged because of his faith in which he has tried to walk humbly with his God.

And, now, in conclusion, permit me to reiterate that it has not been my purpose to defend the religion of Governor Alfred E. Smith, our candidate for president of the United States, but his

right to adhere to whatever religious beliefs he chooses and at the same time not be denied the right to aspire to the high office he seeks and that his party seeks for him. I have sought to offer a defense of the precious principles of religious liberty rather than defend any doctrine or any denomination. I am a Protestant by birth and by choice and I would fight, if necessary, to maintain my right to remain a Protestant; I would resent keenly any attempt to prescribe my religious beliefs or to bar me from public service because I am a Presbyterian. You Baptists, Methodists, Presbyterians and members of other communions who hear me on this occasion would do the same thing.

I do not fear Governor Smith's religion; I do not fear him because he holds to that religion. I am in favor of his election as president because I believe he is in every way qualified to fill the office and that if he is elected he will live up to his inaugural oath in the fear of God and for the good of the United States as he sees it.

Do not be deceived by Republican propaganda or by those who have not informed themselves on this question. As to the Republicans, they have every reason to fear Catholics, but not on religious grounds. For be it remembered that it was a Catholic, a dry Democrat, who unearthed the great oil scandals, and that the disclosures utterly destroyed one of the most prominent Catholics in America and, further, that when the case reached the Supreme Court of the United States, that court issued one of the most scathing denunciations of corruption in the history of the American judiciary and that opinion was concurred in by Associate Justice Butler, a Catholic.

OUR DUTY TO THE DEMOCRATIC PARTY

ADDRESS DELIVERED AT BAILEY, N. C.

OCTOBER 5, 1928

I believe that every North Carolina Democrat owes his party a sacred duty in this momentous hour; that he should seek to uphold and to defend the party and should lend neither aid nor comfort to those who are striving to defeat it. I deplore the fact

that some of the men and women who have helped to build up the great Democratic party in North Carolina are now inclined to break away from it and either withhold their vote from the national ticket or vote against the ticket, nominated at the Houston Convention by the delegates from the forty-eight states and five territories which represented there the great body of democracy in America.

I have not up to this time and I do not intend in the future to attempt to proscribe or read out of the party those who have theretofore affiliated with it, but who now, for what they conceive to be conscientious reasons, decline to vote for our presidential nominee, but I believe, from the bottom of my heart, that those who are either withholding their support from the national ticket or are openly urging Democrats to vote for the Republican presidential candidate, are making a very grave mistake. I fear they are considering only their personal objections to Governor Smith, which are insignificant when compared with the dangers that may result from the destruction of Democratic solidarity in this nation and particularly in our Southland. Political loyalty is not a matter of personal opinion. When the future welfare of our State and Nation is at stake, all of us as good Democrats should put aside personal differences and march under our own party flag. The Democratic party is bigger than any one man or group of men. It is bigger than any candidate or number of candidates and it is dangerous business to attempt to cripple or defeat the party because of dislike for any particular candidate.

Those who have heretofore voted the straight Democratic ticket, but who are inclined to aid in the election of a Republican president in this campaign are engaged in a dangerous experiment. Confessedly they do not expect to remain outside of the Democratic party or to permanently join the ranks of the Republicans, but when they come back to help weave the broken places in the party they will find the task most difficult. The responsibility for aiding in the defeat of the party of Jefferson, Cleveland and Wilson is a grave responsibility.

I do not believe this is the time for denunciation or abuse, but I do believe it is the time to appeal to the reason and party

loyalty of those who are included to break away from their old party allegiance.

We all know the South has been the bulwark of Democracy in this nation. It is in this section that its strongest citadels have remained impregnable. If we permit them to be taken by the enemy, even for a temporary period, or, worse still, if we voluntarily surrender them, what may we expect in the future? No section in the United States owes a greater degree of gratitude to the Democratic party than does the Southern states. The Republican party has never liked the South, has never understood or sympathized with our problems. It is attempting now to flatter us and win our support in this campaign, but it can never love us. I am not saying this to stir up sectional feeling. I will be glad when no sectional feeling remains, but I know that the espousal of the Republican party under circumstances such as exist today can never be the instrument through which sectional feeling can be eliminated.

In 1892 many Democrats did not approve the nomination of Grover Cleveland and some went to the extent of voting against him. This did not affect the success of the state and Democratic tickets in 1892, but we all remember what followed in 1894 and 1896, when Republican state and local tickets were elected in North Carolina. We all remember the distress and injury that ensued during the time the fusion regime was in charge of our state and local governments. Who knows but that this result will ensue in 1930-32 unless we compose our differences and labor for the great cause of a united democracy in this campaign?

The only safe course for us in this and every other political crisis is to follow the seasoned judgment and sentiment of the overwhelming majority of the white people of the South. I remember distinctly what my father said to me in 1892 when most of his neighbors and friends were refusing to vote for Grover Cleveland. He said that he intended to vote the straight Democratic ticket in that campaign, because he was sure that a large majority of the white people of the South had determined that that course was best, that he had always made it a rule to follow the will of the majority of his own people, even though it might require the surrender, for the time being of his own personal views. He said he pursued that policy in 1861. He was opposed

to secession, but when North Carolina and the South decided to secede he laid aside his own personal opinions, espoused the cause of the Confederacy, and volunteered for military service. In this he said he followed the example of the southern people and Robert E. Lee, himself.

When the distressing political conditions of 1894-96 overtook our State, it was a source of great consolation to him that he had had no part in bringing about the unfortunate conditions with which the State was then afflicted.

A number of speakers in this campaign have taken occasion to cite the precept and example of the beloved Zebulon B. Vance. North Carolinians can perform no higher duty than to follow the advice of Governor Vance given to his fellow citizens on September 17, 1892, when he said:

Common sense and self-preservation would seem to dictate that we should help the Democrats, who are almost in power, to get altogether in power and trust them to correct abuses as they have promised. . . .

Many of our people, it is true, have objected to Mr. Cleveland and preferred that he should not have been nominated. I confess that I was among that number. But an individual preference before the nomination of a candidate is one thing and the duty of a true man after that nomination has been fairly made is a very different thing indeed. In the one case, a preference may be engaged in properly without danger to the principles we profess or the party which has these principles in charge; in the other case, we endanger both and falsify our intentions by contributing undeniably to the success of our adversaries. If we refuse to abide by the voice of the majority of our fellow Democrats, freely and unmistakably expressed in friendly convention, there is an end of all associated party effort in the government of our country. If we personally participate in that consultation or convention and then refuse to abide by the decision of the tribunal of our own selection, then there is an end of all personal honor among men, and the confidence which is necessary to all combined effort is gone forever. The man who bets proposing to collect if he wins and to repudiate if he loses is in all countries and among all classes of people considered a dishonest man. . . .

It seems to me, my fellow citizens, that the path of duty was never more plain or the necessity of walking in it more imperative than it is at this moment. Let me beg your earnest consideration of the situation before you vote in November, and before you cut loose from the old constitutional Democratic party, which in times of our extreme peril has so often brought us forth out of the house of bondage, and abandon

its shining banners to follow reckless and incompetent men into the wilderness of their unreal schemes. Think well of the possible result of your action, how easy it is to destroy—how hard to rebuild. I recently cut down in my mountain home, in about five hours, a tree that had taken five hundred years to grow.

The Democratic party is strong and able and willing to help you; its arm is not shortened that it cannot save you; to cherish and uphold it is the dictate of patriotism and common sense.

But, my friends, there is one vital point I would impress upon your minds: North Carolina, through its chosen representatives who derived their power to speak from the people themselves, participated in the Houston Convention, which nominated Governor Smith. Prior to that convention, the fight was made from one end of the State to the other. There was some criticism of the fact that a primary was not held, but ample notice was given of the precinct meetings and there, within a stone's throw of the home of each participant, men and women gathered to express their preference. Delegates were elected to county conventions; these county conventions named delegates to the State Convention, and there the strength of contending candidates was divided and delegates were accordingly elected to the Houston Convention. While our vote to the Houston Convention was not pro-Smith, the ratio being about 19½ to 4½ against the New Yorker, that does not relieve us from the obligation of supporting the choice of the party as a whole. It makes it more incumbent upon us to do so, if we are to follow the dictates of political duty and party loyalty.

There can be no doubt but that an overwhelming number not only of the leaders of the Democratic party but of the rank and file of the party in the South are loyally supporting the entire Democratic ticket. In fact, the prominent Democrats of the South who are withholding their support from Governor Smith can be counted on the fingers of one hand. It has been said that 99.99 per cent of those who take an active part in politics in the South are supporting Smith and not more than 1/100 of 1 per cent of these are opposing him. Is it possible that 1/100 of 1 per cent of our active Democrats are *right* and all the others are *wrong*?

The Democratic party is a national organization. As a national organization it has a great record of achievement. It is the greatest exponent of the doctrine of human rights that has ever existed in America. It has consistently fought for that great principle: "Equal rights to all and special privilege to none," enunciated and made a living force in our government by Thomas Jefferson, the great founder of the Democratic party. It has given to America some of the greatest statesmen that the Anglo-Saxon race has produced. In its early days it gave us Thomas Jefferson and in recent years it gave us Woodrow Wilson. If it had done nothing more to contribute to the glory and to the statesmanship of America than to elevate these two great men it would deserve the everlasting gratitude of all of those who believe in its immortal principles.

In affiliating with any great organization, and particularly a political party, we must learn that the great principle of coöperation and concert of action cannot be made effective unless we submit to the rule of the majority. We must remember that the Democratic party is the great liberal party of America; that it represents many diverse elements in our citizenship and there is bound to be differences of opinion on some matters of governmental policy. This very fact makes it necessary that we should compose and accommodate our differences in convention assembled for the purpose.

The Democratic party in North Carolina after all is a part of the greater Democratic party in the nation.

A large portion of the Democrats in North Carolina were opposed to the nomination of Smith. Many of these felt that he was eminently fitted by ability, character and training for the high office of president, but they feared that his position on some public questions would be misrepresented and misunderstood. I found myself in that class. I did not favor his nomination, although I never doubted his worthiness or his ability, but when the National Convention of the great Democratic party spoke, I realized that it was the voice of an overwhelming majority of those with whom I have made common cause in my political affiliations, and after that I never doubted what my duty was. I immediately declared my unreserved loyalty to the nominees of my party for president and vice-president and my loyalty to

them, as the standard bearers of my party, has never wavered since that time, and never will until the votes are counted on November 6.

The Democratic party is the friend of the South. It was our bulwark and our protection in the fateful reconstruction period that followed the War Between the States. It understands the genius and the aspirations of our people. It understands and appreciates our stand for white supremacy. The Republican party, with its northern domination and leadership, has never understood and never will understand our problems. It is a mistaken idea to assume, as most of the people of the North do, that the South has been Democratic for purely sentimental rather than from deep political conviction.

The Republican party, our ancient political enemy, takes the position that we will be better off in North Carolina if the Republican party is in power, and it has nominated a state ticket and is asking the people of this State to give it control of its State's government. It is asking this in face of the fact that upon the two occasions in the last sixty years when it had control of our government it made a record of which the most partisan Republicans are ashamed. The Republicans are again asking to be put in power, although the record of the Democratic party in our State is such that no real fault can be found with it even by partisan Republicans.

Those of our former political associates who are remaining loyal to the State and local tickets have worked themselves up to the point where they feel, and many of them honestly feel, that they can attack the National ticket without injuring the cause of democracy as a whole. Many of them are no doubt sincere in assuming this position, but I solemnly warn them that they are playing with fire and that no man or set of men can guarantee that that course will not cause irreparable injury to the great political structure we call the Democratic party. For those who are willing to take the risk, I have no words of personal abuse or condemnation. If under the sober dictates of their own consciences they feel that they can afford to abandon the Democratic party, nationally, they have the right and privilege to do so. I am not willing to take the risk. I must be the keeper of my own conscience in this important matter. I have given the issues

involved deliberate consideration and I was irresistibly forced to the conclusion that it was my bounden duty to give my unreserved support to the party by voting for the Democratic nominee for every office from that of President of the United States to the constable of Lumberton Township.

I appeal to all of those who have heretofore affiliated with the Democratic party, and also, all of those who will vote for the first time in the coming election, to lay aside personal opinions upon the one or two matters upon which they differ with one of the nominees of our party and give their wholehearted support to the whole Democratic ticket. If they will follow this safe course, I believe that they will never have cause to regret it. If they follow the other course, it is entirely possible that they will have cause for the deepest regret in the days to come.

ENFORCEMENT OF PROHIBITION LAWS

ADDRESS DELIVERED AT NEWTON, N. C.

OCTOBER 18, 1928

This campaign has been notable in one respect. There have been more false representations made against those who are taking an active part in the campaign than was ever known in the history of political campaigns in North Carolina. All sorts of misrepresentations have been made against Governor Smith and other candidates for office. Those of us who are not candidates for office, but who have felt it our conscientious duty to support the entire Democratic ticket, have been subjected to many misrepresentations. Let me give one outstanding example in my own experience:

On last Wednesday night, October 10, I spoke at Gray's Creek in Cumberland County, stressing the prohibition question. Knowing that I had some political enemies who would be glad to misrepresent anything I said, I prepared what I intended to say on that subject with great care and reduced it to writing and sent it out to all the daily papers in the State. My speech was listened to by a number of prominent men in Cumberland County, including J. Bayard Clark, candidate for Congress, Sheriff

McGeachy, Col. Terry A. Lyon, chairman of the County Democratic Committee, Q. K. Nimocks, and many other prominent citizens. I have received dozens of letters from dry advocates congratulating me upon the fact that my speech was the strongest appeal on prohibition enforcement that has yet been made. Most of the newspaper editorials have reflected the same view.

In that speech, I favored retaining the Eighteenth Amendment without change. I also favor retaining all the present machinery of the Volstead act (but suggested the advisability of amending the enforcement machinery of the Volstead act by providing an additional or alternative method of concurrent enforcement), in states like North Carolina where the legislature would provide statewide prohibition enforcement departments to supervise and coordinate the efforts of the local police officials in the counties, cities and towns.

The whole effect and purpose of the plan I proposed is to improve enforcement under the Eighteenth Amendment and the Volstead act.

Notwithstanding this and the further fact that my speech was sent to all the newspapers in this State, both morning and afternoon, I have been misquoted and misrepresented in at least three newspapers and a number of people have been misled as to my position. For the purpose of giving these newspapers and some others an opportunity to correct the errors made, I restate my position.

I did not say that all prohibition enforcement had been a costly farce in North Carolina. I did say in substance that the present plan of federal enforcement had been ineffective in North Carolina.

I am unalterably opposed to any repeal or weakening of the Eighteenth Amendment of the Constitution. I believe the machinery of the Volstead act should be amended so as to *strengthen* it, but not to *weaken* it. The Eighteenth Amendment provides that there should be concurrent enforcement on the part of the federal government and the various states. The machinery for concurrent enforcement provided by the federal government has not been effective, certainly not since the Republican party gained control in 1921. From information that has come to me from time to time, and especially that which has

come to me in the last two years, I declare to you that the present conditions with respect to prohibition enforcement are nothing short of deplorable.

We now have what is called dual enforcement, that is in theory concurrent enforcement, by coöperative action on the part of the federal government and local officials. I do not believe the prohibition laws can be effectively enforced within this State by the so-called dual system of enforcement through federal and local officials, as is now being attempted. At the present time there is very little, if any, real coöperation between federal officials and local officials. The federal prohibition agents are not responsible to the same executive or directing authority as the local officials. The federal agents are directed from Washington, receive their appointments from Washington, and are not responsive to local public sentiment. Local officials are under local authority in the counties, cities and towns and are greatly handicapped because their jurisdiction is circumscribed by county lines in the case of county officials and by city and town lines in the case of city and town officials. This is especially true because of the use of automobiles by "bootleggers."

The federal district courts are handicapped in dealing with prohibition cases by the fact that jury trials are necessary in all cases and they can dispose of but few cases involving violation of the federal laws. In this connection, I have actual knowledge of the functioning of only one of the federal courts, and that is the Eastern District of North Carolina. In justice to Judge Meekins, who presides over that court, I should say that he is making an earnest effort to enforce the federal prohibition laws, but it is absolutely impossible for him to do so with the facilities at his command.

My contention that the present methods of federal enforcement are wholly inadequate is borne out by responsible Republican officials. Governor Pinchot of Pennsylvania, a consistent advocate of prohibition, has, in season and out of season, denounced the conditions existing with respect to prohibition enforcement. Following a speech by him to the Anti-Saloon League at a meeting in Chicago, in which Governor Pinchot denounced the Republican administration for its failure to enforce prohibition, the Anti-Saloon League debated and voted

on a resolution to be issued and published denouncing President Coolidge for his failure to enforce prohibition. The vote on the resolution failed only by one vote. In that speech, Governor Pinchot in his severe arraignment made, among others, the following statements:

The Eighteenth Amendment has been betrayed in the house of its friends. Measured by the respect accorded it; it has failed and the reason is that no sincere, intelligent and concerted nation-wide effort has been made to enforce it.

The trouble with the Coolidge administration is that it has talked in favor of the dries but acted in favor of the wets. Under the Coolidge administration there has been dry talk enough to keep the dries contented—most of them—but not dry action enough to keep the wets from getting all the drink they wanted.

Philadelphia was the head of the crooked alcohol business of the whole United States. The political masters of every large city in the state were dripping wet. So was the dominant state machine. The first man put in charge of law enforcement in Pennsylvania was a state senator, a violent wet and a man of known bad character besides. Within three months he turned loose 700,000 gallons of liquor on fraudulent permits.

General Lincoln A. Andrews, former assistant secretary of the treasury, in charge of prohibition enforcement, testified before the judiciary committee investigating prohibition enforcement that there were 600 licensed distilleries in the United States before the Volstead act went into effect and that there were actually 172,000 illicit stills seized in 1925. He estimated that they only seized about one out of ten. This of course included the stills used for home consumption.

He further said, "In the state of North Carolina the number of stills captured in 1922 was 14,500 as compared with 21,700 captured in 1925." If the number of stills captured between 1922 and 1925 in North Carolina, by the federal government rose from 14,500 to 21,700 can anybody estimate the number captured by the local officers of the counties, cities and towns?

District Attorney Buckner, another prominent Republican, charged with prohibition enforcement said that in his opinion at least sixty million gallons of industrial alcohol a year are diverted to beverage purposes, amounting to the astonishing value of three billion six hundred million dollars a year.

To those who are interested in checking up the question as to whether the present system of federal enforcement is satisfactory or not I commend the reading of the hearings before the judiciary committee of the United States Senate, Sixty-ninth Congress, first session, in two volumes, which can be obtained from the government printing office in Washington.

I am and have been all my life an advocate not only of prohibition, but of strict enforcement of the prohibition laws. Before I was grown, I took part in the fight to make my home county of Robeson dry. Robeson was perhaps the pioneer county of the State in its efforts to drive out the saloons. In 1890, when a kinsman of mine was chairman of the board of commissioners of Robeson County, the board refused every man who applied for license to conduct a saloon in the county, acting upon the legal advice of three relatives of mine who were practicing attorneys at that time, Judge Thomas A. McNeill, Col. N. A. McLean and Rev. Wm. Black. I have favored prohibition and have contributed my time and money to the furtherance of the cause from that day to this.

It is because of this and because I am more convinced now than I ever was in my life that prohibition is best for the country, that I favor strengthening the machinery for the enforcement of both federal and the state laws. Because I do not believe the present measures for concurrent enforcement of the state and federal laws are effective, I have said the Volstead act should be strengthened upon the following plan:

An additional or alternative method of concurrent enforcement should be provided by federal law to be put into effect in those states like North Carolina that will agree to set up state enforcement units and undertake the major duty of enforcement within state boundaries, upon the condition that the federal government will make a substantial contribution—at least to the amount which it now contributes to prohibition enforcement—to the State for the purpose of enforcing prohibition. In my judgment this will enable the state-wide prohibition enforcement agency to supervise and coördinate the work of the sheriffs and other local police officers in the counties, cities and towns, and thereby bring about effective enforcement. In addition to providing funds for the work by the State, the federal government should

continue its activities of preventing the bringing in of liquor from other states and foreign countries and thus control the supply at the source.

Personally I have not the slightest doubt but that this method will bring about more effective enforcement in North Carolina.

General Lincoln A. Andrews, former assistant secretary of the treasury in charge of prohibition enforcement and a strong Republican, advocated this plan before the Congressional committee investigating prohibition enforcement when he said:

I believe the states should take the full responsibility of the local police work. That, of course, means the retail distribution of liquor such as the speak-easies and that phase of the industry, leaving to the Federal authorities the general work of stopping the supply at the source, that is, importation, manufacture, and transportation of liquors in commercial quantities.

The plan I advocate, I must be frank to say, did not originate with me. It has been suggested a number of times in the last few years by prominent dry advocates who have been in favor of effective enforcement. William G. McAdoo, the outstanding dry, favored the plan a year ago (see Congressional Record, Vol. 69, part 3, page 2471, Seventieth Congress, first session). Woodrow Wilson, some time after he left the White House, suggested a similar plan as the best method of concurrent enforcement. His position in effect was that the federal government should undertake the bringing in of bootleg liquor from points beyond the state borders and effectively supervising the release of liquor from federal warehouses. In other words, enforcing interstate traffic in liquor, thus controlling the supply at the source. He then favored the enforcement of all prohibition laws within the boundaries of the state by the state and local authorities. He contended, and I fully agree with the contention, that we can never enforce these local police regulations within the states and localities by agents directed from Washington.

The argument may be advanced that some of the states have not passed conformity laws. It is quite true that a few have not. In such cases the federal government should remain in charge of local prohibition enforcement just as it is at the present time, but in states like North Carolina where public sentiment would

justify it, the states themselves would provide effective enforcement. The plan in no way involves any weakening of the Volstead act, but it would strengthen the act by providing an additional and more effective method of concurrent enforcement by the state and local authorities. Under this method we would have real concurrent enforcement instead of the unsatisfactory conditions which exist at the present time.

The plan for strengthening the machinery of the Volstead act so as to provide an additional plan of concurrent enforcement on the part of the states willing to undertake it, the expense of which would be partly borne by the federal government, is entirely in line with the position which has been followed in North Carolina. Our State has amended the enforcement machinery of the prohibition laws a number of times since the original act was adopted, each time strengthening the machinery for enforcement and providing severer penalties.

In this connection, let me say that our state prohibition laws, in so far as they relate to the enforcement of prohibition, are far more stringent and effective than any federal statutes. My contention, that the State can better enforce prohibition locally, is borne out by the fact that the court records show that, notwithstanding the handicap under which local police officials are laboring, due to their circumscribed power and lack of adequate compensation for salary and expenses, that over 98 per cent of the prosecutions for violations of prohibition in North Carolina have been in local courts. In Cleveland County in one year there were 603 prosecutions by state and local officers in local courts, as compared with ten in federal courts. In Surry County there were 500 in state and local courts and nine in federal courts.

The question has been propounded by one who professes to be an ardent prohibitionist and who attacked my plan as to why I had not recommended the plan to the General Assembly. I am glad to answer the question. I discussed this plan with many members during the last session of the General Assembly and I was told that public sentiment would not approve the plan at the present time, for the reason that the impression prevailed in North Carolina that the prohibition laws, particularly the federal laws, are entirely adequate and fully effective, and there was, therefore, no public sentiment for new methods.

A peculiar psychology has been created in this State and it is particularly noticeable in this campaign. It is to the effect that prohibition enforcement depends principally upon the federal enforcement agents and that the Volstead act is not only perfect but sacred, and that, therefore, no additional legislation is needed. In some circles there is almost a hysteria about the sacredness of the Volstead act and those who favor strengthening it and bringing about better methods of concurrent enforcement entirely in accord with the spirit of the Eighteenth Amendment are denounced as being *opposed to prohibition*. This state of mind exists in a number of quarters in regard to the enforcement of prohibition laws by the federal government. Notwithstanding the fact that those who have investigated the matter agree that federal enforcement under the Republican administration has been wholly ineffective and the conditions are gradually growing worse, many Democrats who are majoring on prohibition are taking the position that conditions with respect to federal enforcement under the present Republican regime are ideal and require no change.

As a lifelong advocate of real prohibition, I deplore the fact that there is a tendency in this campaign to attempt to create the impression that there is no need for improvement in the methods of prohibition enforcement; that all we need is for the Eighteenth Amendment and Volstead act to remain just as they are and that the character of federal enforcement we have had since the administration of Woodrow Wilson ended March 4, 1921, is entirely satisfactory. I hope that out of it all there will come public demand for real prohibition enforcement in North Carolina, by improving our plans for concurrent action on the part of the state government.

GREAT EVENTS IN NORTH CAROLINA

ADDRESS OF WELCOME DELIVERED AT KITTY
HAWK, N. C.

DECEMBER 17, 1928

Few events in history have been fraught with greater possibilities than the incident which transpired here a quarter of a

century ago. Because of the significance of that incident and its national and international recognition in the exercises of this hour, I have the high honor of welcoming to the shores of North Carolina the distinguished group of men and women assembled here today. It is a distinct pleasure to welcome to the scene of his early endeavors one of the famous brothers whose exploits made this occasion possible.

As I stand here, I cannot but recall another important event in the history of America, which happened only a few miles across yonder bay, upon sacred Roanoke Island.

The first attempt by men of the English-speaking race to colonize the New World was made on the coast of North Carolina under the direction of Sir Walter Raleigh, who, in three expeditions, sent out from 1584 to 1587, laid the foundation for England's vast colonial empire in America. The first expedition set out in 1584, for the purpose of exploring the country and selecting a site for a permanent settlement, and reached the North Carolina coast on July 4, 1584. The second expedition occurred in 1585-1586, when an attempt was made to establish the first colony. It landed on Roanoke Island on August 17, 1785, but was not successful because of trouble with the Indians and losses by famine and storm.

The third expedition, under Governor John White, landed a few miles from here on Roanoke Island in 1587, and was responsible for two romantic incidents in our history.

One, the baptism of Manteo, on August 13, 1587, represented the first recorded instance of a Christian sacrament practiced by English Protestants within the present area of the United States; the other was the birth of Virginia Dare, daughter of Ananias and Eleanor Dare and granddaughter of Governor White, on August 18, 1587; the first child born of English parents in America.

This child, immortalized by the circumstances of her birth, left Roanoke Island with Governor White when she was only nine days old, and with her departure, disappeared forever all later record of her life. Governor White returned to England for supplies, leaving a portion of his settlers on Roanoke Island. Upon his return, which was delayed because of war between England and Spain, until 1590, he found no trace of his colonists, other than the silent and enigmatical word, "CROATOAN,"

carved upon a tree; and the fate of "THE LOST COLONY" has remained a mystery to this day.

A little more than three hundred years later Orville and Wilbur Wright made their initial flight and thus another historic event, the birth of transportation by airplane, occurred on the shores of North Carolina. It is of remarkable significance, therefore, that one of the latest and most far-reaching achievements of Anglo-Saxon civilization occurred within a few miles of the earliest establishment of that civilization in the New World.

The people of North Carolina, for whom I speak today, are by no means unmindful or unappreciative of the honor which has come to them by reason of the events occurring here twenty-five years ago, when Orville and Wilbur Wright sought seclusion on this remote island, and began the experiments which resulted in giving to mankind a new agency of transportation.

We are happy in the thought that one of these distinguished brothers, Mr. Orville Wright, is present today to witness these exercises, commemorating the courage, the skill and the ingenuity of his brother and himself. Their achievement has added two names to the long list of great American pioneers. They ignored the doubtings and discouragements of an unbelieving world and demonstrated for the first time that man, like the birds of the air, could construct wings and soar for miles over and above the earth.

I appreciate, as I am sure the people of North Carolina generally appreciate, Mr. Wright, that you and your brother blazed the way for the great accomplishments of Colonel Lindbergh, Mr. Chamberlain, Miss Earheart and others whose exploits have added immortal lustre and renown to the fame of America. They appreciate the decision you made to carry on your experiments here, a decision that has placed upon the tongue of every airplane enthusiast, of every civilized nation of the earth, the names of Kill Devil Hill and Kitty Hawk.

We thank you and welcome you, and at the same time we indulge the hope that you will be spared to return twenty-five years from this date to see us celebrate the fiftieth anniversary of your marvelous work. I verily believe that by that time transportation by air will have advanced to such a degree that it will have become the safest and most comfortable method of rapid transit.

In extending greetings to the senators and representatives in Congress present, I desire to give expression to the appreciation of the people of North Carolina for the reflected honor that has come to them from the action of Congress in establishing here a permanent memorial. We shall guard it with diligent care. While it represents the outward manifestation of what has been done, we must not forget that the spirit which motivated it will endure long after the monument, the cornerstone of which you are laying today, will have crumbled into dust. Senator Bingham and members of the National Aeronautics Association, we extend our hearty welcome to you and our thanks for the marker you are about to unveil on our soil.

I want to mention here to the people of the State that I have a very distinct pleasure from a personal standpoint of welcoming Senator Bingham to North Carolina. I cannot forget that a few months ago he was very kind in helping to straighten out a transaction between the state of North Carolina and the state of Connecticut, and I shall never forget the fine spirit of comity and good-will which he manifested toward the people of my State on that occasion.

I venture to express the hope that all of you will find it possible and desirable, on succeeding anniversaries, to make pilgrimages to this historic place and take stock of new achievements in air transportation.

We are highly honored that Lord Thompson, former head of the British Air Forces, and the visitors from many foreign nations, who are in America to attend the International Civil Aeronautics Conference, have joined us here.

I feel an unaffected sense of personal pleasure in greeting my warm and highly esteemed friend and associate of former days, the distinguished secretary of war, who, with his able assistant and other members of his department, has honored us by coming here.

In conclusion, I extend to all our visitors a cordial invitation and, at the same time, express the ardent wish that you will find it convenient, before returning to your homes, to visit the far-flung mainland of our State and observe the efforts our people are making to build a great commonwealth.

STATEMENTS AND INTERVIEWS



CHARITABLE AND CORRECTIONAL INSTITUTIONS TO MAKE CHARGE

JULY 6, 1925

In view of the discussion in some quarters regarding the act of the last General Assembly providing that inmates of charitable and correctional institutions of the State, who are able to pay for their care and support, should be required to do so, it is interesting to find that the constitution only authorizes the legislature to provide for facilities for the *indigent* or those who are unable to pay for their support and maintenance. The authority of the legislature to establish institutions of this kind is found in article XI, sections 10 and 11, of the constitution, which provides:

The General Assembly may provide that the indigent deaf-mute, blind and insane of the State shall be cared for at the charge of the State.

It shall be steadily kept in mind by the Legislature and Board of Public Charities that all penal and charitable institutions shall be made as nearly self-supporting as is consistent with the purpose of their creation.

It would seem from the sections of the constitution quoted that the people in adopting the constitution declared it to be the policy of the State that only the indigent defectives of the State be cared for at the expense of the taxpayers. As further evidence of this fact it will be found that the charters of the original institutions for the care of the insane, that is the asylums at Raleigh and Morganton made specific provision that preference was to be given to the indigent and those who were able to pay should be made to do so. These institutions have charged for the support and care of persons who were able to pay from that time to the present day. It is only the institutions that have been created in later years that have not carried out this policy.

SALARY AND WAGE COMMISSION

JULY, 1925

Unfortunately, there seems to be either a very great misunderstanding of the purpose of the Salary and Wage Commission, or a systematic effort on the part of a few to discredit the work of the commission. Members of the last General Assembly know very well why I recommended the creation of the Salary and Wage Commission, and the public, I think, understood it at the time.

Reports made to the General Assembly, at its request, showed great inequalities in the salaries paid in the various departments to persons doing the same class of work. For instance, ordinary stenographers in some of the departments were receiving two hundred dollars a month, and in others stenographers were receiving one hundred to one hundred and fifty dollars a month for the same class of work. There was very little, if any, attention paid to the question of ability or meritorious service. Some salaries were entirely too high. It was freely charged in some of the departments that employees doing clerical and other work had no regular hours of service, and that there were no regulations governing either the hours of service, rate of pay, time allowed for sick leave, or time allowed for vacation leave. It was also charged that some of the departments had more help than was needed. It was also charged that the conditions existing were causing confusion and dissatisfaction in some of the departments. The unsatisfactory conditions were generally discussed by members of the General Assembly, and some of the conditions were much exaggerated.

In order to remove any just causes of complaint, and at the same time do justice to the taxpayers as well as to all persons employed by the State, I decided that an administrative commission should be appointed and given power to make a thorough investigation of the conditions, classify persons in the same employment, as far as possible, and remove the inequalities complained of. I asked the General Assembly to appoint a salary and wage commission, and I have appointed as members of that commission five of as fair-minded business men as can be

found in North Carolina. They have had wide experience. Most of them have served as employees themselves, and in recent years had experience in employing every class of clerical, technical and professional help. They have entered upon the discharge of their duties in a whole-hearted and patriotic effort to perform a distinct public service.

Obviously, there are many technical, professional and scientific workers in certain institutions in the State whose salaries cannot be fixed as a class. Many of them are in a class by themselves.

Personal classifications, such as is to be attempted by the Salary and Wage Commission, is not new in government administration. In the federal government and in practically every progressive state in the Union, where real effort has been made to apply sound methods of government, it has been found necessary to take definite steps to have the salaries and wages of government employees brought into more direct relationship with the duties and responsibilities involved in the various positions and the qualifications necessary to their proper performance. Unless this is done, many cases will be found, as many were found in our state government, where some employees received far more than others equally capable and where the work was substantially identical. It often happens that the harder working, more efficient employee will be the one receiving the smaller pay because of lack of political or other personal influence.

The effort on the part of some designing persons to discredit in advance the work of the commission by trying to create the impression that the purpose of the commission is to arbitrarily reduce all salaries or to fix a flat salary for each class of work without regard to the elements of experience, ability and hours of service is wholly unjustified.

The purpose of the General Assembly, and I have no doubt that the able commission will carry out that purpose, was to establish a system of personnel classification, by fixing for each class of employees a fair range of salaries so that the amount paid to any employee between a minimum and maximum will depend upon his or her experience and general efficiency. It is expected that there will be established uniform hours of service for all of the departments and that salary rates will, as a rule, be based upon standard hours of service and other conditions of

employment, such as regulations concerning vacation leave and sick leave, just as has already been done by the United States government and the governments of every other progressive state in the Union, except North Carolina. This will be fair to the taxpayers, and no fair-minded office-holder or employee should object to it. In fact, the faithful and efficient employee should welcome such a plan as the only hope of reward for faithful and meritorious service performed.

When I asked for the appointment of this commission, I had no knowledge as to the salary and wage situation, except that given me by members of the legislature and the newspapers, and the charge made then was not that all salaries were too high, but that salaries of some of the employees in some of the departments were from twenty-five to fifty per cent higher than salaries of other employees in other departments doing the same class of work. I am reliably informed that the appointment of the commission has already had the effect of correcting many of the cases in which public criticism was directed against unfairly high salaries in some departments.

Now that these inequalities have, to some extent, been eliminated, it is entirely possible that an important result of the commission's work will be to perfect a classification system that will prevent the recurrence of unfair discrimination and favoritism in the future, and particularly of developing a system of personnel administration which will be effective in carrying out the plan for a new budget system and the inauguration of other business reforms in our state government. I desire to emphasize the fact that there is no disposition on my part, or on the part of the Salary and Wage Commission, to treat any employee of the State unfairly. The main purpose is to give North Carolina a classification and a salary equalization system such as the United States government and most of the progressive city and state governments have had since the year 1910.

I believe that the people of North Carolina will give the able and fair-minded gentlemen who constitute the Salary and Wage Commission their united support and thus render futile the attempt of a few who are actuated by ulterior motives, to prevent North Carolina from aligning herself with other progressive

states which are putting fair, just and businesslike methods into the administration of government.

RESIGNATION OF T. C. BOWIE

SEPTEMBER 5, 1925

About six o'clock yesterday (Sunday) evening I received a telegram from Judge T. C. Bowie at West Jefferson, tendering his resignation as special Superior Court judge, effective immediately. In a few minutes I received the following telegram from Mr. Samuel J. Ervin, Jr., county attorney of Burke County, Morganton.

I am informed that Judge Bowie has resigned. We have two weeks of court scheduled and no judge to hold the same. Unless this court can be completed a great loss and inconvenience will ensue to the county and parties interested. Please assign a judge immediately to complete term and wire me collect when judge will arrive.

I tried to get in touch with Judge Bowie over the long distance telephone, but was unable to get connection through to West Jefferson. I finally requested Judge Hoyle Sink to communicate with Judge Bowie and expressed my regret at his resignation and also my desire that he reconsider. I have just had a telephone message from Judge Sink saying that Judge Bowie stated that he could not see his way clear to reconsider his resignation and expressing the desire that it be accepted.

I regret very much that Judge Bowie has felt it necessary to resign. It gave me very great pleasure to appoint him special Superior Court judge and I have been much gratified at the very satisfactory way in which he has discharged his duties.

AIR TRANSPORTATION AND CONTAMINATED SHELL FISH

SEPTEMBER 5, 1925

In anticipation of the development of air transportation which will certainly continue to expand, and which is now assuming

important proportions in the United States, I advocate the setting aside of areas in different sections of the State to establish landing fields for air planes. These areas should logically be adjacent to the large cities and towns and also at the intersections of important highways, as the deposit of express, freight and rail at landing fields will increase travel on the highways. In making provision for these landing fields there would be for the near future need for considerably more acreage than will be required later, as improved construction will probably mean reduction in the size of air craft. This land, however, could be utilized by the communities for parks and recreation grounds, and in this way be of lasting service to communities making such contributions.

The post office department has demonstrated the entire feasibility of transporting mail across our great continent with air stations in all the large cities and this example has been followed by the establishment of airlines, both actual and in prospect, to connect important cities of the United States for passenger and mail transportation. With the ever-increasing popularity of the South as a tourist country and its rapid industrial growth such service would be of inestimable value to business men who wish to keep in close touch with affairs in the great business centers of the country.

While Europe is now ahead of this country in air service, Europe has specialized in passenger air transportation, most of her lines falling into the tourist class. Many of them receive a large part of their patronage from Americans in search of new experience. The United States, however, is leading the world in air mail service.

America has none of the hindrances which confront Europe in the matter of limitation of land areas, the difficulties attendant upon passing passengers or merchandise across the frontiers, or the changing of international railroad systems. These conditions with the additional fact that Europe had hundreds of airplanes left there at the close of the war, the utilization of which will mean the saving of vast sums of money in developing her air service, have forced European countries to take to the air in the effort to facilitate long distance traveling. But it is not to be forgotten that America is the home of the airplane. It was American airmen who made the first flight around the world and

I believe America will eventually lead in the highest development of air mail, passenger, express and freight service.

National and state public health agencies are taking active steps to avoid, during the coming season for shellfish, complaints of contamination of sources of supply which for a while last season created something of a sensation and worked some harm to the industry in other states.

While there was no complaint as to North Carolina sea products, I feel that the effort to renew and build up the State's oyster and shellfish industry should not be left open to any possibility of unwarranted attack. I have, therefore, taken steps to assure a survey of all North Carolina waters with the view of ascertaining the scientific facts as to the conditions under which the State's shellfish are grown, with the idea of ascertaining the conditions from the health standpoint and of taking steps to prevent in the future the arising of unsanitary conditions.

As a result a preliminary trip of inspection of North Carolina waters is soon to be undertaken by the State Health Department, represented by its engineer, H. E. Miller; the North Carolina Department of Conservation and Development, represented by Jasper I. Stuckey, acting director; the North Carolina Fisheries Commission, represented by Capt. J. A. Nelson, and the United States Public Health Service, represented by Dr. Clifford Waller, who will be accompanied by an expert assistant who will take samples of the waters visited for bacteriological examination.

It is hoped that later there may be made a more extensive survey of all North Carolina waters and a more or less comprehensive report upon their qualities for the growing of shellfish. I wish to emphasize that the beginning of this investigation is rather to assure against a danger that might occur in the future by reason of contamination of waters than to correct a present peril. There have been no such complaints of contaminated shellfish from North Carolina sources as to make such a fear negligible so far; but trouble in other states has made it seem wise to do everything possible in North Carolina in the way of prevention.

THE STATE PRISON PRODUCING REVENUE FOR MAINTENANCE

SEPTEMBER 28, 1925

Following the custom inaugurated by the Budget Bureau of giving the people of the State from time to time information as to the various state institutions I am giving out the following information regarding the State's prison:

When the certified public accountants selected by the state auditor to audit the affairs of the State's prison for the fiscal year ended June 30, 1925, began their work I requested them to supplement their regular report with a statement of operations of the prison for the last six months of the fiscal year, showing separately the expenditures for permanent improvements, ordinary maintenance as well as advances for making the 1925 crops, so that the public could better understand the report and so the Budget Bureau should have information as to the result of the increased employment of convicts which took place within the three months just prior to June 30. I understand the report just filed gives these facts.

I have been giving the affairs of the prison my personal attention and believe the management of the prison is handling its affairs upon a sound and businesslike basis. At the present time the farming operations of the prison give every promise of good results this year.

Recently I had my office make inquiry of the governors of the various states of the Union as to the results of operation of the state prisons in these states. Answers received show that in only six states are the state prisons said to be self-supporting.

In practically all of these six states special conditions prevail which do not exist in North Carolina. In Minnesota and Wisconsin for instance the prisons have practically a monopoly in the manufacture of binder twine and other activities where skilled labor can be used to advantage. These northwestern states have not the large surplus of unskilled prison labor that we have in North Carolina. In West Virginia practically all of the prisoners are employed in the coal mines and in manufacturing enterprises. In Louisiana the prisoners are engaged in producing

cane and manufacturing sugar and its by-products from the cane raised on the prison farm. They are also engaged in making clothing, shoes and bricks. These states are able to find employment for all able-bodied convicts.

At my request the management of the State's prison is furnishing me monthly with a statement of the number of prisoners employed and the number unemployed. The following is the report made to me as of September 1:

The population of the prison on September 1, 1925, was:

White males.....	565
Negro males.....	747
White females.....	14
Negro females.....	40
Total population.....	1,366

These 1,366 prisoners which have been divided into revenue and non-revenue producers, were on September 1, 1925, distributed as follows:

<i>Place</i>	<i>No. of Prisoners</i>	<i>Producing Revenue</i>	<i>Maintenance of Camp</i>
Marshall.....	103	93	10
Franklin.....	71	65	6
Asheville.....	67	61	6
Bat Cave.....	50	45	5
Hiddenite.....	46	41	5
Durham.....	41	36	5
Simms.....	60	54	6
Totals.....	438	395	43

Revenue producing prisoners engaged in farming Camp Polk Farm and Caledonia Farm with total of 5,500 acres under cultivation:

<i>Place</i>	<i>No. of Prisoners</i>	<i>Producing Revenue</i>	<i>Maintenance of Camp</i>
Camp Polk.....	120	109	11
Caledonia.....	400	365	35
Totals.....	520	474	46

Non-revenue producing prisoners were distributed as follows:

Central Prison.....	241
Camp Polk (overflow).....	23
Caledonia (overflow).....	109
Marshall (overflow).....	35
Total non-revenue producing prisoners.....	408

From the information above it will be noted that of a total population of 1,366 prisoners 869 are actually engaged in producing revenue for the prison, while 497 are not earning income.

The board of directors have given wide publicity through the press in an effort to secure employment for the non-revenue producing prisoners and several hundred personal letters have been written from time to time but without success.

NORTH CAROLINA PAPER

OCTOBER 2, 1925

I have been very much gratified to receive from Mr. Reuben B. Robertson, president of the Champion Fibre Company at Canton, sample sheets of Old North State Bond paper which is now being produced in large quantities by the Champion Fibre Company. The samples of paper show quite distinctly the following water mark, "Made in North Carolina." It is just such advertising as this that North Carolina needs at the present time. A large number of the most popular products that now enter into general trade in this country are made in North Carolina without any evidence that they are manufactured in this State. I hope to see the North Carolina producers of raw material and manufactured products paying more attention to the advertising of "made in North Carolina" products.

I have written a letter to Mr. Robertson congratulating him upon his enterprising and patriotic act in advertising the special grade of paper made in North Carolina.

DEATH OF JUDGE OLIVER HICKS ALLEN

DECEMBER 16, 1925

Along with the distress that comes from the loss of a life-long friend, comes the impression that those lawyers and jurists of the old school are rapidly disappearing.

I knew Judge Allen as a lawyer and as a judge for many years. I regarded him as one of my very close friends. There are but

a few men in North Carolina who have covered this State more thoroughly and that have made a greater impression on the people. I am sure that the news of his death will bring sadness to the hearts of the thousands of his friends in every section of the State.

MERRY CHRISTMAS

DECEMBER 25, 1925

Christianity is the religion of the people of North Carolina. Whatever form our celebration of the birth of the Christ may take, its underlying inspiration is the spiritual quality of our faith.

Christmas as a sign and symbol of brotherhood and human kinship touches the hearts and is compelling of sincere adoption by those of every faith and belief.

The immortal conception of the fatherhood of God and the brotherhood of man was the great charter of human freedom and human happiness.

That we keep in mind this revelation of strength, of kindness and unselfishness is the best wish I can pass to North Carolinians—the “Merry Christmas” that perpetuates and dedicates this day as a holy day to be observed by all.

REVIEW OF THE YEAR

DECEMBER 31, 1925

That the year 1925 was in North Carolina a period of material advancement and industrial and commercial activity is a fact within the personal experience and observation of every citizen of the State, wherever his residence.

Life among our people has never been more active and hopeful. Enterprise that a few years ago was exceptional has become a rule of conduct. There is not a city or town that does not feel in its community consciousness the impulse to grow and the determination to improve its facilities. As a consequence we have been experiencing an unprecedented era of productivity.

The average man has been making more money, spending more, and investing more. What an old habit of thought is apt to denounce as a new habit of extravagance and luxury in reality means no more than a higher standard of living which in itself entails and demands a higher standard of effort and efficiency.

But in material terms we have produced in agricultural wealth the past year a cotton crop of more than a million bales, which will produce at a minimum price at least \$100,000,000.

We grew 361,000,000 pounds of tobacco, which will bring \$83,000,000.

The total value of our crops in 1925 was \$318,661,000, making North Carolina the ninth state in the Union in this respect.

In our forests the cut of timber, in lumber and firewood, had an estimated value of \$90,000,000, and furniture factories and other wood-using industries produced manufactured articles of an estimated value of \$75,000,000.

From mines and mineral products we derived during the year 1925 a value of more than \$10,000,000.

Employing these natural resources of the farms, the forests and the earth, our great textile and tobacco industries, our furniture factories, knitting, woolen and silk mills and diversified industries contributed to the wealth of the State and to the employment of its people the immense value of \$750,000,000.

As the economical servant of this expanding industrial kingdom there is invested in the power industry approximately \$100,000,000 which has developed 600,000 primary horse-power for hydro-electric energy. With auxiliary steam plants this water-power delivers to industry yearly more than a billion and a half kilowatt-hours of electric power.

The magnitude of the State's industry can perhaps be most tersely indicated by the \$166,962,675 which we paid in federal taxes for the past year ending June 30, 1925, a sum exceeded by the collections of only four of the greatest of all our states in industry and finance, New York, Pennsylvania, Illinois and Michigan.

To finance and support these industries and the legitimate activities of the quickened business, agricultural and commercial activities in the State, reports of the condition of state and national banks on September 28, 1925, showed that they possessed

resources of \$306,986,915 and \$199,105,000, respectively, or a total of more than half a billion dollars.

The relation of the state government to this material progress and success is both primarily and secondarily economic in character.

It is a knowledge common not only to North Carolina but celebrated widely in the country at large that the basis of the new spirit in the State which has produced what is almost literally a business and industrial revolution is the highway system, which now totals 4,448.04 miles of completed roads, on which there has been expended in four years a total of \$82,200,953 from state and other sources. Of this immense sum the State has expended a total of \$69,812,258 which was responsible for 3,627 of the total mileage of improved highways. During the year 1925 this program was pushed energetically with the construction of 1,544.87 miles of road at a cost of \$26,276,851 and \$1,550,205 for bridges, making the grand total for the year \$27,827,056. At present there are under construction by contract 816.54 miles of new road, involving expenditure of \$14,659,532, and this amount will be increased during the year 1926 by from ten to twelve millions of dollars loaned by various counties to the Highway Commission.

In the added ease of communication, the interchange of products, the inter-relation of business and, more, perhaps, than in all else the welding together of ideas embracing the State as a whole, the good roads program has been the major direct influence working in our people to a real awakening to their potential powers and resources.

Underlying all of this material progress and accumulation and potential energy for development, however, has been the growing care of the State, of itself and in its influence on counties, cities and towns, to aid and promote education both in the public schools and in the State institutions of higher and special knowledge and to provide for and improve our charitable institutions. Increased school attendance, overflowing high schools and the demands upon the State's institutions for higher education have called for large expenditures in the way of permanent improvements. A sense of social obligation grown keener with the increase in wealth making it more and more possible to meet it

has caused a similar expansion in charitable institutions. These demands the State has been meeting in a manner as liberal as its finances permitted. In 1924 there was a capital expenditure for new buildings, sites and repairs to schoolhouses of \$10,668,418. For this program there was lent from State funds \$5,000,000 in 1921, a like amount in 1923, and a like amount, soon to become available, was provided for in 1925.

During 1925, for the fiscal year ending June 30, the State had expended for permanent improvements on its educational and charitable plants the sum of \$3,821,649, and these expenditures will continue from year to year in the completion of a definite program which aims to give every such institution the plant, equipment and facilities to enable it to meet the increasing demands which prosperity, ambition, good feeling and care for the unfortunate will normally make upon them.

During the past year two economic factors of a disquieting nature affected seriously our normal and industrial life and industrial and commercial progress.

One of these was the fact that, in spite of the great money values of our agricultural crops realized in the face of a disastrous drought, the returns received by the farmer were little more, and in some cases no more, than the cost of production. This is the more serious because the number of our farms has been steadily increasing for the past five years. While in the United States the number of farms decreased in that time by 75,000, in North Carolina it increased 13,000. The majority of our people are still concerned with agriculture and the concern that they come to tilling the soil in a manner that will put farming on an equal basis with any other business is one that vitally affects us all. The Department of Agriculture and other agencies are attacking this problem from the point of view of better marketing conditions and practice, but how to deal with it effectively and efficiently is the big task in which all classes of our people should have the greatest interest.

Another untoward condition—the depression in the textile industry—happily shows signs of passing during the coming year. It served to illustrate, however, a fine spirit on the part of the mills themselves, many of which took measures to attack the trouble at its source and to change and adapt their products to the finer grades of goods for which there is always a market at

good prices. The resulting manufacture of cotton-silk fabrics and the artificial silks may well prove in time that the collapse in certain lines of cotton goods was the traditional "blessing in disguise."

For 1926, the outlook in North Carolina is for a distinct emphasis on progress in every line. The potential capital available for great economic projects is reflected in the number of automobiles, which not only add the sauce of pleasure and contentment to life but vastly increase the economy of labor. It is reflected more tangibly in the steady increase everywhere in construction of homes and business buildings, in plants and factories, in schools and churches. Figures are not available as to the cost of this construction during the past year, but it undoubtedly ran into the scores of millions of dollars. Construction figures for the coming year will certainly exceed those that marked the year just ended, both on account of continued prosperity and the means available to the citizen to acquire his own home and because of the already remarkable development in both Eastern and Western North Carolina of new resorts and recreational enterprises. Figures are not available, but it is certain that good roads, high altitudes and the priceless climate that blesses both the mountain and the seashore areas are certain to make the care and entertainment of the seasonal visitor and tourist one of the State's major enterprises.

In all of these things I would emphasize the new solidarity of the people of the State of all sections. The means to this has been good roads, and the bridges that go with them. The bridging of the Chowan near Edenton, a \$1,000,000 project, will literally bring back to intimate touch with their State the north-eastern tier of counties that once were so isolated that there was serious suggestion that they be ceded to Virginia. The bridge to be thrown across Newport River and Bogue Sound from Morehead City to Beaufort not only gives direct access to the Fort, but carries route 10 forty miles up the coast to Atlantic, thus introducing to intimate relation with the State another section long segregated from the life of the State. Likewise the projected bridge over the Cape Fear at Wilmington will complete a new direct route from mountains to sea and bring southeastern North Carolina into a new intimate touch with the State's greatest seaport.

In the multitude of things that call for future wisdom in dealing with them, there may be mentioned:

Development of water-power. In spite of the great progress made in this respect the day is in sight when all available power in Piedmont North Carolina will not be sufficient to meet the industrial and domestic demand. It is in power distinctly an electric age. Already, interconnecting lines make it possible to interchange power from the Great Lakes to the far South. Engineers of broad vision are thinking in terms of giant power, whereby electric energy would be created at the coal mines and sent through the country. The time is coming when fuel in the homes will be as rare as the open fire-place in a city flat. With the intense development of the more obvious power streams of the Piedmont the State must look to the undeveloped 1,000,000 horsepowers of western streams, plans for the harnessing of which are already being made by the Tennessee River survey. Here is the future of another vital industrial section to rival the Piedmont and to make over the potentialities of half the State. In the mineral wealth of the West, in the stone industry in two-thirds of the State, especially in the development of our fine clays and kaolins, our feldspar and our mica, there are brilliant opportunities.

No review of 1925 or suggestion as to 1926 would be complete without notice of the expansion of many of our smaller colleges through their own effort and the aid of benefactors. There is enough of everything, except education, to go around, but heroic efforts still leave the demand for this fundamental of character and success unsatisfied. Especially should no review omit mention of the completion of the new Meredith College on spacious grounds near Raleigh, or of the plans for the great Duke University, the largest building program and the most far-reaching conception of university education ever made concrete in the history of the world.

Through its new Department of Conservation and Development the state of North Carolina will continue to lend its aid toward the conservation and protection of our forests from fire, in surveying and encouraging development of mineral resources, in assisting in the adequate development of water-powers and, as means become available, to bring all state agencies into a helpful relation to industry and commerce. The growth of these material factors, so far from hindering or hampering our popular

interest in social concerns, has as nothing else made it possible for the state government to approach these vital intangibles of desire and ambition. If we can convert our average business citizen to bring his business sense to help forward the unselfish spirit of accomplishment, our most hopeful programs of betterment will be speeded to accomplishment.

ASSAULT ON THE BUNCOMBE COUNTY JAIL*

FEBRUARY 10, 1926

Several months ago these men and many others deliberately stormed the Buncombe County jail in an effort to do violence to a prisoner; not finding the prisoner they sought, they proceeded to harrass other prisoners and to do injury to the prison and prison property.

The families of these prisoners have my deepest sympathy. The commissioner of pardons, feeling that the families might exhaust their meagre resources in an effort to obtain freedom for the prisoners, went to Asheville and, at the expense of the State, heard their petitions in person. It is an unpleasant duty to decline these applications with the full knowledge of the distress that must result even though the prisoners themselves be responsible. I am sure the good citizens of Asheville, the churches, the civic organizations and others interested in human welfare will see that these unfortunates are provided for. This is a splendid opportunity for the proper exercise of human sympathy, and I am sure the splendid citizenship of Asheville will not fail in the performance of that duty. Those left at home to suffer call far more loudly for the sympathy and assistance of the law-abiding citizens than do those who have deliberately taken the law into their hands. But for the splendid effort on the part of the sheriff and other officers of Buncombe County, these men would have been guilty of an even greater offense. I cannot commend the action of these officers too highly.

*Statement issued on refusing to parole fifteen men who were sentenced by Judge A. M. Stack for storming the Buncombe County jail in an effort to obtain Alvin Mansel, who was charged with assaulting a white woman. These men and their terms were as follows: To State's prison—Jeter Bell, 15 years; Sam Stroupe, 10 years; Herman Banks and Luther Townsend, not less than 4 nor more than 8 years each. To the roads—Diamond Ward and Eugene Wilson, 3 years each; Bud Wilson, 30 months; John Evans, Fred Fore, Oss Hudgins, Alf Sams, Elmer Luther and Nat Whittemore, 1 year each; Carl Swink, 9 months; and Frank Gaskerson, 6 months. See page 749 of this volume for Governor McLean's statement when he commuted the sentence of Mansel to life imprisonment.

When the state of North Carolina takes a prisoner into custody it then becomes responsible for his safety and that responsibility remains until his case is disposed of in accordance with law. A prisoner in custody of the law is entitled to the same protection as is the judge on the bench, or the solicitor who represents the State in the prosecution. In this instance the state of North Carolina went to great expense in order that the prisoner in question might be given a fair and impartial trial. The national guard of the State was called into service at the expense of the taxpayers. The prisoners sought to destroy the very processes of government upon which they now rely. The governor is the instrument of the law just as the jail is the instrument of the law. They were given a fair and impartial trial and convicted by jurors chosen from their fellow-men. The sentences imposed, it seems to me, were eminently fair and just and might easily have been more severe.

More than six thousand persons have appealed to me in behalf of these men, among these, I am advised by the commissioner, are a large number of police officers, justices of the peace, and other officials charged with the enforcement of law. Very probably these persons are moved and animated entirely by sympathy for the wives, mothers and children of the prisoners. Those who are asking for clemency for these men should remember that the crime they committed was one of the most serious known to our law—serious because the sovereignty of all the people of the State was trampled under foot and insulted by the mob when it attempted to take the law into its own hands. In a democracy like ours, the laws and the courts set up for the enforcement of the laws represent the true sovereignty of the people, because the people can only express their sovereignty through the laws that are enacted by their representatives for the protection of society.

No question of mere sentiment should enter into a case of this kind. Sentiment should all be upon the side of the people whose sovereignty was insulted.

I have been much gratified at the outstanding evidence which we have seen in North Carolina in the last few months that our people are determined to suppress mob violence at any cost. It is one of the most refreshing things I have seen. No man can

calculate the damage that may be done to the good name and fame of North Carolina by even one lynching, and the only way to suppress lynching is to let those who engage in it understand that they will be punished and punished severely, just as has been done in the Asheville and Martin County cases.

GOOD ROADS* AND PUBLIC EDUCATION ON THE BASIS OF ECONOMIC PROGRESS IN NORTH CAROLINA

FEBRUARY 14, 1926

North Carolina has justly been advertised throughout the country as one of the states whose recent progress in wealth, industry, education, and social advancement has been relatively so great as not only to prove attractive to investors from abroad but to present a subject of study for other commonwealths.

There has been so evidently in evidence a new spirit of energy and initiative, there has been such a willingness manifested to build and plan for the future, there has been such a virile confidence in popular ability to achieve prosperity and support new demands of a greatly elevated and expanded scheme of living, that the search for the causes of the change has had a particular fascination.

Abroad, the first and most potent explanation of this new era has been the activity in road building. As the tides of motor travel have increased, the fame of North Carolina highways has spread throughout the land. Business men, commercial travelers, tourists have for several years had our State under inspection under the most favorable circumstances. They have witnessed a well-planned system of inter-communication between the people of a State that from the sea shore on the east to the mountains of extreme Western North Carolina covers over six hundred miles. They have seen everywhere thriving small cities, modernly equipped towns, a population which carries with it an unmistakable assurance of success and independence. They have seen along these highways mile after mile of concentrated industries

*Statement made to *The Atlanta Constitution*, Atlanta, Ga.

whose power comes from electricity generated by North Carolina streams. They have seen great resort areas on the coast, in the Piedmont and in the mountains, to which these roads are tributary. Seeing what has been done, the visitor to North Carolina is apt to say, "See what good roads can do!"

Good roads are in fact an achievement of which the State is proud. Our highway system now includes 4,448 miles of completed road, on which there has been expended in four years a total of \$82,200,953. During the year 1925 there was new road construction of 1,544 miles at a cost, with bridges, of \$27,827,056. There is at present under construction an additional mileage of 816, to cost \$14,659,532, and this will be greatly increased during the year 1926 by the expenditure of from ten to twelve million dollars loaned by various counties to the Highway Commission.

Whatever the influence of good roads in ease of communication, interchange of products, inter-relation of business and a welding together of ideas in terms of the State as a whole, it follows, of course, that such a program could not have been conceived or realized without a previous accumulation of wealth and power incident to the employment of natural resources and the activities of business, industry and commerce.

Back of the highway system so essential to the unity of an active State, therefore, we must look to the advancement in material prosperity on which it rests. A few figures will show what that progress has been in the last quarter of a century of preparation:

In 1900 the true value of property in the State was \$682,000,000; by 1924 it had increased to \$4,500,000,000.

In 1900 the value of manufactures was \$85,000,000; in 1925 they exceeded \$750,000,000.

In 1900 bank resources were \$15,362,182; in 1925 they were in excess of \$500,000,000.

In 1900 the value of farm crops was \$89,000,000; in 1925 it was \$318,661,000.

These are high points of the values created by thrift, energy and business and industrial imagination, and it is these values which have made possible the great asset of good roads as a means to stimulated prosperity. To them should be added as a

vital contributing factor the investment of more than \$100,000,000 in developing for the use of industry 600,000 of primary horsepower for hydro-electric energy, which, with steam auxiliary, deliver annually more than a billion and a half kilowatt hours of electric power.

These figures illustrate a marvelous and inspiring record of achievement, beginning about 1900 and never halted except momentarily, and then only to be renewed more vigorously. It is even more inspiring to follow this era to its beginnings and find it bottomed on a crusade of a few men whose idealism took small account of the practical results which have flowed from it.

This crusade was one for popular education. Its active evangelists were Charles Brantley Aycock, governor of North Carolina 1900-1905; Edwin A. Alderman, now president of the University of Virginia, and Charles D. McIver, founder and president of the State's first venture in the education of women. Elected governor in 1900, Aycock declared as his central policy the equality of educational opportunity for all children of the State, regardless of color, age, or sex. It was revolutionary politics calling for the maximum of zeal and courage. Yet in twenty-five years, the figures of school expenditures, the increase in school attendance, the multiplication of schoolhouses have been so many indices pointing to greater wealth, larger production, more factories, better homes.

In 1900, when Aycock was elected governor, total public school expenditures were \$1,062,303. They have increased under the policy he fostered to over \$30,000,000 in 1925. If the whole period is considered it means that the State has steadily increased its expenditures for schools by approximately a million and a half a year. The facts are that the bulk of this money spent on education has been expended since 1919, amounting to the great total for these six years of approximately \$53,000,000.

In addition to this expenditure on public schools, the state of North Carolina has spent millions in permanent improvements on the University, State College of Agriculture and Engineering, the North Carolina College for Women, Teachers' Training College, the College for Agriculture and Vocational Training for Negroes, etc. Its expenditures for these institutions of higher and special education were last year \$2,015,500.

In 1900 the total school enrollment in the State was 400,462; in 1925 it was 809,834.

In 1900 there were thirty high schools, enrolling 2,000 students. In 1924, 738 high schools had an enrollment of 63,875 and 6,900 graduates.

The more closely one looks at the figures which mark this State's progress in the material values which make possible the social advances incident to a higher standard of living and a more diffused prosperity, the more strikingly is borne in upon the mind the synchronism between the tides of education and wealth, of popular enlightenment and of practically universal employment for returns sufficient to provide a hopeful livelihood.

This has been no matter of chance. During the calendar year 1925, we paid to the federal government taxes on income and industry which totaled over one hundred and eighty million dollars, taxes greater than any other state with four exceptions.

There is no estimating the amount in values to support these taxes with which our roads should be credited.

Still less possible to estimate, but even more necessary to consider, is the degree to which these material values were made possible by a generation of emphasis on educational equipment for our children of school age.

APPOINTMENT OF FRANK C. KUGLER

MARCH 24, 1926

Every one of the men whose names were presented to me is a man of outstanding ability and successful business experience. I was constrained, however, to select Mr. Kugler* out of the group of fine men under consideration for the following reasons: The first district is perhaps the most difficult of all the highway districts to handle because of its large area, including as it does twenty counties and the unusual geographical conditions which exist and this makes it necessary for the commissioner to devote more time to the work than in any of the other districts. The position is without compensation except an allowance not more

*Mr. Kugler succeeded Mr. W. A. Hart of Tarboro, N. C.

than sufficient to pay actual expenses. It is extremely important therefore that the man who undertakes the work will be so situated that he can give the greater part and, if necessary, all of his time to it. To do this will entail considerable pecuniary sacrifice.

Of all the men mentioned, I believe Mr. Kugler can best meet these requirements, because he has retired from active private business. It further appeared that Mr. Kugler is the first choice of a number of counties in the district and the second choice of several other counties. His endorsements, in fact, covered nearly every section of the district. He has had long experience in highway construction and is thoroughly acquainted with the peculiar conditions which exist in most of the coastal counties comprising the district.

OPERATIONS OF THE STATE'S PRISON

MARCH 31, 1926

I have been very much gratified at the result of the operations of the State's prison for the calendar year 1925, as disclosed by the very full and complete audit just finished by Scott, Charnley & Co., certified public accountants of Charlotte. The audit was made upon the same basis as audits are usually made of cotton mills and other industrial enterprises and is very easily understood by anyone having the simplest knowledge of business accounting. The State's prison is, from the standpoint of its operations statement, essentially an industrial enterprise comparable to other industrial enterprises engaged in selling labor and the production of commodities where labor is the most important factor.

The net profits from the operations of the State's prison as a whole for the calendar year were \$42,543.31.

Under the laws of North Carolina, the State's prison is required to pay to prisoners upon their discharge a certain amount of money based upon the time they have served. The amount paid on this account during the calendar year 1925 was \$24,444.88, representing the amount which accumulated from the time the convicts entered the prison until they were discharged and was paid to all convicts discharged during the year 1925. This

amount accumulated over a term of years. None of it strictly speaking is an operating expense. However, if this sum, representing as it does a statutory charge is deducted the net profits for the prison as a whole for the calendar year 1925 amounted to \$18,093.43.

The unit showing the greatest net profits for the year was Caledonia Farm where the net profits amounted to \$51,850.99. In taking the inventory of cotton produced on the Caledonia Farm on December 31, shown in the inventory, the amount was stated as 2,047 bales. This included an estimate of cotton then not gathered. The remainder of the cotton produced on that farm has been gathered since December 31, and it turns out that the Caledonia Farm produced 2,078 instead of 2,047 bales on 2,165 acres.

The inventories included in the audit as a part of the year's income were very conservative and consisted principally of 2,578 bales of cotton, 760 tons of cotton seed and other farm produce valued at a little less than the then market price. The able-bodied convicts for whom work was secured during the year in highway and other camps produced a profit. As might be expected, the greatest load the State's prison had to carry was unemployed convicts. While this unemployment was due in some cases to physical disability of the convicts, it was more largely due to the inability to obtain work for them.

In arriving at the amount of operating profits, expenditures for additions and betterments were carried to the capital account in the same manner as such expenditures are treated by any other business enterprise in the State. For instance, if a building or other permanent improvements were paid for, the expenditures on this account were charged to plant or investment account.

The State's prison has always been the most difficult of all the state institutions to operate and it has been growing more difficult in recent years, because of the large increase in the number of convicts and since better care and treatment of convicts in the prison has become a fixed policy of the State.

NORTH CAROLINA PROVIDING FOR HER
COLORED CHARGES

APRIL 18, 1926

Evidence of the sympathetic interest of the white people of North Carolina, and especially those who represent the people in official positions, is nowhere better shown than in the existence and condition of this institution*, and particularly in this new building.

Practically every bit of race prejudice that ever existed in North Carolina has disappeared and the white and colored races are living at peace with each other in North Carolina. The increasing interest in and consideration for the members of the colored race is shown in the care given their insane at this institution, their wayward children at the Morrison Training School and their boys and girls at the half a dozen schools provided and maintained by the State for them.

And what is more important, I have seen complete evidence of the appreciation of the leaders of the colored race for what the white people of North Carolina are doing for the members of their race. It is well known that the revenues for buildings and maintenance of these institutions come from income, inheritance and privilege taxes, almost all of which are collected from members of the white race. I think it is very commendable in the white people to pay these taxes and raise no objection, even heartily approve, of the amounts devoted to improvement, treatment and care of the Negroes of the State. I was gratified to hear of the statements of Julian S. Rosenwald, noted benefactor of the Negro race, that North Carolina is doing more for its Negro population than any other state in the Union.

I think it entirely appropriate and proper that this new building should be named for that splendid business man and big-hearted citizen who has done so much for his community, his State and especially for the Negroes of North Carolina—Captain Nathan O'Berry.

*The State Hospital for the Colored Insane, Goldsboro, N. C.

SURVEY OF WOMEN IN INDUSTRY

APRIL 21, 1926

After careful consideration of the situation from every angle, I have requested the Child Welfare Commission to make the survey of women in industry which has been agitated for some time by the State Federation of Women's Clubs and other women's organizations. The Child Welfare Commission has signified its willingness to undertake the work.

The survey will cover typical counties and will include all occupations in which women are generally engaged.

After a very thorough investigation I believe our own state agency can make this survey in a thorough and satisfactory manner. There is nothing which requires a great amount of technical skill involved in the undertaking. I am sure the Child Welfare Commission can, with the aid of the State Board of Health and such other assistance as it may see fit to call for, do the work just as thoroughly as any federal agency.

As I stated when this matter was first presented to me, I do not believe it is either necessary or for the best interests of the State to call upon a federal agency to perform a service that our own State can perform just as effectively, particularly when it involves our own industrial and social relationships.

I expect to call upon the manufacturers and other businesses in the State which employ women to coöperate with the Child Welfare Commission in making the survey, and I believe they will give their hearty coöperation.

ROBERT E. LEE HIGHWAY

MAY 3, 1926

Nothing, of course, could be more symbolic of Dixie Highway than the name Robert E. Lee.

The very word, "Dixie," represents for all time the poetry, chivalry, devotion and valor of the old South as it found expression in the struggle in which Lee was a matchless leader. It was as impossible to breathe the word without thought of the cause

it represents and the great captain who commanded it as to think of the former grandeur of Rome without the thought of Caesar. But right and proper as it is that this great road should formally commemorate the name of Lee, it must not be forgotten that it and the other achievements which have redeemed the stricken South are as truly gifts of his spirit as the victories against odds that have given him high place among the world's immortals.

If the South of today has the right to indulge a pride in effort well rewarded; if North Carolina, which in the Lost Cause poured out lives and treasure to the limit of endurance, can point to progress and ever more clearly view new heights of material and social betterment, it is due to the nobility of character which led Lee to lend himself as an example of faith, courage and patriotism while the ashes of war were yet warm.

More than we realize, we live and work by the conceptions of character handed down to us by history. We foster and create ideals and so in time approximate them for ourselves. Than the character of Robert E. Lee, no people ever had a steadier star for guidance. Here in a shrine of the church he loved, its own history poignantly reminiscent of the Confederacy, it is peculiarly fitting to dedicate this memorial on a highway that realizes the hope he nourished for his people.

I would here call attention to one particular in which Lee and his tradition are exceptional. Modern historical research is an exact science, which has abandoned aureoles and is zealous in perpetuation of the warts and clay feet of the heroes whose deeds it is its business to record. Gone is the once kindly habit that sought to let time diffuse a mellowing glow upon the faults of its subjects. No myth of probity, of purity, of character can today survive the scalpel of investigation, and recently there has been an almost reckless destruction of fond illusion and an almost needless cruelty in the revival of scandal concerning the honored great.

But you will notice that in these revelations there has been no whisper concerning Robert E. Lee.

No, you may rest assured, not because his life has not been searched, but because, more nearly than any world figure of whom we know, he was in fact and very truth the embodiment of the ideal in which a people's love envisions him!

WHAT ELECTRICITY HAS DONE FOR
NORTH CAROLINA*

MAY 8, 1926

In the industrial development in North Carolina—a state only recently described as one which has cleared “with one bound the morass of fifty years of poverty and depression to reach the level plane of a new century of promise and achievement”—electrical energy has had a major part. A little more than two decades ago there was not in the entire State a single electric light plant in the modern sense. Today there is a conservatively estimated total hydro-electric power installation of 600,000 horse-power on North Carolina streams. The output of electrical energy totals 1,500,000,000 kilowatt hours a year. At present electric power and light utilities have installed in this State 433,711 horse-power and in addition deliver the output of 411,300 horse-power installed in other states carrying this 845,000 horse-power over 2,000 miles of high-tension transmission lines.

What the release of this store of clean, economical and reliable power has meant to North Carolina is reflected in what North Carolina industry has achieved. More than five hundred textile mills give employment to 90,000 persons and manufacture products with a yearly value of \$400,000,000. Great factories, the largest in the world, make North Carolina the premier state in the manufacture of tobacco, the products of which have a value upward of \$300,000,000 annually. Several of our towns, notably the city of High Point, are centers of a furniture industry important in the nation, the value of whose products is in excess of \$50,000,000 annually.

In 1923, according to official figures of the United States Department of Commerce, the total value of our manufactured products was \$951,911,000. Today that figure exceeds \$1,000,000,000. Electric power has freed our industry for expansion. Incomparably has it helped to raise the standard of desire out of which the standard of living is born.

In dealing with this great new industry, which has so wisely and with so little friction recognized the necessity for governmental

*Written for and printed in the *Electrical World*, May 8, 1926.

regulation, the state of North Carolina has been and will continue to be helpful and liberal in policy. We do not coddle corporations, but, what is more important, we do not bait them. If the State is to continue its wonderful industrial expansion, if it is to make the best use, through allied industry and manufacture, of its rich mineral resources, if it is eventually to bring about economic practice on the farm, we all know that to these ends nothing will contribute more greatly than the corresponding expansion of our supply of electrical energy.

SALUTE TO COLONEL ROBERT BINGHAM

May, 1926

North Carolina is just now realizing dividends of wealth, prosperity and universally higher standards of living due to qualities of courage, thrift and effort characteristic of the English, Scotch and German strains which make our people a distinct human amalgam of finest racial metals.

Through the vicissitudes of a history spotted with great disasters, we have preserved the riches of spirit now beginning to be materially manifested. We are a rich state and we have worked nobly with our natural assets, but the thoughtful student will be impressed with the fact that what the world calls our progress is founded on our recognition of public obligation for the education of youth. Material advancement in North Carolina since 1900 reads like the record of a miracle, but it was Aycock's victory in establishing the public schools as the major policy of the State and its people which made it possible. Aycock, in turn, would not have found the moment ripe for his ideal had it not been for the faith and labor of the apostles of public education who preceded him and who had kept alight the fires his eloquence fanned into flame. In the long list of our heroes none lives in our modern life with the same authority as these unselfish prophets of education.

In that proud leadership the name Bingham already has attained renown which may safely be called perpetual.

The first William Bingham became headmaster of Bingham's School in Pittsboro in 1793. From that day to this, through the

successive managements of William, James, William, and Robert Bingham, the Bingham School has stood in North Carolina as a living spring from which youth could draw the example of character, the boon of discipline, the ideals of courage and chivalry on which true manhood is founded. For five generations it has spread among its students from this and other states a scholarship in kinship with life and free from pedantry. No human mind can begin to estimate the sum of the benefits it has conferred upon the citizenship of the State or the sweep of its reach toward the eternal values.

As governor, I feel that I could do nothing more thoroughly to represent the sentiment of our people than to salute with gratitude and pride that stern soldier, ripe scholar and gallant gentleman, Colonel Robert Bingham, who in his eighty-eighth year is still spared to represent in the flesh a name become one with the centuries.

DEVELOPING HOME INDUSTRIES

JUNE 27, 1926

Within the past two years there has been developing in North Carolina a class of industries which might be designated as "home industries" in distinguishing them from our "export industries." In the industrial growth of the State the latter have been developed almost to entire exclusion of the former, with the result that we have unconsciously formed the habit of purchasing practically all of the requirements of modern civilization, except a few food products, from the factories and markets of sister states.

Among the large "export industries" which have been developed within the State are the naval stores, lumber, textile, furniture and tobacco industries; two of these, the naval stores and lumber industries, having ceased to be important. Only a relatively small percentage of the products of these industries are consumed within the borders of the State and while important, even though local consumption should practically cease, the markets of other states and foreign countries would absorb their output.

“Home industries” differ in that in order to develop and be successful financially a large percentage of their output must be absorbed locally or within a small radius of the factories. Among the more important of this class are the structural products industries which include face brick, hollow tile, building stone, structural steel and sewer pipe industries. All of these, with one exception, use raw materials which occur in abundance in North Carolina and of a quality equal to any in the country.

It was the realization that the State’s timber supply was practically exhausted, together with a demand for fireproof structures, that brought North Carolinians to the realization that structural products industries must be developed. This could not be done over night, however, and engineers, architects and contractors have been compelled for a number of years past to specify materials made outside the State. Not until 1924 when state agencies, the Department of Ceramic Engineering and the Engineering Experiment Station of North Carolina State College and the Department of Conservation and Development, then the Geological Survey, gave a hand in developing the structural products industries, did they begin to place on the market products equal to those of sister states. Since that time development has been really phenomenal until today all of these industries are meeting trade demands and the most rigid specifications put upon them by engineers and architects.

Previous to 1924, shale face brick equal to those made in Tennessee, Georgia, Pennsylvania and Ohio were not produced in North Carolina and architects and contractors were compelled to specify brick made in other states when a high grade product was required. Today polychrome texture brick of the highest quality and finish in reds, blacks, browns and greens are being produced at Pine Hall, Thomasville, Hendersonville, New London, Sanford, Norwood and Monroe.

Only within the past year have plants been erected within the State for the exclusive production of shale hollow tile. Two of the most modern plants in the United States, representing an investment of three quarters of a million dollars are now operating at Sanford and producing a product which passes the most rigid specifications.

The building stone industry of North Carolina has been struggling for recognition within the State for some years past. Some of the most beautiful stones in the country are found in North Carolina and many efforts have been made to develop them. The drawback has always been lack of plant equipment to handle large jobs. The owners and operators have naturally hesitated to make costly installations with little promise of keeping them busy or even partially so. It has become almost a custom for architects to specify Bedford or other imported stones to the exclusion of the local product and this naturally has had a discouraging effect. Had the court houses, city halls, postoffices and other stone structures of the State, which have been constructed during the past five years specified North Carolina stones, a flourishing industry would no doubt be in existence at the present time.

No more beautiful stone exists than that quarried at Mount Airy, for instance, and any building constructed of Bedford limestone would have obtained added beauty by using it. The decision to use Hillsboro stone in the construction of Duke University after an exhaustive study of the out-of-state stones available points a moral for future stone construction in North Carolina.

The structural steel industries of the State are still small but if given the opportunity by our architects and engineers should rapidly grow to a point where all of our demands can be taken care of.

The sewer pipe industry, at present concentrated at Pomona, while some years old is still fighting for recognition of its products. Starting when little was known of the processes in the South it has improved its products until at the present time they are equal to the best of those of the neighboring states of Georgia and Tennessee as well as those of Ohio and Pennsylvania and pass the most rigid engineering specifications.

Like many of the industries of the South, the structural products industries of North Carolina suffered in the beginning from lack of technical skill. With the passing of this condition, the investment of nearly three million dollars in two years and the splendid natural raw materials which lend themselves so readily to modern methods, there is now no excuse for going outside the

State's borders for building materials. Furthermore the fact should not be overlooked that the development and encouragement of local industries is always accompanied by lower prices. Just as long as these industries are encouraged and thrive the prices remain low and the money remains within the State. If they fail, prices inevitably rise if for no other reason than that the freight rate from other states must be added.

"Canadian Products for Canadians" is a slogan which is rapidly building Canadian industries. We might well adopt the slogan "North Carolina Products for North Carolinians" as a means of building the infant "home industries" within our own borders.

WHAT IS HURTING MUNICIPAL CREDIT*

JULY 17, 1926

Municipal bonds—state, county, city and district bonds—constitute the highest form of credit.

They bear the lowest interest rates known.

One reason of their popularity lies in the expectation of absolutely prompt payment of principal and interest.

The owner of a municipal bond clips his coupons a few days before they mature, sends them to a local bank, and rests in the comfortable assurance that on the exact day of their maturity his bank will notify him that they have been paid.

With few exceptions North Carolina counties, cities and districts realize the responsibility of paying these coupons when due and at the place where due, the place usually being a bank in a financial center.

It is the fact that there are exceptions to this promptness that is likely to reflect upon the credit of the State and is hurting the credit of all its counties, cities and districts.

The state officials, under necessity of borrowing millions of dollars every year for roads and permanent institutions, are again and again confronted by the statement of some New York banker that he is unable to get certain county, town or district coupons paid.

*This communication was sent to all county, city, town and district officials in North Carolina who had bonds or other obligations outstanding.

Often the complaint is that the local treasurer refuses to remit the funds, or has forgotten to do so, to the bank where they are payable.

Every such failure constitutes a "default." A default bars savings banks and trustees from further investment in the bonds of the defaulting district, under nearly all laws regulating investment. The direct effect upon the defaulting county, town or district is a stigma requiring years to live down.

But there is an indirect effect upon other districts and municipalities in the same state and even upon the state itself. There are counties, cities, and towns in North Carolina unable to borrow money today at the low interest rate that their own credit warrants because of the occasional carelessness of some county, town or district official in failing to remit funds for interest coupons at the right time and place.

Within the last two years one of the states—not North Carolina—omitted to pay promptly when due interest on certain of its obligations held by a department of the same state. That department exerted no pressure and was evidently content to wait for its money. But the New York State Banking Department was not content and promptly forbade the savings banks within the state of New York from making further investment in any bonds or securities of that state!

If public officials realized the vital importance to their own communities and to the State at large of maintaining absolute strictness as to the time and place of making payment upon bonds and interest, and if they appreciated the spirit of the financial world in referring to short defaults as constituting breaches of "honor," these things would not happen.

Chapter 100, Public Laws of 1925, is an attempt to put a stop to all municipal bond defaults in this State.

The clerk of every board issuing bonds is required to register with the state auditor all bonds before their issuance.

The act makes it a duty of the state auditor to notify every disbursing public officer, whether of county, city, town or district, thirty days before the time for disbursing funds upon principal or interest of bonds, advising him of the time and place of remittance.

Every failure of a disbursing officer to remit principal and interest funds at the right time and to the right place is made a misdemeanor by this act, and any taxpayer or holder of obligations not promptly paid may sue and collect from the defaulting officer the sum of \$200 for every failure.

Some counties in North Carolina, unfortunately, have a reputation in New York financial circles for failures to make prompt payment of interest. The bonds of these counties and their cities and towns sell at higher interest rates than the normal rates.

Officials who are about to offer bonds for sale receive printed blanks from bond investment houses, asking for descriptions of bonds and of the issuing municipalities. One of the questions which every such blank presents for answer is "Has your city ever defaulted in the payment of principal or interest of its indebtedness?"

It should be the aim and pride of every public officer to be able to answer that question with a categorical "no."

In the interest of the taxpayers and in order to preserve the financial reputation of the State, the counties, cities, towns and local districts, I earnestly urge the officials who are charged with these important duties to see to it that their obligations are met on the day they are due.

RECEIPTS AND EXPENDITURES

JULY 1, 1926

I submit the following summary of the current operations of the general fund of the State for the fiscal year beginning July 1, 1925, and ending June 30, 1926, the same being the first year of our operations under the executive budget system, enacted by the last General Assembly:

	<i>Estimates of Receipts Made During Legislature</i>	<i>Receipts Actually Collected</i>
Total general fund revenues.....	\$12,425,688	\$12,951,074

	<i>Appropriations Made by Legislature</i>	<i>Expenditures out of Appropriations</i>
Expenditures.....	\$12,983,678	\$11,824,676
Legislative appropriations exceed estimates.	\$ 557,990	
Credit balance—general fund revenues collected exceed expenditures.....		\$ 1,126,398

I give the following brief explanation of these figures:

The total revenues collected from taxes levied by the legislature of 1925 as shown by the actual receipts at the close of business on June 30, 1926, was \$12,951,074. The actual expenditures for the support of the state government for the same period were \$11,824,676, thereby producing a credit balance of revenue over expenditures on June 30, 1926, of \$1,126,398. Of this total credit balance of \$1,126,398, the sum of \$370,439 arose from the 5 per cent reduction in appropriations made by the director of the budget on July 1, 1925; the remainder amounting to \$755,959, arose from the unexpended balance of the emergency appropriation, the unexpended balance of appropriations provided for interest on short-time borrowings and debt service and from savings made by the various departments, institutions and other services of the state government, by reducing their actual expenditures under the appropriations allotted.

While the figures I have given cannot be made entirely complete until final reports are received from the departments and institutions covering their operation for the last few days of the fiscal year, I am sure the final figures will not be materially different. A complete statement will be made about the 15th of July.

I am very much gratified at the result of the first year's operations of the state government under the executive budget system and the various measures supplementing it enacted by the last General Assembly. We have balanced our budget and we have a considerable credit balance to start the last year of the biennium, and it must be kept in mind that the biennium beginning July 1, 1925, and ending June 30, 1927, comprising two fiscal years, is the period for which the General Assembly of 1925 levied taxes and made appropriations for the support of the state government.

The successful operation of these new measures ought to be most gratifying to the members of the General Assembly who bore a splendid part in their enactment. In general the heads of the various departments and institutions have coöperated with me in a very fine way in passing through the first year which is always the most difficult in the operation of a new program such as the executive budget system. I desire now to publicly express my genuine appreciation of the coöperation they have given me.

There is every reason to believe the last year of the biennium beginning July 1, 1926, and ending June 30, 1927, will also show a completely balanced budget, if the same spirit of coöperation is maintained throughout the new fiscal year.

NEW YEAR WISH

JANUARY 1, 1927

Material progress and prosperity constitute an index to sound economic conditions and wholesome human relationships. In North Carolina progress and prosperity, during the past year, have been steady and permanent. Unanimity of purpose and action have prevailed among our people in respect to the enduring things of life. Slight differences of opinion as to non-essentials have not found expression in retardation of our development.

Generally, our people have prospered in their businesses. The products of our labors are multiplying in ever-increasing volume. Our financial resources have increased. Labor is contented and well paid, and above all, there is a distinct spirit of accommodation in the relationship which exists between capital and labor. Our people are hopeful and imbued with the spirit of continued advancement. In private life they have attained higher standards of living than ever before, and in public affairs they are manifesting, more and more, the spirit of public service.

As a state we have moved forward in a most constructive way. We have achieved many things which make North Carolina a better state in which to live. We have merited and enjoyed the confidence of the people of other sections of our country. I am grateful today, as I am sure all of the people of our State are

grateful, as the record of the past year and what it has meant to our people passes in mental review.

The new year is pregnant with even greater possibilities. Wonderful opportunities present themselves on every hand. We must not be content with what we have already accomplished. We must continue to go forward.

And now, as we stand upon the threshold of the new year, a calm survey indicates a continuation of our development and prosperity. We can and must achieve greater results during the year 1927.

We must not forget on this occasion to render humble thanks to the Giver of all good for the manifold blessings we have enjoyed in the past, as well as those we believe are in store for us in the future.

In conclusion, I should like to extend to all the people of our beloved State, my own good wishes for a full measure of happiness and prosperity throughout the new year.

REHABILITATE THE PRICE OF COTTON GOODS

FEBRUARY 25, 1927

Perhaps one of the most effective things that can be done at the present time to rehabilitate the price of cotton is to bring about a greater demand for cotton goods. If the women all over the South will enter upon a systematic campaign to promote a more extensive use of such goods, I believe that most beneficial results will be forthcoming. I regret very much that I am prevented from attending the King Cotton Ball to be held in Greensboro on Saturday night, the 26th, by the fact that I am recovering from a deep cold and therefore it is inadvisable for me to travel.

BOND SALE

MAY 7, 1927

I have observed with keen interest that the city of New York will offer for sale on May 11, \$60,000,000 of long time obligations on a 4 per cent basis. Undoubtedly the bonds of the state of New

York and the city of New York have a preferential status upon the money markets in New York City. This is especially true of the obligations of the city of New York, which will be offered for sale on the 11th, because they run for a period of fifty years. The last sale made by the city of New York was on a $4\frac{1}{4}$ per cent basis and the bonds were sold to the public at prices to yield 4.09 per cent. It appears by comparison that the recent sale of North Carolina bonds was especially an advantageous one to the State.

Upon my return to the State I noticed statements in a number of papers in regard to the circumstances of the sale of the \$10,000,000 North Carolina bonds in New York on a 4 per cent basis. Some of the papers stated that I was on long distance wire in a hotel room in New York at the time the final sale was negotiated. This was wholly incorrect. The circumstances were these: Upon the occasion of the visit of State Treasurer Lacy and myself to New York about the 5th of April, after full investigation, we concluded to offer the \$20,000,000 bonds of the state of North Carolina on a 4 per cent basis, the sale to take place on the 25th of April. When we returned to New York to sign some of the bonds sold at a previous sale and before the sale of new bonds took place on the 25th, we found the market had softened considerably and it was doubtful whether we would be able to sell any substantial amount of the bonds on 4 per cent basis. We negotiated not only with the First National Bank Syndicate, but with the Lehman Brothers Syndicate and others. On the day before we were to leave New York to return to Raleigh, Mr. Lacy and myself concluded that it was doubtful whether or not we would have a formal bid on April 25 for a substantial amount of the bonds on a 4 per cent basis. It appeared to us that it was going to be necessary to conduct negotiations and we concluded then that unless we had a bid for at least \$10,000,000 of the bonds on a 4 per cent basis that we would not sell them. We concluded that it would be better for Mr. Lacy to return to Raleigh and be present when the bids were opened, and that I should remain in New York and keep in touch with Mr. Lacy over the telephone so that I would be in position to negotiate with bankers on the ground in the event that no bid was received at the opening in Raleigh for as much as \$10,000,000 of the bonds on a 4 per cent basis. Immediately upon the opening of the bids, it was found that there was a

firm bid for only two and one-half million dollars of the bonds on a 4 per cent basis. I talked to Mr. Lacy over the telephone and we decided to recommend to the council of state that the bid be rejected. Mr. Lacy then recommended to the council, in session in his office, that I be authorized to negotiate with bankers in New York in an effort to sell as many bonds as possible on a 4 per cent basis, but in no event less than \$10,000,000. After about two hours of negotiation in which I talked to representatives of all the principal banks and bond houses which have been interested in North Carolina bonds, I received the bid of the First National Bank Syndicate for the \$10,000,000 of the bonds on a 4 per cent basis, the remainder of the \$20,000,000 to be financed in the form of notes on a 4 per cent basis. I immediately communicated this information to Mr. Lacy, and it was then approved by him and the council of state. The conferences with bankers took place down town in New York City and I spent nearly all day there in conference with them. The very attractive sale which we finally made was due in a large measure to the work Mr. Lacy and myself did in New York and particularly our expressed determination that we would not sell the bonds on any higher interest basis than 4 per cent. I am very glad to note that bankers and other business men of the State fully appreciate the splendid advantage which has accrued and will accrue to the State on account of this last sale. It has established a new record for North Carolina bonds.

RESERVE OFFICERS TRAINING CORPS

MAY 12, 1927

I was very glad to have had the opportunity of witnessing the parade and formally reviewing the Reserve Officers Training Corps of Cadets at State College. The officers and men made a fine appearance. Their general military bearing and the manner in which they carried out the manoeuvres was most impressive.

In view of the fact that the cadets receive only about two hours a week training, I feel that their general efficiency in drill is to be commended very highly. Major Early of the United States Army, the commandant in charge, and his corps of regular

army officers, deserve credit for their efforts and the splendid results they have obtained, and I believe the disciplinary training given these young men will be of great value to them and is a most important part of their instruction at the State College.

WALTER NEAL DEAD

MAY 25, 1927

In Judge Neal's death the State has lost one of its most useful and constructive citizens. He has served ably and faithfully in many public positions. I feel that not only his community but the State at large has sustained a great loss.

CLARENCE CALL DEAD

JULY 4, 1927

I am deeply distressed to learn of the death of Clarence Call, a member of the Senate from Wilkes County. In his untimely passing, the State has lost an outstanding citizen and public servant, patriotic and conscientious in the performance of every duty, both in his private and public life. I was glad to have numbered him among my warm personal friends. The death of such a public spirited citizen will cause a great loss to his county and the State at large.

FUNDS FROM FEDERAL GOVERNMENT*

AUGUST 30, 1927

I have no information about the matter except that contained in press dispatches, which was repeated in a telegram received from a Washington newspaper correspondent to me today.

*This statement was made after *The News and Observer*, August 30, 1927, carried a news item with a Washington, D. C., headline which stated that the comptroller general had ruled that North Carolina, among other states, could not participate in the federal aid road fund until North Carolina and the other states had paid in full "Indian bonds" held as security for funds lent them for defense in Indian wars. The bonds were dated from 1832 to 1855. This dispatch said North Carolina Indian bonds amounted to \$54,000 and her share in the federal aid fund was \$1,713,356.

Diligent inquiry, in the short time since I received notice of the matter, has failed to disclose any obligation due by the state of North Carolina to the federal government on account of Indian wars. In fact, I know of no Indian war in which the federal government could have made such an advance to the state of North Carolina. While I have not had an opportunity to have the matter investigated, and for that reason I am not in a position to express a final opinion in regard to the matter, it occurs to me that the comptroller general would not be justified in withholding an appropriation made by the federal government for the construction of highways and in aid of agriculture which have been declared proper objects of federal expenditure for any such reason stated in press dispatches. It seems to me that the objects mentioned for which Congress makes annual appropriations, are just as much proper objects of federal expenditure as any other purpose for which the federal government makes appropriations. The fact that these appropriations are expended through the states, in coöperation with the states, could not affect the availability of the appropriation for the specific purposes provided by Congress. If Congress should see fit to withhold such appropriations for any cause, it can undoubtedly do so, by proper provision in the acts making the appropriations, otherwise, I think the appropriations are payable as provided in the congressional acts.

I have just sent a telegram to Frank A. Hampton, secretary to Senator Simmons, at Washington, asking for full details as to the alleged claims and contentions of the comptroller general.

MEETING OF THE PRINTING COMMISSION

SEPTEMBER 9, 1927

At a meeting of the Printing Commission held on September 7, the commission unanimously adopted a resolution authorizing the chairman and secretary of the commission to submit to the printers who were parties to the previous contract, the following proposal:

The governor and commissioner of labor and printing were authorized to notify the contracting printers, as a counter proposal, that the State

would enter into contracts with them for the state printing at the prices in effect under the old contract, with the exception that the price of machine composition shall be increased to eighty-nine cents per thousand ems, said contract to expire June 30, 1928, and that in the meantime the Printing Commission will enter upon and conduct a fair investigation of the entire printing problem, including costs, methods, classes and specifications for contract and all related facts and conditions and will give all interested parties a chance to be heard. In case this proposal is accepted, the Printing Commission will meet at once and assign and distribute quotas of the state printing to the contracting printers.

After several conferences between representatives of the commission and the printers who were parties to the old contract, at which full explanation was made to the printers as to the attitude of the Printing Commission, the printers notified the commission they could not agree as to the proposal submitted by the commission and submitted the following counter-proposal:

The contracting printers, as a counter proposal to the State would enter into contracts for the state printing at the prices in effect under the old contract, with the exception that the price of machine composition shall be increased to eighty-nine cents per thousand ems, said contract to expire June 30, 1929, except that no discounts shall be allowed, and that in the meantime the Printing Commission will enter upon and conduct a fair investigation of the entire printing problem, including costs, methods, classes and specifications for contract and all related facts and conditions and will give all interested parties a chance to be heard. In case this proposal is accepted, the Printing Commission will meet at once and assign and distribute quotas of the state printing to the contracting printers.

The contract is subject to be reopened at the end of ten months as to prices and methods based on the report of the investigating committee with the proviso that the contracting printers are to be represented on this committee.

After full consideration, the commission unanimously rejected the counter proposal of the printers and decided to adopt new specifications and bases for bids that would enable a larger number of printing concerns to bid on the printing and to ask for bids upon ten days notice, at which time printers who are parties to the present contract and other printers in the State may submit bids.

It will be noted that the proposal made by the Printing Commission provided for a temporary arrangement for the remainder of the present fiscal year, ending June 30, 1928, and during that period the Printing Commission would pay for all printing on the basis of prices contained in the old contract except for machine composition, which covers about 40 per cent of the whole work, and for that item compensation would be made upon the basis of an advance of nine cents per thousand ems; that is to say, on the basis of eighty-nine cents per thousand ems, instead of eighty cents less the two per cent as under the terms of the old contract.

The commission's proposal also contemplated a thorough investigation of the cost and methods of doing the State's printing and particularly whether or not North Carolina is paying more for their printing than other states are paying for similar work. The Printing Commission proposed to appoint experts to investigate and advise with it, giving the printers parties to the old contract and any other printers who wished to be heard, the opportunity to present their views.

The commission deemed this investigation necessary for the reason that the price per unit for state printing is not the only thing it felt should be looked into. It felt that the methods of doing the printing should be looked into. For example: the investigation heretofore made disclosed the fact that the federal government, and most of the states of the Union as well as most of the big publishing concerns, do their book printing from electrotype plates, instead of from type forms, thereby bringing about considerable economy, in that a much smaller edition of any one book can be printed from these plates and if it becomes necessary later to print a larger number, the electrotype plates can be used for this purpose at very little extra cost.

This method would apply particularly to such printing as acts of the General Assembly, journals, reports of the departments, and any other special reports that may be called for from time to time, as well as Supreme Court reports and state statutes.

It appeared that under the method of printing these books that has prevailed for the last twenty years, about 150,000 volumes of various books published by the State have accumulated in warehouses in Raleigh, at a cost to the State of perhaps over

\$400,000, a great part of which investment might be avoided by the use of the electrotype plates.

It appeared also from the investigation made by the Advisory Budget Commission before the last General Assembly and by committees of the last General Assembly, that it is possible to save a good deal of the cost of printing if some plan can be worked out whereby all copy submitted by the various departments and institutions for printing can be edited by an expert provided for that purpose before being turned over to the printers.

Members of the commission were also of the opinion from investigation made that specifications and methods of letting the public printing might be improved and modernized after a more thorough investigation, but felt that this investigation would take perhaps several months, inasmuch as it would involve many technical matters requiring expert investigation and comparison.

The commission did not feel that it would be justified in proposing to continue the old contract at the advance in price suggested for the whole term of two years, particularly in view of the fact that the committee selected by Commissioner Grist, composed of some of the printers who were parties to the old contract and some other printers, have recommended a complete change in the terms for submitting bids and the claim of many printers that they were unable to bid on the printing under the old terms but who signified their willingness to bid if the new proposals are adopted.

The printers proposed that the temporary arrangement, instead of covering only the balance of the present fiscal year, of less than ten months, should continue for the whole biennial period, of about twenty-two months. They also proposed that in addition to the nine cents per thousand ems increase in price for machine composition that the discount of 2 per cent allowed from all bills under the old contract should be eliminated. This would impose an increase in the price of printing of about \$12,000 for the period.

The printers also proposed the condition that the contract might be reopened at the end of ten months and new prices and methods based upon a report of an investigating committee, composed of contracting printers and representatives appointed by the commission. The commission is of the opinion that it

should settle the prices and terms of any new contract and that it would be against public policy to allow representatives of the printers who are parties to the old contract to pass upon the matter. They did not feel that plan would be fair either to the State or other printers who are not parties to the old contract.

The commission was of the opinion that the unanimous recommendation of the committee of printers, appointed by Commissioner Grist in July, in which they recommended that the classification and general basis upon which the new contract for state printing should be let should be materially changed from that contained in the old contract.

The committee was cognizant of the very long consideration which the legislative committee gave to the matter of State printing at the last session and of the requests made by these committees that careful consideration be given by the Printing Commission to the matter of changing the basis of letting state printing.

As evidence of what is possible in the matter of the reduction of the total cost of printing, the records show that for the biennium ended June 30, 1925, the amount paid for public printing was \$598,387, as compared with the sum of \$293,990 for the biennium ended June 30, 1927, or a reduction of over \$104,000.

APPOINTMENT OF JOHN H. HARWOOD

OCTOBER 4, 1927

After giving most careful consideration as to the matter of the appointment of additional Superior Court judges, I reached the conclusion that there was a necessity at the present time for the appointment of a special Superior Court judge in the Western Judicial Division, and I thereupon appointed Judge John H. Harwood, of Bryson City, Swain County, in the Western Division, to that position, his appointment to take effect on the 8th day of October and to expire with the expiration of the act on the 30th day of June, 1929.

The names of a number of able and competent men were presented to me for my consideration, any one of whom would

have made an acceptable judge, but I felt that in appointing special Superior Court judges, special consideration should be given to that section of the western part of the State beyond Asheville.

From May 2 to September 26, inclusive, I have found it necessary to order special terms of court aggregating sixty-nine weeks. Forty-eight weeks of this was in the Western Division and twenty-one in the Eastern Division. Requests are now on file in my office for special terms of court aggregating twenty-seven weeks between now and the first day of January, 1929. In addition to the special terms of court, it has become necessary to relieve the regular judges of twenty-four weeks of court on account of sickness in their families and for other good reasons.

I have not been convinced that there is a present necessity for appointment of a special Superior Court judge in the Eastern Division and for that reason no appointment in that division is made at the present time. It is entirely possible that no appointment will have to be made in that division.

I have assigned Judge Harwood to hold court in Wilkes County beginning next Monday, October 10, in place of Judge McElroy, who will be compelled to be absent on account of illness in his family.

NORTH CAROLINA BONDS

OCTOBER 31, 1927

The article in the *New York Times* giving favorable mention to the status of North Carolina bonds was very gratifying to State Treasurer Lacy and myself. The most encouraging feature of the situation is that North Carolina bonds are definitely upon a 4 per cent interest basis. It is not our intention in future to sell any bonds bearing a higher rate than 4 per cent. Recently when we were in New York we were pleased to learn that the \$10,000,000 sold last spring on a 4 per cent basis have just about been absorbed by the market. We had not intended offering any more bonds for sale any time soon. We are keeping in touch with the market, however, and will watch with interest the trend of the market between now and January 1. Fortunately our finances are in

such condition that we are not compelled to sell bonds until we know that the market conditions are so favorable that any offering made will be absorbed at the new 4 per cent rate which has been established for North Carolina securities.

DEATH OF FRANCISCO SANCHEZ LATOUR

NOVEMBER 8, 1927

I am deeply grieved to learn of the death of Minister Latour. I became acquainted with him in Washington during the early part of the war and have known him intimately ever since. He was one of the outstanding figures in the diplomatic service in Washington and was a man of broad educational attainments and highly cultured, but he was best known for his strict integrity and nobility of character. He had a host of friends in Washington and elsewhere throughout the country whom I am sure will be deeply grieved on account of his passing.

I am leaving this afternoon to meet a number of engagements in the western part of the State. I have been advised that the funeral will take place at 11 o'clock on Saturday morning in the Bethlehem Chapel of the Washington Cathedral; that Minister Latour's body will then be deposited in a vault, where it will remain until arrangements can be made to take it to Guatemala on a United States battleship, with a suitable official escort. I hope I can arrange my engagements so that I may be able to attend the funeral.

NO EXTRA SESSION OF THE LEGISLATURE

NOVEMBER 18, 1927

I do not feel that I would be justified, under the circumstances, in calling a special session of the General Assembly to consider changing the site or modifying the terms of the act, appropriating land for the State Fair. It seems to me, therefore, that we should now proceed as fast as possible to complete the enterprise under the terms prescribed by the General Assembly.

HIGHWAY BUILDING IN NORTH CAROLINA

DECEMBER 15, 1927

North Carolina's highway system, embracing 7,500 miles, of which one-half has been hard-surfaced and the remainder improved according to other modern methods, at a cost of approximately \$140,000,000, has not imposed and will not impose any burden whatever upon property owners. With the exception of the amount received from federal aid, local contributions and the surplus derived from ordinary income, the system has been built through funds obtained by bond issues, the interest and principal of which is being paid by the users of motor vehicles upon the highway.

The receipts from taxes upon gasoline and motor vehicle licenses is sufficient: (a) to pay the costs of administration of the highway system, (b) interest on all outstanding highway bonds issued and authorized; (c) a sum sufficient to pay sinking fund and serial payments, for retiring the principal of all bond issues within a period of twenty-five years from the present time; (d) full maintenance of the entire highway system according to the most improved standards, and (e) to produce a surplus for additional construction of about \$4,500,000 annually.

North Carolina's method of financing the building of state highways largely upon the bond issue plan is economically sound and no valid objection can be made thereto.

The State started its real road building program in 1921, when the General Assembly provided for a \$50,000,000 bond issue for the construction of a "system of dependable highways connecting every county seat and principal city in the State." This action was the result of a well-conducted program of publicity bringing out the needs and showing how the plan could be financed without placing a burden on any taxpayer. The advent of the motor vehicle and its use in the rural sections, as well as in the cities and towns, helped to prepare the public mind for the state highway system.

Such remarkable results were obtained by the North Carolina Highway Commission, composed of a chairman and ten members from as many districts into which the State was divided, that the

people were ready to back up additional bond issues at each successive biennial meeting of the General Assembly to extend the roads and enlarge the system. The 1923 session provided for a \$15,000,000 bond issue, that of 1925 a \$20,000,000 bond issue and the last session, in 1927, added \$30,000,000, making a total amount of \$115,000,000. Because of this available money, North Carolina was able to secure, in part, apportionments from the federal government during the period since 1921 and including the 1928, estimated at approximately \$11,000,000.

One of the chief arguments in favor of building roads rapidly by the bond issue plan is that the use of the road pays for its construction. The man who operates an automobile pays an average of \$32 annually to the State in taxes, approximately half of which is the annual license tax, the other half being a four-cent tax on gasoline he consumes. Instead of following the "pay as you go" plan, we have found it much more satisfactory to "pay as you ride."

The fact that we have large sums of money available for road construction is important in attracting prominent road building contractors from other sections. This offers unusual competition, naturally reducing the price at which we have purchased our labor and material, and materially decreasing the overhead charges, upon completion of the program.

Probably no more striking value of the bond issue plan of road construction can be found than in the 300 per cent increase in the number of automobiles operated in North Carolina during the six years since the highway program actually started. In 1921, when the first \$50,000,000 bond issue was authorized, the registration of motor vehicles in the State was only 135,000. The number registered in 1922 was 166,000; in 1923, it was 211,000; in 1924 the number reached 288,000; in 1925, it was 341,000; in 1926, 384,000, and in 1927 the registration reached 434,000. Of course, a normal increase in the number of automobiles was expected but it is unreasonable to think that the number would have increased at such rapid rate if the State had built only a few scattered stretches of hard-surfaced roads on which they might operate. This increase has, of course, more than doubled the income from taxes and is taking care of the interest and principal of the bonds issued, the maintenance of the system and, at the

same time, is providing approximately \$4,500,000 this year for new road construction.

The bond plan had proved so satisfactory up to the time and the income was so much larger than had been anticipated, due to the unexpected increase in the number of automobiles, that the 1927 General Assembly provided that the North Carolina Highway Commission take over, in its discretion, an additional 20 per cent to add to mileage then composing the state highway system. Up to this time about 900 of the 1,200 miles has been taken over and is being developed and maintained by the State Highway Commission, the remaining 300 miles to be added in due time. This permits a further rounding out of the state system and extending it so it will be of further service to the citizens in the remoter sections of the State.

During the six years since the state highway act became effective in 1921, at the same time the first big bond issue of \$50,000,000 was authorized, the State has received over \$60,000,000 in gasoline and motor registration fees. In 1926 these taxes amounted to \$13,618,925.58 and in the last six months of 1927 (the General Assembly changed the automobile registration period June 30-June 30 to conform to the calendar year) the receipts amounted to over \$7,000,000.

North Carolina's first big move toward highway construction in 1921 came at a very opportune time. During that year and the next the country was going through agonies of the post-war deflation. Many of the industries and businesses that had been thriving were forced to close their doors and curtail their operations as a result of the restrictive policy of the Federal Reserve Bank system. North Carolina was enabled, because of the \$50,000,000 bond issue that had been authorized early in that year, to throw herself into this breach, utilize the surplus labor in her highway construction program and thus keep this State in the "business good" class while many of the sections of the Nation were going through a strenuous two-year business depression period. This was a fortunate coincidence and is not directly related to the bond plan of road construction, except that the money was available as a result to keep the State out of the depressing conditions experienced by the country generally.

So far this discussion has dealt with the satisfactory results obtained by the bond plan of road construction. There is still another side, and a very important one, dealing with the methods and manner of paying off the bonds when they fall due and whether or not the bond issue plan is in keeping with sound business, particularly with reference to financing highway construction.

States and municipalities, as well as corporations and individuals, are entitled undoubtedly, by every moral consideration to the beneficent boon of credit. Credit, as is well known, is the very foundation of sound finance. Corporations of all kinds resort to it for extending their activities, whether they be of a private nature, railroads, or other forms of public service. In recent years increasing use of credit has been made by individuals and now Professor Edwin R. A. Seligman has come out in a notable defense of the installment plan of buying, as applied to the purchase of automobiles and other commodities in general.

The wisdom of borrowing is always passed upon by the lenders. If borrowing is justified in a given case, lenders will be found. Back of the credit of a private corporation must be values, assurance of continued earnings, upon a constant or increasing scale. On such a foundation, a private corporation is justified in asking and receiving credit. If a financial structure is well set up, if useless outlay is eliminated, if common sense is used in planning overhead, if a corporation meets the popular demand of quantity, quality and cost of its products, if its obligations are payable serially, or, are attended by adequate sinking fund provisions, if allowance be made for necessary up-keep and repairs, then a corporation is not only entitled to credit, but is entitled to get it at low interest rates and in generous amounts.

North Carolina has attempted to conform her borrowing to the principles which underlie successful borrowing by business corporations.

Beginning with the first important financial legislation for highways, in 1921 and continuing at each biennial session of the General Assembly, North Carolina has placed safeguards for the security of investors and the protection of the motor vehicle rate-payers, through conferences between experienced public officials and representatives of banking and investment interests.

The constitution of the State has been amended to place a limit of $7\frac{1}{2}$ per cent upon the total amount of State indebtedness.

The full faith, credit and taxing power of the State has been placed behind every bond and note issued. Revenues of the State from motor vehicle and motor fuel taxes have been pledged, as additional security to the bondholders. The gasoline tax of four cents a gallon is paid cheerfully and willingly by the citizens of North Carolina, as well as by many motorists from other states, who are glad to pay the tax for the privilege of driving over this State's splendid roads.

No payment is permitted to take precedence over the required payments from highway revenues upon the interest and principal of highway bonds and the sinking funds, except a small amount for highway administration maintenance and the cost of collecting the revenues.

Since 1921 North Carolina has issued \$85,000,000 of the \$115,000,000 authorized and \$10,000,000 bond anticipation notes for highway construction. The \$10,000,000 bonds last issued, as well as the next \$20,000,000 to be issued, mature in equal annual series within twenty years. The preceding \$20,000,000 mature annually from five to twenty-four years. The \$65,000,000 bonds first issued, having a somewhat longer serial maturity, were further protected by the creation of a sinking fund of a rigid type, no payments being allowed upon the serial bonds from the sinking fund until the latter become sufficient to retire the entire \$65,000,000, a point which actuarial computations show will be reached about 1953, or more than ten years before the last of the bonds mature.

By a legislative amendment in 1927, it was directed that it should be a part of the contract in the sale of every bond issued thereafter that highway revenues should never be used for construction purposes until, after setting aside sufficient moneys for the debt service, a further sum be set aside "sufficient to maintain the roads of the State highway system for the ensuing year in a sound and servicable condition." We realize in North Carolina that the maintenance of highways is of even greater importance than the construction of new highways. It is important to the State, and it is also important to the holders of the state highway bonds.

A State Sinking Fund Commission has been created, composed of the governor, the state treasurer and the state auditor, each being under heavy penalties for the faithful performance of their trust. Investments of the sinking funds may be made only in bonds of the United States, bonds or notes of the state of North Carolina, bonds of any state whose full faith and credit are pledged, and bonds of counties, cities and school districts in North Carolina having certain minimum population, with the proviso that, except as to United States bonds and state of North Carolina bonds and notes, no securities can be purchased unless accompanied by the approving opinion of a recognized bond attorney. By the latter provision, it is believed that bonds purchased by the State Sinking Fund Commission may be readily sold at any time, and, therefore, no restrictions have been placed upon the maturities of bonds purchased. Adequate provisions are made for the registration of sinking fund securities in the name of the State, with corresponding provisions for the release and transfer of registered securities.

The policy of this State has been to purchase, for the sinking funds, bonds issued by the State and its more important political subdivisions and municipalities. This has a tendency to hold up the market for state and municipal bonds issued within the State.

We have realized the importance of preventing a glutting of the market for our securities. We keep a continuous watch on the condition of the market, in order to avoid offering our bonds for sale before earlier bonds have been digested. This restraint in making bond offerings in no way interferes with the road program, for the law authorizes the issuance of bond anticipation notes to anticipate the sale of bonds which have been fully authorized. These notes enter a very different market from the market which purchases long time bonds. They are readily salable at a low interest rate. On the maturity, they are paid by an issue of bonds, if the time has come for a bond issue but otherwise are paid by a refunding note issue.

By such methods, North Carolina has been able to reduce the interest rate gradually on her bonds to 4 per cent.

One of the objections often heard to the use of state bonds issued to finance its highways is the fear that, with such a large amount of money at their disposal, members of the highway

commission would be tempted to indulge in extravagance and unnecessary work, or to favor certain sections of the State at the expense of others. It is undoubtedly true that haphazard work and planning consort very badly with a plenitude of funds. North Carolina realized that danger in the beginning, and before any bonds were issued had planned and marked off with great care a complete state system of roads, systematically laid out for the good of the people of the State as a whole, and yet with fair distribution of advantages to the district divisions of the State.

Direction of the construction and maintenance of a highway system must necessarily rest with a board or commission of ability and integrity, devoted to the good of the system as a whole, jealous of its good name and the good name of the State. North Carolina has been fortunate in having on its highway commission a group of successful and solid business men, furnishing all of the qualities needed to make a success of the task they have brought so satisfactorily to the point. They have not been subject to criticism on grounds of favoritism, laxity in methods, loose handling of funds intrusted to them or in any other of the many grounds to which servants may be subjected.

It may be seen, therefore, that North Carolina's plan of road construction by bond issues has not only worked, but has proven entirely satisfactory. The plan has resulted in more than 7,000 miles of highways, almost half of which are hard surfaced, forming a system that is being rounded out into a network that meets with complete approval from the citizenship. The costs are being paid and the bonds are being retired in a manner that is not burdensome, but gives the motor vehicle users twice as much value as they pay in taxes. The increased number of motor vehicles and increased use of gasoline because of the good roads provides revenue that will retire all bonds as they fall due, provide for complete maintenance and add materially to the funds that are being used in new construction work.

Undoubtedly the bond issue plan has been 100 per cent effective in North Carolina, and it is not only approved by the people but by the investors in our securities.

PLANS FOR CAPITOL SQUARE

DECEMBER 17, 1927

A complete survey of Capitol Square, including plans and suggestions for present and future tree and shrubbery planting and with a view of adding to the beauty of this show place of the state of North Carolina, is to be made at an early date, the Board of Public Buildings and Grounds, at a meeting this morning having employed Olmsted Brothers, landscape artists of Brookline, Mass., to make the survey.

The study to be made, in accordance with power conferred by the General Assembly, will include an examination into the existing conditions of the grounds, particularly the trees and other vegetation, with a view of their immediate improvement, and the possibility of a revision in the entire design of the grounds as a setting commensurate with the importance and dignity of the capital of the State.

Percival Gallagher, member of the Olmstead Brothers firm, met with the board this morning and talked over with the members the contemplated improvement. He announced that he would be here next Tuesday, with an assistant, to get data for and a complete layout of the grounds as a basis for the study and recommendations.

When the plans and recommendations have been completed, they will be studied by the board and are expected to be carried out, either in their entirety or in part, under the direction of a landscape gardener to be selected by the board.

The firm of Olmsted Brothers is considered one of the leading organizations in the United States engaged in landscape designing. Much of the planning in Washington City has been done by the firm, which has charge of all of this class of work being done at Duke University at Durham.

Members of the Board of Public Buildings and Grounds, composed of Governor A. W. McLean, Secretary of State W. N. Everett, Treasurer B. R. Lacy, and Attorney General D. G. Brummitt, feel that an important step is being taken and that the already beautiful Capitol Square can be made much more attractive by the touches to be given by the landscape artists.

RESUME OF NORTH CAROLINA'S PROGRESS*

DECEMBER, 1927

Banks are undoubtedly the best barometers of business conditions. On this basis, North Carolina, during the year 1927, was in good financial condition, with every prospect that such conditions will prevail during the present year.

I find that during the past three years resources of state banks in North Carolina increased approximately \$43,000,000. Last year the increase was more than \$25,000,000. These figures are based on the report of the bank examining department of the State Corporation Commission, which shows that resources of state banks amounted in round numbers, to \$295,000,000 in 1924, to \$313,700,000 in 1926, and to \$338,800,000 in 1927.

These actual figures indicate the increased prosperity of our people during the past year, which has been marked by increases just as remarkable in the savings departments. General reports show that the banks of the State have more money than they have ever had before, but that they are handling it judiciously and safely, all tending to increase the earnings of the banks, as well as placing the citizenship generally in better financial condition.

Another indication of better conditions in the State is given by the great increase in the amount of life insurance taken out by the people of North Carolina. Recently I received a chart showing that life insurance written by a large majority of the large companies in the United States, and those handling more than three-fourths of the business of the country, North Carolina, along with Mexico, stood at the top in percentage of increase for the first eleven months of 1927, these being the only states showing increases of more than 10 per cent over the business done in 1926. I consider this a splendid showing, for, in addition to the assurance that a man's family will be cared for in case of his death, life insurance is in reality a form of savings which speaks well for the thrift and foresight of the individuals.

These evidences of prosperity are backed up by still other signs that are unmistakable. North Carolinians have every right

* This was written for the Bankers edition of *Asheville Citizen*.

to feel proud of the development made by their State during the past few years, coming to a fuller realization during 1927. National business leaders, metropolitan newspapers, trade publications and special writers have focused attention of the people of the United States on the achievements of this State, particularly with reference to our highway development, educational institutions, expanding industry and our agricultural progress to such an extent that the name and fame of North Carolina are well known.

I have had opportunity, during the past few weeks, to find out just how this State ranks in the financial world more satisfactorily than previously, although our ability to place the bonds sold for North Carolina on a 4 per cent basis a few months ago had given me this information in general. Letters from presidents of big insurance companies, savings banks and bond houses, all heavy investors in bonds, indicate that there is probably not a state in the Union with a sounder financial rating than North Carolina, due to the increasing resources of the State through highway, educational, industrial, and agricultural expansion and improvements, but more particularly to the strong safeguards and securities we have thrown around the investors in North Carolina bonds.

During the past six years more than \$375,000,000 has been expended by the State and by her cities, towns and counties, in construction of highways and streets, erection of institutional additions, public buildings and schoolhouses. Approximately \$150,000,000 has been expended in developing the State's highway system and this has been in part responsible for the expenditure of about \$100,000,000 in erection of modern school buildings in the program of school consolidation and pupil transportation. Another \$25,000,000 has gone into enlargement of higher educational institutions, more than doubling their capacity within six or eight years. Other state institutions, roads and governmental and educational institutions in the counties, and municipal building and city streets represent the remaining \$100,000,000 of the \$375,000,000 that has gone into permanent state, county, city and town improvements during the period.

The industrial development is probably more striking than any of the other numerous phases of activity in the State. This has

been made possible by the brains and money that harnessed much of our valuable water-power, furnishing ready and low-cost electric power to turn the wheels of cotton, tobacco, silk, and furniture mills and factories that have sprung up as a result, along with numerous other so-called smaller industries. Just as important, probably, is the provision of light and power in illuminating, not only the city streets and homes, but an ever increasing number of rural communities, and its application to dozens of labor saving devices in the farm home. Electric wires now carry light and power into many formerly isolated communities, as well as to the mills and factories, making the lives of our housewives less burdensome.

While agriculture has not been as prosperous as many other activities, it is developing more rapidly and soundly than in other agricultural states of the Union. Rotation of crops, diversification, study of market conditions and inauguration of cost accounting methods among the farmers have served to bring about greater efficiency in agricultural methods. Our farmers now are in much better condition, taken as a whole, than they have been since the after-the-war deflation period.

The tourist and casual visitor in our State is impressed, not only with our splendid highways, but also by the excellent hotel facilities found all over North Carolina. A few years ago only the larger cities and towns and resort and recreational areas could boast of adequate hotels. Now practically every small town and village, especially in the Piedmont and Mountain sections, has its modern hotel, often serving as a community center, in addition to housing satisfactorily the travelers and tourists. Western North Carolina has long been recognized as the "playground of Eastern America" and increasing numbers of people are using the wonderful natural advantages, made available and desirable by the activities of a wide-awake people.

North Carolina's progress has been fairly well-balanced. She has experienced little of the unsatisfactory "boom" conditions which too often prove a boomerang. Labor is considered worthy of its hire and those who produce with their hands and brains are offered every advantage considered consistent with sound and substantial development and progress. Capital comes to the State with the assurance that, while big business will not be

coddled, it will be given equal opportunity to expand and increase. The result is that industry is thriving and the citizenry of the State generally is happy and contented, both enjoying their respective contributions to the life of the State.

The year 1927 closed with conditions generally satisfactory. While there have been sections and groups that were not as prosperous as others, there is little ground for pessimism. All reliable business barometers indicate that the year 1928 will be even better than 1927. The record of the past few years and the prospects that lie before us should be an incentive to even greater achievement during the period which lies just ahead. Western North Carolina has the purest Anglo-Saxon strain in America and few people possess in like degree the stamina and foundation for sound and conservative citizenship. Infusion of new blood from other progressive and active sections of the country serves admirably in adding impetus and vigorous life to the population.

North Carolina as a whole is at the top in the galaxy of states in her rate of advancement along all lines of human endeavor. Her citizenship should be encouraged by the past achievements to increase their efforts and devote their best energies to still higher and greater achievement in the future, keeping in mind always that all progress and development should have as its main purpose the object of making their own section and this State generally a better and happier place in which to prosper and serve humanity.

BALANCE SHEET AND FINANCIAL STATEMENT OF NORTH CAROLINA

JANUARY 1, 1928

To the Taxpayers of North Carolina:

Following my custom of giving the taxpayers of North Carolina, from time to time, information concerning the financial condition of the State, I submit for your consideration the following:

I have just had completed the audit of the offices of the state treasurer and the state auditor for the fiscal year ended June 30, 1927. This audit, together with the audit made for the year

ending June 30, 1926, completes the first biennium of the fiscal period covered by the operations of the executive budget act enacted by the General Assembly of 1925. In my report to the General Assembly of 1927 I gave the complete results of the first fiscal year of the biennium and an estimate of the results for the second fiscal year of the biennium based on the actual results of the first six months. It was impossible at that time to give the actual results of the whole biennium for the reason that the part covering the period from January 1 to June 30, 1927, had not been completed.

The outstanding achievement of the budget act and other fiscal measures enacted by the General Assembly of 1925 was to bring the several departments, institutions and other spending agencies of the State under central supervision, exercised by the director of the budget. In addition to bringing about a substantial reduction in expenditures, the operation of the executive budget act produced a balanced budget, as anticipated by the act and showed a cash surplus at the end of the biennium on June 30, 1927, of \$1,403,583.

The state services in practically every department and especially the educational, charitable and correctional institutions have been extended and increased. There were increases in the expenditures in the biennium for certain of the departments and agencies as follows: Approximately \$150,000 for the judiciary, brought about by the act of the General Assembly of 1923 placing solicitors on a salary basis, paid by the State instead of on a fee basis paid for out of costs in criminal cases as theretofore; \$480,000 of the increase went to the equalizing fund for public schools; \$25,000 for other state aid to public schools and \$300,000 to the educational, charitable and correctional institutions. Most of the cash surplus or credit balance for the biennium ended June 30, 1927, was the result of savings in expenditures. For example, the sum of \$351,000 arose out of the exercise by the director of the budget of the authority vested in him to reduce the expenditures authorized by the General Assembly, for the various departments and institutions. The needs of every department and institution were given careful consideration and no real need of any institution was denied.

One of the most important results of the operation of the executive budget system is that the receipts and disbursements of the state government can be so carefully laid out that no deficit should appear at the end of the fiscal period and thus a balanced budget can be maintained at all times. Another benefit of the system is to impress upon those who are responsible for the conduct of the various departments, institutions and agencies of the State that all branches of the state government must be conducted as one business unit, each with certain functions and duties to be performed, thereby keeping in mind at all times that these are only branches of the state government.

The purposes for which the executive budget system was created have to a large extent been realized, and all that remains is the development of the various improved methods of administration which have been inaugurated, keeping always in mind the fact that the Budget Bureau in the governor's office is an executive agency created by the General Assembly for the purpose of carrying out its will as expressed in the revenue and appropriation acts.

Immediately after the close of the biennium ended June 30, 1927, a complete inventory of all the property of the State was made and an account set up in detail. From this it appears that the State has invested in the highway system, state institutions, departmental buildings and other fixed assets, the sum of \$203,073,102. In addition, there is invested in railroad stocks which at the market value are worth \$5,173,580. The current assets in addition to the fixed assets aggregate \$21,770,808.61.

The State's funded indebtedness amounted to \$163,093,600 on June 30, 1927. Sinking funds amounted to \$18,602,809.73 including securities held in trust, representing loans made to counties for special school building purposes.

The actual financial condition of the State is shown in the statement marked Exhibit 1, included in this report.

EXHIBIT I

CONSOLIDATED BALANCE SHEET OF ASSETS AND LIABILITIES
OF NORTH CAROLINA AT JUNE 30, 1927

CURRENT ASSETS:

1. Cash in state treasury (exclusive of sinking funds) . . .	\$ 19,764,519.41
2. Securities held in trust	1,986,149.50
(a) State warehouse system	\$ 573,025.00
(b) State literary loan fund	1,315,699.50
(c) World War veterans' loan fund	97,425.00
3. Advances to departments	20,139.70
(a) To Department of Labor and Printing (for county printing) . . .	\$ 10,017.14
(b) State Equalizing Board	10,122.56
Total current assets	\$ 21,770,808.61

CURRENT LIABILITIES:

4. Outstanding warrants issued but unpaid	\$ 620,116.17
5. Liabilities for trust funds	2,043,321.63
6. Reserves due various special funds	17,703,787.86
Total current liabilities	\$ 20,367,225.66
7. General fund surplus in cash	1,403,582.95
Total	21,770,808.61

CAPITAL ASSETS:

8. Sinking funds, including county school notes	\$ 18,602,809.73
9. Investments in railway stocks, market value	5,173,580.00
10. Fixed properties, last appraisal	203,073,102.00
Total capital assets	226,849,491.73

CAPITAL LIABILITIES:

11. State debt, current and funded	\$ 163,093,600.00
12. Capital surplus (value of fixed properties in excess of total debt)	63,755,891.73
Total	226,849,491.73

SUMMARY

ASSETS:

Current assets	\$ 21,770,808.61
Capital assets	226,849,491.73
Total assets of State	\$ 248,620,300.34

LIABILITIES:

Current liabilities	\$ 2,663,437.80
Capital liabilities	163,093,600.00
Total liabilities of State	165,757,037.80

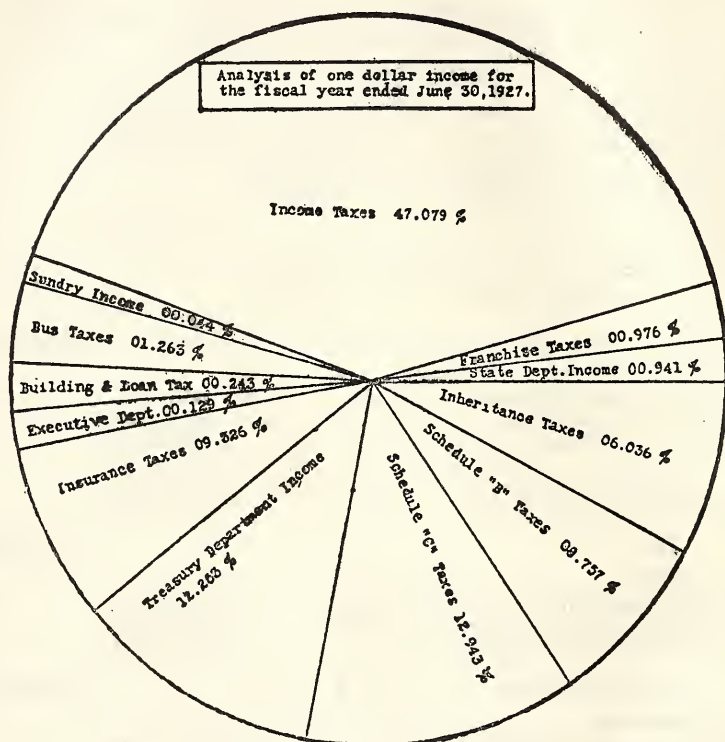
Excess of State's assets over liabilities \$ 82,863,262.54

Consisting of:

General fund surplus (in cash)	1,403,582.95
Reserves for highway and other special fund	17,703,787.86
Capital surplus (in fixed properties)	63,755,891.73

Total surplus and reserves \$ 82,863,262.54

EXHIBIT 2



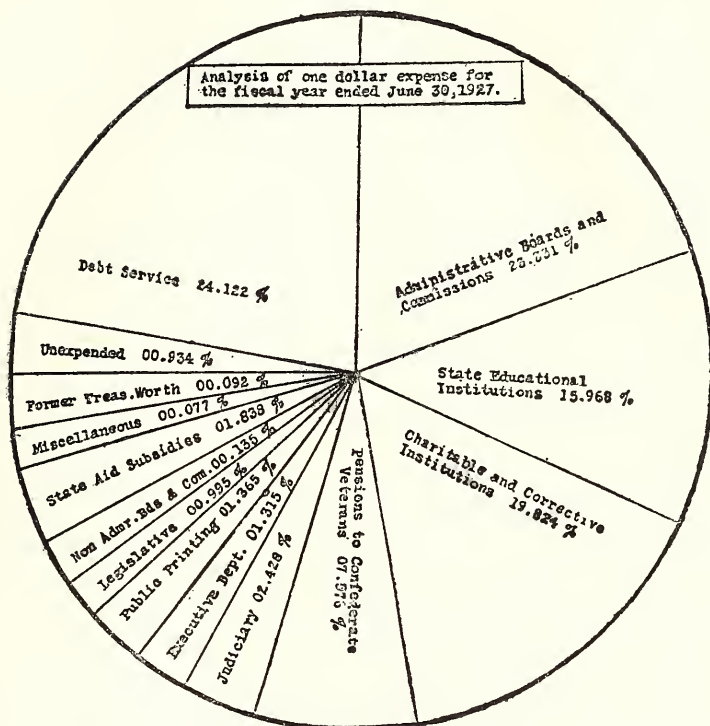
A brief analysis and explanation of the principal items in these exhibits is as follows:

ANALYSIS OF BALANCE SHEET—EXHIBIT NUMBER I

I. "Cash in State Treasury \$19,764,519.41" is made up of the following:

General fund cash.....	\$	1,383,443.25
Highway construction fund.....		8,261,300.01
Highway maintenance fund.....		6,281,250.15
Reserve for highway bond interest.....		1,973,458.18
Literary loan fund for school buildings.....		487,725.61
Reserve for payment of principal of general fund notes.....		450,000.00
Reserve for general fund bond interest.....		609,324.75
Reserve for miscellaneous special funds.....		636,685.57
Cash to meet outstanding warrants issued but unpaid.....		620,116.17
Total cash in treasury.....	\$	20,703,307.69

EXHIBIT 2



Less the following deductions:

Advances to permanent improvement bond fund of 1927.....	\$ 236,597.99	
Advance to Chowan River bridge bond fund.....	600,000.00	
Advance to World War veterans' loan fund.....	102,186.29	
		938,784.28
Net cash in treasury.....	\$ 19,764,519.41	

2. "Securities held in Trust, \$1,986,149.50" includes:

(a) State warehouse fund.....	\$ 573,025.00
(b) State literary loan fund.....	1,315,699.50
(c) World War veterans' loan fund.....	97,425.00

(a) "State warehouse fund" represents loans made out of the state warehouse fund for the building of storage warehouses and is secured by first mortgages which are held by the state treasurer.

(b) "State literary loan fund" is a revolving fund set aside by the constitution for the special purpose of aiding the public schools. This money is loaned under the direction of the state superintendent of public instruction to counties for the purpose of building schoolhouses. The net amount of \$1,315,699.50 belonging to this fund at this time represents loans made to counties.

(c) "World War veterans' loan fund" arises out of the operation of Chapter 155, Laws of 1925, as amended by Chapter 97, Laws of 1927, providing for the issuance of \$2,000,000 in bonds, the proceeds to be loaned to World War veterans as provided in the acts. These bonds have not been sold, but there has been advanced from the general fund the sum of \$102,186.29 of which \$97,425 have been actually loaned to veterans on first mortgages now held by the state treasurer.

3. "Advances to departments of \$20,139.70" represents advances to the Department of Labor and Printing of \$10,017.14 for county printing which is to be reimbursed by the counties and the sum of \$10,122.56 advanced for the expenses of the Equalizing Board will be reimbursed out of the state equalizing fund.

4. "Outstanding warrants of \$620,116.17" represents auditor's warrants issued but which had not been actually presented to the state treasurer for payment at the close of business on June 30, 1927.

5. "Liabilities for trust funds of \$2,043,321.63" represents various securities held in trust by the state treasurer shown under the head of current assets as "Securities held in trust" and therefore must be set up as a corresponding liability in the balance sheet.

6. "Reserves due special funds of \$17,703,787.86" represents all cash held by the state treasurer belonging to certain special funds and which is not a part of the general fund or the trust funds. The items constituting these special funds are set forth fully under "Current assets," Item 1 "Cash in state treasury."

7. "General fund surplus in cash of \$1,403,582.95" represents the cash surplus of the general fund at the close of business on June 30, 1927, after all the current liabilities had been paid and is usually referred to as the "credit balance."

8. "Sinking fund assets of \$18,602,809.73" are funds set aside for the retirement of the State's bonds and other obligations when they mature. They consist of:

Cash in treasury.....	\$	348,309.73
Various state, county and other bonds.....		5,109,000.00
Notes receivable of various counties for school building.....		13,145,500.00

These notes represent money loaned to the counties for public school buildings and are repayable to the State in twenty equal installments. The proceeds of these payments are used, first, to pay interest on the state bonds outstanding, and, second, to retire the principal of these bonds as they mature.

9. "Investments in railway stock—market value \$5,175,580" represent the State's investment in the North Carolina Railroad and the Atlantic and Carolina Railroad at their market value. The State receives an annual dividend from these stocks of \$254,345.

10. "Fixed property—last appraisal \$203,073,210" represents the following: Immediately after the close of the fiscal period ended June 30, 1927, an inventory of all the property of the State was made, including its investment in the highway system, state institutions, departmental buildings and other fixed assets, from which it appeared that the cost value of the same was \$203,073,102.

When the last balance sheet of the State was made at the end of the first fiscal year of the present biennium, the fixed properties of the State were set up at \$176,841,064. It will be seen therefore that there has been an increase in this item over the amount stated in the former balance sheet of \$26,232,038 consisting of the following additions:

(a) Construction of new highways.....	\$	25,000,000
(b) New improvements at state institutions.....		665,178
By re-appraisal:		
(c) Land at State College.....	\$	516,360
Land at Cullowhee State Normal.....		50,500
		<u>566,860</u>

11. "State debt—current and funded, \$163,095,600" represents the current and funded debt of the State incurred for the building of highways, buildings and other permanent improvements at the educational, charitable and correctional institutions and for loans to counties for school buildings, heretofore referred

to. As stated under Item "8" the State has already set aside \$18,602,809.73 to retire these bonds when they mature. Of the total state debt above mentioned approximately \$95,000,000 represents investment in the state highway system. The special revenues derived from gasoline taxes and motor vehicle taxes are sufficient to pay annually: (a) the cost of administration of the highway system including the Motor Vehicle Bureau; (b) interest on all outstanding highway bonds; (c) sinking fund and serial payments to retire all bond principal as it matures; (d) full maintenance of the state highway system and (e) a surplus of approximately \$4,500,000 for the construction of new highways.

12. "Capital surplus—value of fixed properties in excess of the total debt, \$65,755,891.73" represents the excess in the value of the State's fixed properties and investments over the total current and funded debt of the State.

In connection with this item, it is interesting to note that the State has paid for a large part of its fixed properties from time to time out of current revenue.

EXHIBIT No. 2 gives an analysis by percentages of each one dollar of income classified by sources and an analysis by percentages of each one dollar of expense classified by objects of expenditure, for the last year of the biennium beginning July 1, 1926, and ending June 30, 1927. It will be observed from this that practically half of the income received by the state of North Carolina during the fiscal year ended June 30, 1927, or forty-seven and a fraction cents out of each dollar was derived from income taxes on domestic and foreign corporations and individuals. Other sources of income are shown as indicated on the chart.

The chart containing an analysis of expenditures by objects of expenditure shows that debt service which includes interest on state debt and retiring the principal of bonds as they mature, was the largest item of expenditure during the fiscal year, requiring approximately twenty-four and one-eighth cents out of each dollar. The next largest item of expense is the cost of administrative departments, boards and commissions, which consumed twenty-three and one-third cents. Charitable and correctional institutions cost nineteen and eighty-two one hundredths cents, while pensions to Confederate veterans consumed seven and

fifty-seven one hundredths cents of each dollar. These large items aggregate approximately seventy-five cents of each dollar. The remaining twenty-five cents having been spent as follows: Judiciary, 2.42 cents; state aid, 1.83 cents; public printing, 1.36 cents; executive department, 1.31 cents; legislative, .99, and the other small state agencies the remainder.

It is manifestly impossible to include in the statements now given to the press a statement in detail of receipts and expenditures for the biennium, but this is available to any taxpayer or any other person interested upon inquiry at the Budget Bureau in Raleigh.

Under the operation of the executive budget system all items of receipt and expenditure in all the departments and institutions are recorded in the Budget Bureau at the close of each month's business. In this way the director of the budget is able to observe the fiscal operations of every department, institution and other agency of the state government.

HARRY L. McCLAREN LEAVING NORTH CAROLINA

JANUARY 2, 1928

While rejoicing that his unusual ability has been so admirably recognized, I regret very much that the new connections made by Harry L. McClaren, of Charlotte, president and general manager of the McClaren Rubber Company, in being elected as president and general manager of the Ajax Rubber Company, in addition, will necessitate his removal from North Carolina.

Mr. McClaren came to North Carolina eight years ago and has built up one of the most successful enterprises in the State. The product of his plant is well and favorably known throughout the country and his company is doing as much as any in the State in advertising and placing in favorable light the great resources of North Carolina.

I became acquainted with Mr. McClaren during the war, while he was living in Illinois and at which time he was one of the industrial leaders of the country and active in supplying war materials. I soon recognized his ability and high character and

when the North Carolina General Assembly created the Department of Conservation and Development and when it became necessary to have someone head the commercial and industrial division of this department, I selected Mr. McClaren as one of the most suitable and able men in the State for the position.

Mr. McClaren has devoted much time and energy to the development of this department and to furthering other interests of the State. His remarkable ability and spirit of public service have contributed much toward establishing the industrial division of the department on a sound and constructive basis. I am sure thousands of citizens of North Carolina who have come in contact with him or have known of his contributions to the State, will join me in expressing regret that his new connections will cause him to have to remove to another state.

WILL TAYLOR GIVEN ONE DAY REPRIEVE

JANUARY 3, 1928

A case* of this kind places me in a very difficult position. While there is no question that I have the power to commute the sentence, I am not sure that it should be exercised in this case. It is true that I have the recommendation for a commutation from the judge, the jury and the solicitor, but all state that the prisoner had a perfectly fair trial and was duly convicted on a charge that carries with it the death sentence under the laws of North Carolina.

The pleas for commutation of the sentence put me in the attitude, if I should act favorably, of setting aside the verdict of the jury and the judgment of the court after a regularly conducted trial and the verdict and judgment had been approved by the North Carolina Supreme Court and without any evidence of error in the trial or new evidence since that time.

For this reason, the overwhelming requests of the people of Gaston County, in support of the recommendations of the trial judge, the jury and the solicitor, put me in a difficult position.

*Will Taylor, a Negro, convicted of first degree burglary in Gaston County, was sentenced to be electrocuted on Friday, January 6. The reprieve was granted in order that Governor McLean could have more time to look into the case.

I have, therefore, given a reprieve to Will Taylor for one day, which, under the operation of the law, will serve to stay the execution for three weeks from next Friday.

SALARY AND WAGE COMMISSION DECLINES RAISES

JANUARY 4, 1928

At the meeting of the Salary and Wage Commission the applications from various departments were considered and it was the opinion of the commission that inasmuch as the commission had, at their last meeting, which was the beginning of the fiscal year, raised a large number of the employees of the various departments and by reason of the fact that we are now in the middle of a fiscal year that all applications for raises should be declined at this time.

The commission has made a close study of the number of employees and the salary paid in the various departments and is of the opinion that some departments have a much larger working force than is necessary for the work required by the department. In some instances the commission finds that departments have greatly reduced the number of their employees and consequently have reduced the amount of salaries paid by the department and the commission desires to commend the departments who have created efficiency to the extent that they could reduce the personnel of their department and the total salaries paid and hopes that the other departments will make a careful check and survey of their departments and endeavor to decrease the number of employees, promote the efficiency of the working force and lower the total amount of salaries paid to their employees.

MEETING OF THE PRINTING COMMISSION

JANUARY 5, 1928

The Printing Commission met at the office of the governor today to hear the result of the computation of the bids for state

printing that were opened on the 20th. After consideration it appeared that Owen G. Dunn of New Bern was the lowest and best bidder on Class 1, Divisions A, B and C, comprising printed forms of all kinds and also upon Class 13, comprising poll books and registration books. The commission unanimously awarded the contract for printing all work comprised in Classes 1 and 13 to Mr. Dunn.

The computation showed that Mr. Dunn's bid on Class 1, Divisions A, B and C, was approximately 61 per cent of the price paid for this work under the old contract. On Class 13 Mr. Dunn's bid for 5,000 poll books was \$930, as against \$1,607.88 paid for the same quantity under the old contract. Mr. Dunn's bid on 3,000 registration books was \$1,295, as against \$2,910.63 paid for the same quantity under the old contract.

The work under Class 10 of the specifications, comprising 800 thousand tax abstracts, was unanimously awarded to Christian & King Printing Company of Durham, who bid \$1,000.63 as against \$1,067.12 paid for the same quantity under the old contract.

Action was deferred on a number of the other classes because the computation of the bids was not completed. It is expected that action on these will be taken within a few days.

The bids of Edwards & Broughton Printing Company, Mitchell Printing Company, Capital Printing Company, Commercial Printing Company, Bynum Printing Company of Raleigh and the Observer Printing House of Charlotte, were rejected for the reason that they did not submit their bids in accordance with the specifications. These printers in submitting their bids stated that they would not accept any award that did not include a certain percentage of each class included in the specifications instead of bidding upon one or more of the various classes as required by the commission in its call for bids, and for the further reason the prices bid by these printers were considerably higher than those to whom the awards were made. Their prices appeared to be higher than the same printers submitted for the work last June. It appeared also that the prices bid by each of these printers were substantially the same in all cases.

The bid of the Rouse Printing Company of Farmville and Henderson was rejected because it appeared that their bid was

not submitted in accordance with the specifications contained in the call for bids.

NATIONAL MEMORIAL FUND COMMITTEE

JANUARY 9, 1928

I consider this a very worthy undertaking and I sincerely hope that the people of North Carolina will respond readily to the call to be made by Mrs. Vass* in completing the small quota of \$3,000 asked of this State. We should not forget the noble womanhood of our country and State and the important part they played in achieving victory, for, after all, battles are won by "the mothers of men." They inspired, encouraged and paved the way for those who fought. True to the faith within them, they gave spiritual strength when it was needed and motherly care and encouragement when strong hearts faltered. They helped win the war. I heartily approve the proposal to erect this memorial building in their honor and feel that we should do the small part asked of us as a feeble expression of our appreciation of the contribution made by our women in that great conflict.

*Mrs. Harry F. Vass of Winston-Salem, president of the North Carolina Department of the American Legion Auxiliary, was appointed by Governor McLean as chairman of the North Carolina committee of the National Memorial Fund Committee engaged in completing the fund for the erection of a building as a memorial to the heroic American women in the World War.

The appointment was made at the request of Miss Mabel T. Boardman, secretary, who had announced that North Carolina had contributed only \$119 of the \$3,000 quota assigned to this State.

Major Robert M. Hanes of Winston-Salem was appointed as treasurer of the fund. Clint Miller and Henry R. Dwyer also aided Mrs. Vass.

The building was erected on a site in Washington, D. C., donated by Congress, and is utilized for the work of the American Red Cross. Congress appropriated \$200,000, and gifts amounting to \$380,000 were given by the public, making a total of \$580,000, which the building cost.

Officials of the national committee included General John J. Pershing, honorary chairman; Secretary Andrew W. Mellon, honorary treasurer; Rear Admiral W. S. Benson, honorary secretary; and Miss Boardman, secretary. The commission on the memorial was composed of President Coolidge, Secretary of War Davis, John Barton Payne, and the chairmen of the Senate and House library committees.

The building was dedicated March 19, 1930. General John J. Pershing presented the building to the American Red Cross and President Hoover accepted it.

LAW ENFORCEMENT

JANUARY 18, 1928

Frequent complaints, coming from many sections of the State, indicate an apparent laxity of peace officers in enforcing the laws of North Carolina, particularly those relating to manufacturing and selling liquor and the automobile traffic laws. Many local officers seem to think that enforcement of the liquor laws should be left to the federal prohibition agents and that the automobile laws should be enforced by the motor vehicle forces.

This, of course, is erroneous, for every sheriff, deputy sheriff, constable, rural policeman, city policeman and other peace officer is required to enforce all state liquor and traffic laws, as well as local laws. I call upon these officials to enforce strictly all laws and particularly those referred to, as they seem to be the ones in which laxity is most apparent.

The North Carolina laws against the manufacture and sale of liquor were passed several years before prohibition became national in its scope, and this State was one of those seeking to extend prohibition throughout the country. It is, for this reason, all the more necessary that we seek to enforce strictly the liquor laws. These regulations laid down by the sovereign citizens of North Carolina are too familiar to all officers of the law to require enumeration here.

The automobile laws are newer and are, therefore, probably not so well known to the citizens generally, although every officer should know them before he takes the oath of office. They are based entirely on common sense and seek to promote the best interests of the traveling public generally, but it may be well to mention some of the more important ones.

A heavy penalty is provided in case of an automobile accident if the offender leaves without stopping and aiding the injured. The law does not permit a car to stop on the pavement of a road, requiring it to get off on the dirt at one side, in order to prevent accidents. Provision is made for the examination and regulation of lights on motor vehicles. Reckless driving "at such a speed as to endanger life, limb or property of any person" is prohibited. Motorists must be careful in passing other vehicles, particularly

on curves and at the crests of hills. Intersection regulations provide that vehicles on side streets must give way to through traffic and at equally important streets, the driver of the vehicle on the right has right-of-way. A maximum width of 96 inches, length of 65 feet and weight of ten tons is permitted, greater sizes and weights being prohibited.

These are only a few of the more important regulations for motor vehicles and all peace officers of the State are required to enforce them and any such officer "who shall neglect or refuse to carry out the duties imposed by this chapter shall be liable on the official bond for such neglect or refusal as provided by law in such cases." (Chap. 140, Sec. 22, Consolidated Statutes, 1917.)

Again let me call on all officers of the law to use all diligence in seeing that the prohibition and motor vehicle laws are strictly enforced, so such complaints as have come to my office frequently in the past months will have no ground in the future. The State does not provide a state constabulary and I have no power or authority to enforce laws in specific instances. It is all the more necessary, therefore, that local officers see that the state laws are enforced within their jurisdictions.

ROBERT E. LEE AN INSPIRATION

JANUARY 19, 1928

Today is the anniversary of the birth of one of the Nation's greatest and most beloved men—Robert Edward Lee. I think it entirely fitting that I should call the attention of the people of North Carolina to this day and ask them to devote a few minutes of their time in contemplating the life of this great and good man, who has proven an inspiration to many thousands of people, not only in the Southland, but throughout the world.

Lee is no longer classed by historians of the Northern states as a rebel, but as one of the ablest military leaders in all history. Even European writers place him high in rank among the few outstanding military geniuses of all ages.

But it is not so much as a military leader that the people of the South revere his name. He was that, and more. His greatness

mounted as high in times of peace as it did during the great struggle. His character stands out and inspires us today, just as he in person inspired his followers in the cause he espoused, rather than accept the highest command and lead an invasion into his home land. The grandeur of his soul, the enthusiastic love of his fellow-man, the dignity of his bearing and appearance, the humility, the Christian love, the sympathy, the devotion—all of his admirable traits of character are worthy of the emulation of our youth and the inspiration of our citizenship.

I commend heartily the comrades of General Lee and the descendants of his comrades and associates in exercises today that keep alive the memory of this beloved and admirable son of the South. We can all gain inspiration and strength by even a few minutes of study and thought of the life of one of the greatest men the Anglo-Saxon race has produced.

COUNTIES AND CITIES NOT PAYING COUPONS

JANUARY 20, 1928

Failure of some of the counties, cities and towns and other subdivisions of North Carolina to pay promptly the interest coupons and principal of bonds and notes they have issued when they fall due has resulted in complaints to me from persons and firms who have invested in those securities.*

*The General Assembly of 1927 made provision for prosecuting officials who fail or refuse to pay such obligations. Chapter 214. In addition to other penalties, sections referring particularly to payment of interest and principal of bonds and notes, in part, follow.

"Sec. 8. If any board whose duty it shall be to provide for the payment by taxation, or otherwise, of the principal or interest of any such bonds or notes mentioned in sections two and four of this act shall fail or refuse to make provision for such payment by the levy of such taxes as are authorized to be levied therefor, or otherwise, at or before the time provided for such tax levy, or to make other legal provision for payment, any member thereof who shall be present at the time for such levy or provision who shall not have voted in favor thereof, or who shall not have caused his request that such tax levy or provision be made to be recorded in the minutes of the meeting, shall be guilty of a misdemeanor and shall be fined not more than one thousand (\$1,000) dollars or imprisoned not longer than one (1) year, or both, in the discretion of the court.

"Sec. 9. If any officer whose duty it shall be to pay any of such principal or interest or to remit for such payment to the promised place for the payment thereof shall have funds for such payment at his disposal but shall fail or refuse so to do in sufficient time and in sufficient amount for such payment, whether or not such payment or remission for payment shall have been ordered or forbidden by any board or officer, the officer so failing or refusing shall be guilty of a misdemeanor and shall be fined not more than five hundred (\$500) dollars or imprisoned not longer than six (6) months, or both, in the discretion of the court."

I feel sure that failure to meet payments of interest and principal when they fall due is the result of oversight, but I consider it a serious matter for counties, cities and other subdivisions to default their payments, which happens if they are not met on the day they are due. Defaults of this kind do serious injury to the counties or municipalities involved and also reflect on the financial reputations of other subdivisions of the State. Allowing such obligations to go to default, in addition, gives the county or local subdivision such an unfavorable reputation in the bond market that it is not able to sell bonds at all, or at a high rate of interest, thus imposing an unnecessary burden on the taxpayers of divisions involved.

While the state of North Carolina is not charged with the duty of instituting action or other proceedings to force the counties and subdivisions to meet their obligations promptly, I cannot refrain from calling the attention of public officials to the great importance of meeting their obligations on the day they are due. The only safe course is to provide for funds to be made available at the place where the bonds or interest coupons are payable a few days before they are due.

NORTH CAROLINA PROGRESS*

JANUARY, 1928

North Carolinians have every right to feel proud of the progress and development made by their State during the past few years. National figures, metropolitan newspapers, trade publications and special writers have focused the attention of the people of the United States on the achievements of this State, particularly with reference to our great highway development, our educational institutions, our expanding industry and our agricultural progress to such an extent that thousands of people who knew nothing of North Carolina a decade ago can discuss her progress with varying degrees of enlightenment today.

Most of the statements on the development of North Carolina include references to the almost over-night awakening of the

*Written for *Kinston Daily Free Press*.

people of the State and a forging ahead that smacks of the spectacular. It is true that the evidences of this growth are somewhat phenomenal and are surprising, even to the citizens of our own State. However, the foundation for this progress has been in the making for many years, and may be attributed to an evolutionary process, with a basis of sound and substantial citizenship, coupled with the natural advantages the state of North Carolina has within her borders.

During the past six years fully \$500,000,000 has been expended by the State, and by her cities, towns and counties in construction of highways and streets, erection of institutional additions, public buildings and schoolhouses. Approximately \$150,000,000 of this amount has gone into developing the State's highway system, giving ready intercourse between the citizenship of the wide expanse of the State. This highway development has also been largely responsible for the expenditure of approximately \$100,000,000 in erection of thousands of modern brick schoolhouses all over the State, in that the good roads permitted the program of consolidating schools and transporting pupils, which has made remarkable progress during the past four years. Another \$100,000,000 has been used in enlarging the educational institutions of the State, more than doubling their capacity of five or six years ago. Other state institutions, county roads, governmental and institutional buildings, city streets and municipal structures represent the expenditure of more than the remaining \$150,000,000 of the \$500,000,000 that has gone into state, county and municipal improvements during the six-year period.

The industrial development of the State is probably more striking than any of the other numerous phases of its activity. This has been made possible by the foresight of men of brains and vision who have harnessed the wasting water power running from the mountains to the sea and transformed it into electric energy, which, carried over heavy-voltage wires, is readily available and at moderate rates to turn the wheels in the cotton, silk, tobacco, furniture and numerous other mills and factories that have sprung up as a direct result. Probably as important is the fact that light and power are provided to illuminate city streets and homes, as well as to operate hundreds of labor-saving devices that make

house work less burdensome and improve living conditions. Extension of power lines into rural communities during the past few years gives promise that, within a short span of years, practically all farm houses, no matter how remote, will be enjoying the blessings that come from this expanding development of electricity and the benefits it bestows.

Agriculture, in which North Carolina takes high rank in the states of the Union, is developing as rapidly and as soundly as the other industries. Improved methods of farming through dissemination of information by our State College of Agriculture and Engineering, Department of Agriculture and numerous farm life schools, have done much to better the condition of the large rural population of the State. Rotation of crops, diversification, study of marketing conditions, and inauguration of cost accounting systems among the farmers have served to bring about greater efficiency in agricultural activities. The depression period of five years ago is passing and the farmers are in better condition generally now than they have been since the after-the-war inflation.

The stranger within our midst or the casual motorist through our State is impressed with the excellent hotel facilities that exist throughout the State. A few years ago only the larger towns and cities and the resort and recreational areas could boast of adequate hotels. Now practically every small town and village in the State has its modern hotel or hotels, which serve, not only the traveling public, but in many instances are the community centers which the schoolhouses provide in the rural sections. Remarkable progress has been made in this phase of the life of our State within a short time, and, next to the highways, this is the most important, from the point of view of the travelers and tourists.

North Carolina's progress has been regular and well balanced. She has not forged ahead in one activity, while another has borne the brunt. In industry, agriculture, education, religion and in all of the activities in which her citizens engage, the growth has been well-rounded and sound. The State has not been influenced to any great extent by boom conditions, with the disaster that has often followed in their wake. Nor has it halted or lagged in its forward march.

Capital comes to the State with the assurance that, while big business will not be pampered, it will be given every reasonable opportunity and consideration. Labor is considered worthy of its hire and those who produce with their hands are offered every advantage that is consistent with sound and substantial development. The result is that industry is thriving and the citizenship of the State generally is happy and contented, both enjoying the fruits of their respective contributions to the life of the State.

The year that has just closed was generally satisfactory. The State and most of her citizens have prospered in more or less satisfactory measure. While there are sections and divisions that have not been as prosperous as others, on the whole, there is little ground for complaint. The year has passed into history and another is largely before us. At this time and judged by all possible barometers, the year 1928 should be even better than was the year 1927.

The record of the past few years and the prospect that lies before us should be incentives to greater achievements during the next few years. North Carolina is near the top in the galaxy of states in her relative advancement. Her citizenship should be encouraged to renew their efforts and devote their best energies to still higher and greater achievement, having in mind always that all progress and development are for the main purpose of making North Carolina a better and a happier place in which to live.

BUSINESS PROSPECT FOR NEW YEAR*

JANUARY, 1928

The outlook for North Carolina at the beginning of 1928, from every reasonable standpoint, is certainly more favorable than at the beginning of the year 1927. Money is more plentiful in the banks of the State, particularly in the smaller banks in rural communities, than I have ever known it to be before.

Business conditions generally at the close of the year 1927 were better than they have been since the depression following the World War. Unfortunately, however, there were a few dark

*Statement to *The Greensboro Record*.

spots on the business chart of the State. In the large cotton producing areas of the eastern and southeastern sections of the State, including my own county of Robeson, damage caused by the ravages of the boll weevil offset to some extent the favorable agriculture conditions growing out of the fair prices received for the tobacco crop.

In the textile industry, conditions in many of the mills have been better than in 1926. In a number of mills, particularly those making yarns and other coarse products, prosperous conditions did not prevail in 1927. On the whole, the textile industry in the State has enjoyed only a fair degree of prosperity, due to the fact that the favorable conditions which existed during the first half of the year, were counterbalanced in part by the unfavorable conditions during the last half of the year. Some of the mills, engaged in the production of special lines, have had an exceptionally good year.

Notwithstanding the few exceptions mentioned, I think a fair appraisal of the situation justifies the statement that the condition of agriculture generally in North Carolina is better than it is in other agriculture states of the country. Although the farmers are far from prosperous, when their lot is compared with that of persons engaged in other industries, it will be found to be satisfactory.

One of the somewhat peculiar features, in view of the general conditions, is that the banks in the State, including those in the agriculture sections, show larger cash resources and fewer loans outstanding than at any time in the past. I consider this a very sound and satisfactory barometer to business in the rural sections of the State.

The tobacco and corn crops were unusually good last year and prices were fair. In the Piedmont and northern sections of the State an average crop of cotton, sold at fair prices, placed the farmers in a much better financial condition than they were a year ago.

All of the large tobacco companies operating in North Carolina have enlarged and extended their activities during the past year, giving employment to larger numbers of workers and creating a greater demand for the tobacco grown in the State, all of which

tends to increase the amount of money distributed in the cities in which they operate, as well as in the tobacco growing sections.

Likewise, the power companies of the State have continued to expand and extend their operations. Electric power, particularly that part of it generated by waterpower, has done more probably than any other one factor to bring about better living conditions, as well as in extending industry, all of which result in a happier and more prosperous citizenship.

Viewing the State as a whole and in general, I feel that we have every reason to look upon the past year as a successful period in our history, and I have every reason to believe that the year 1928 will be, in many respects, still more prosperous and satisfactory.

ENFORCEMENT OF TRAFFIC LAWS

FEBRUARY 6, 1928

Laxity on the part of local officers in enforcing the State's motor vehicle laws, apparently because they seem to feel that it is not a part of their duties, and that such laws are to be enforced only by officers of the motor vehicle bureau, has been the cause of numbers of complaints that have come to me recently.

This impression, if there is such, is entirely erroneous, for every sheriff, deputy sheriff, constable, rural policeman, city policeman or other peace officer, is required to enforce all of the State's traffic laws and regulations just as diligently as he is required to enforce the laws against murder, burglary or other infractions of the law. The officers of the motor vehicle bureau devote their efforts almost entirely to running down automobile thieves and to the collection of license fees and fines. Yet, in this also, the local officers are expected to see that the laws are observed.

The State has no state constabulary or state police to enforce state laws, and, under our dual form of government, it is the duty of the local officers to see that both their local laws and those of the State are enforced, just as it is the duty of local officers to see that the prohibition laws are enforced. The fact that there are federal officers seeking to enforce the federal prohibition

laws does not relieve local officers from diligence in enforcing the State's liquor laws.

The automobile laws are more recent enactments and therefore, probably not so well known to citizens generally, although every officer should make it a point to acquaint himself with what is required of him as soon as he takes the oath of office. These laws are based on common sense and reason, seeking to promote the best interests of the public generally.

A heavy penalty is provided for the driver who is responsible for an accident and who drives on without stopping to give aid to anyone who may have been injured as a result. Such drivers are referred to as "hit and run" drivers, and when they are apprehended it goes hard with them.

The law requires every vehicle traveling on the highways at night to have a light of some kind, even the horse-drawn vehicles. Automobile headlights are required to be examined at intervals, and while there is no penalty provided for failure to do so, such neglect is taken into consideration in case of accident. Two lights are required on the front of automobiles, and a rear light, all regulations seeking to make the highways safer for the occupants of automobiles, as well as pedestrians.

A driver is not permitted to stop his car on the pavement of a highway, being required to drive to the side before stopping in order to prevent injury to his car or person and any that may pass.

Reckless driving, or driving at such a speed as to endanger life, limb or property of any person, is, of course, prohibited.

Motorists are required to be careful in passing other vehicles, particularly on curves and at crests of hills, for obvious reasons.

Local officers are required under the law to see that all automobiles carry the proper licenses. This is an important part of their duty. They are urged not only to cooperate with the officers of the motor vehicle bureau, but to use their best efforts to see that owners of automobiles comply with the license regulations.

These are only a few of what I consider the most important of the vehicle laws and the ones complained of most frequently. The sheriffs, constables, policemen and others enumerated are as much state officers as I am. True, they are appointed or elected

and their jurisdiction is local as to territory, but it is as much their duty to enforce them within their jurisdiction as it is to enforce other laws. In fact, Chapter 140, Section 22, of the Consolidated Statutes, 1927, provides that any such officer "who shall neglect or refuse to carry out the duties imposed by this chapter shall be liable on his official bond for such neglect or refusal as provided by law in such cases."

As governor of North Carolina, I desire to urge upon such officers the importance of seeing that the motor vehicle laws are observed, as a means of reducing the number of deaths and accidents on our highways. I feel that greater diligence on the part of the officers we have is more important than the creation of new officers. With due diligence and faithfulness, I feel that the criticisms for failure to enforce the laws will be fewer and that we can materially reduce the rates of death and injuries from automobile accidents.

ANDREW W. MELLON'S OPINION OF NORTH CAROLINA

FEBRUARY 7, 1928

Secretary of the Treasury, Andrew W. Mellon, told me at the White House reception last week that he was both surprised and most favorably impressed with the evidences of industrial development he saw on the occasion of his recent visit to North Carolina.

Mr. Mellon said that because of his investments in North Carolina, he had kept in close touch with conditions, but that what he observed had exceeded his expectations. North Carolina is one of the great industrial states, and in a short time will be challenging the industrial leadership of states in which manufacturing has been long established as the preponderant activity.

DEATH OF W. N. EVERETT

FEBRUARY 8, 1928

I am profoundly shocked and deeply grieved by the untimely death of Mr. Everett. We have all known for several days that

he was desperately ill but we have hoped that his never failing courage and determination would react in his favor as it has done in so many crises during the past year. So many times he has come to the threshold of death and come back again, that we had come to hope that he would again fight off the end.

Somehow I have never been able to associate Will Everett with the thought of death. I have known him all my life, and always I have associated him with bouyant life. He was always genially hopeful, optimistic and full of humor, even in these times during the past year when he knew that death might come at any moment. It is difficult to realize that his genial personality is a thing that we can now but remember and that we cannot see him any more.

His death must be the occasion of universal sorrow among those who knew him and among the people of our State generally whom he served with such devotion. He possessed a remarkably magnetic personality, which enabled him to make friends easily and to hold them. I think that there was no man among our people whose goings and comings were attended by more sincerely cordial greetings from high and low. He was as nearly universally and genuinely liked as any man in the State.

Mr. Everett came into public life through his service in the General Assembly as representative of his native county in the House of Representatives. In that capacity he attained distinction. It is scarcely necessary for me to recall that he became a leader in the legislative branch of the state government. His appointment to succeed the late Col. J. Bryan Grimes as secretary of state came in recognition of his distinguished service in the House. In this capacity he has served with singleness of devotion that has won the admiration of us all.

His loyalty to the University of North Carolina has particularly impressed me during the time that I have been officially associated with him. He was devoted to the University, and that institution has lost one of its most valuable friends in his untimely death. As a public official, as a trustee of the University, as a citizen and a genial friend, the State has lost one of its most valuable men. Speaking officially as the representative of the people of this State, and for myself personally, I am deeply grieved that the place he had come to fill among us stands vacant.

OFFICE OF COMMISSIONER OF PARDONS
JUSTIFIED BY RESULTS OBTAINED

FEBRUARY 9, 1928

Action of the General Assembly of 1925 in creating the office of commissioner of pardons has, to my mind, been amply and completely justified in the results obtained.

The fact that it has been necessary to revoke only fifty paroles out of the 587 granted in two and three-fourths years and more than half of those revoked were granted in former administrations, bears out my belief that the parole, after all, is the most effective way of handling most of the cases. Indication of the increased importance I attach to the parole is seen in the fact that during the year 1927 I issued only two pardons, as compared with 167 paroles. During that period it was necessary to revoke only eighteen paroles.

While the pardon relieves the prisoner from any further responsibility for the crime of which he was convicted, the parole holds over him the possibility of return to prison if he fails to live up to the terms of the parole. That, I consider, is a valuable provision, for it is perfectly natural for an offender to strive to meet the requirements of the parole, when he knows that a slight deviation may result in having his parole revoked and his return to prison to complete his sentence. In his efforts to continue in the right course, he often avoids former associates and improper influences, and establishes more desirable connections. New habits are often formed and he does not return to the old haunts, resulting, many times, in a complete reformation.

The purpose of the parole, in large measure, is to reform the prisoner and restore him to good citizenship. In this I consider the follow up work most important. The paroled prisoner is not turned loose on a community without restrictions. He is usually placed under the supervision of the welfare officer of the county in which he lives, or some other suitable person, who is expected to keep in touch with him and to make reports to me through the commissioner of pardons, in case he violates the conditions of his parole. The paroled person knows that he is free to go and to do as he pleases, just so long as he conforms to the provisions of

the parole. He also knows that the slightest infraction is likely to result in his rearrest and imprisonment to complete a sentence. He is, therefore, all the more desirous of avoiding further conflict with the law. Such close follow-up work was not possible during former administrations, but the creation of the position of commissioner of pardons and the more thorough organization of public welfare work have made it comparatively easy.

In addition to establishing a policy of supervision over paroled prisoners, the commissioner of pardons has endeavored to obtain employment for ex-prisoners after they have been paroled or have served their terms. Committees from civic clubs in fifty of the hundred counties in the State have volunteered their services in assisting former prisoners in obtaining employment. A small handbook, a copy of which is to be given each discharged prisoner, contains the names of these civic club committees, instructions and suggestions to the prisoner as to his future conduct and other information that is expected to be of service to him.

The parole is, I feel, especially effective with the younger offenders. Often the parole, after they have served a part of the sentence, appears to prevent them from drifting back into former habits and among former associates. I have, at times, issued paroles just a short time before the sentence of a youthful offender expires, in order that a supervision may be established after he gets out, not leaving him free to drift again into conditions favorable toward a repetition of his infraction of the laws.

I admit in the beginning, I was inclined to extend clemency in but very few cases. I recommended to the General Assembly of 1925 a pardon board, with a commissioner to follow up the work. I became convinced that the pardon board plan was wrong and withdrew the bill. I think the governor is better able to exercise clemency than a board. Under the present plan there is no possibility of division that naturally arises in a group of persons, composing a board, and the responsibility of definitely and completely fixed upon the governor.

Many cases come to my attention in which there is great disparity in the sentences imposed.

The present plan serves the poor prisoner, without friends or funds for attorneys, just as effectively as it does the wealthy

prisoner, with influential friends. The case of the poor man is taken up as readily and investigated as thoroughly as that of the man who can elicit the aid of hundreds of friends and employ a number of able lawyers.

The parole system is not perfect and at times the unworthy are given another chance. It is to be expected that some of those paroled will drop back in the habits and inclinations that caused them to come into conflict with the law in the first place. I do believe, however, that the efficiency and value of the system have been proven when it becomes necessary to revoke the paroles of less than ten per cent of those given this additional opportunity, under the watchful eyes of some official or individual, to become good citizens.

DEATH OF FRANK L. GRIER

FEBRUARY 18, 1928

Although he was young, both in years and in public service to his State, I had come to look upon him as a man of unusual ability and sound judgment. He was active and interested in all phases of progress and development and won for himself a high place in the Senate chamber and in the committee rooms. Older men soon learned to respect him as a sensible and dependable co-worker.

My regret is all the keener because of his youth and the great promise held out for him as a constructive force in the further development of North Carolina. He had a splendid personality, in addition to his very marked ability and admirable traits of character. He was a worthy successor as a legislator to his father, who at one time was speaker of the House of Representatives. The state of North Carolina has lost a valuable citizen and those who knew Senator Grier will join with his family and community in grief over his death.

BOYS IN NORTH CAROLINA PRISONS

FEBRUARY, 1928

The State's prison, with its hardened criminals, is no place for the youth of our State. Their associations with men, many of

whom are steeped in crime, will not serve to deter them from criminal inclinations in the future, but often will help them to give vent to criminal tendencies.

The object of our penal system is, in part, to try to bring about reformation. I realize this cannot be done with older people with whom crime has become a habit, except in rare cases. I do feel, however, that the young boys, even though they may be inclined toward a life of crime, can be brought into a realization of the importance of living the right kind of lives.

The influences thrown around these boys in our two training schools for white boys and one for colored boys are of the very best and serve to bring out the good and eradicate the bad in their natures. These institutions have not been large enough to take care of all of the boys, the result being that it appeared necessary to send some of those found guilty of more serious crimes to the State's prison.

I found one boy, fourteen years old, at the Caledonia prison farm on the occasion of a recent visit to that institution. After talking with him, I determined to have him and all other youths transferred to training schools and instructed the commissioner of pardons, Edwin B. Bridgers, to make a thorough investigation. He found about twelve boys and the transfer of these boys from the prison to the training schools has been completed. Through the power invested in the governor, I paroled them into the custody of the heads of the training schools.

One boy, in particular, presented a case in question. This was Alfred Denton, fourteen years old, living in Franklin County, who was engaged in blockading and who shot and killed another blockader who he thought told on him. He was sentenced to the penitentiary for seven years for the murder. I ordered that he be examined in the criminally insane ward and after two weeks he was declared mentally sound, and that his association with other boys of his age would not be a particular menace to them. I then paroled him in the custody of the superintendent of the Stonewall Jackson Training School for boys, because I felt that due to his environment and lack of education, he had not been given a proper chance in life. So far reports are that he is doing fine and is being guided away from an apparent criminal minded-

ness. I have hope that he can be retrieved and made a self-respecting and valuable citizen by the training he is receiving.

I feel that many of the boys who find their way to our penal and correctional institutions are not inherently bad, but their offenses against society are more often the overflow of misdirected energy and youthful exuberance. Properly restrained and sympathetically directed along proper channels, I feel that such energy can be turned into constructive, not destructive, activities. I am willing to take a chance in trying to change such boys from the criminal class to that of a good citizen.

FAIR COMPETITION*

FEBRUARY, 1928

The state of North Carolina has a definite and well-established policy of giving preference to North Carolina industries in all state work. Whenever North Carolina concerns are able and willing to bid on North Carolina work and on substantially the same basis as outside concerns, the work is given to the concerns in this State.

When, however, there is a differential which imposes an undue burden on the taxpayers of North Carolina, in favor of the North Carolina concerns, I do not feel that we are justified in letting this natural preference be carried too far. This would be in effect extending special privileges to a few contractors at the expense of the citizens of the State generally.

The members of the North Carolina Branch of the Associated General Contractors of America have neither asked nor received any special consideration, yet, with reference to the building trades, they have been awarded approximately 95 per cent of the building contracts for North Carolina institutions during the past three years, from January 1, 1925, to January 1, 1928.

Figures in the Budget Bureau show that contracts let for new buildings and additions and repairs to state institutions, educational, charitable and correctional, amounted to \$6,607,348 during the first three years of my administration. Of this

*Written for and printed in the *Carolinas Constructor*, February, 1928.

amount, North Carolina contractors were awarded contracts totaling in value \$6,229,130, while outside contractors were awarded contracts amounting to only \$387,218, or less than 6 per cent of the entire amount.

As previously stated, this work was secured by North Carolina contractors in the open market, pitting their bids against those of outside concerns. Our home contractors neither asked nor received special favors at the hands of the authorities awarding state contracts.

I hope I may be permitted, in order to show a contrast in attitude, to refer to the so-called printing controversy that has been before the public several times during the past six or seven months. For several years the State's printing has been done by North Carolina concerns, in fact, practically all by Raleigh concerns, until these concerns had come to look upon the state printing as something of a personal or private right, expressing surprise that anyone should think of letting any of it go out of the State, no matter what the cost to the taxpayers.

Four times the North Carolina Printing Commission has asked for bids on the State's printing, which, in comparison with the building construction just mentioned, is very small, amounting to \$350,000 or \$400,000 a year. In two instances, under the old form of contract, the six former state printers submitted practically identical bids. In another instance, under a new form of contract, which sought to eliminate the opportunity for identical bids and provide competition, the prices were again practically identical. These printers, moreover, bid their own terms so as to include a percentage of work of all classes, in direct contravention of the terms of the new form of contract provided by the State. Probably half of the State's printing for the next eighteen months has now been let to firms other than these six printers, at a saving of probably 35 per cent on the contracts as let, as compared with the former prices submitted in the bids of these six printers.

When it became evident, after three trials, that the former state printers would not submit competitive bids, and that the bids they submitted, when comparisons were available, were from 20 to 50 per cent higher than those of other printers, the Printing Commission had no option but to open up the bidding to outsiders,

though it had been confined up to that time to printers within the State. An instance of outstanding difference is shown in one item, the automobile pamphlets, on which a saving of over \$4,000 was made in the last contract let, as compared with the price paid under the former contract and the new bid of the six former printers under the new form of contract.

The policy of keeping work at home, when it is possible to do so without injustice to the taxpayers, goes through all of the departments of the state government, but the other policy also prevails, that when local contractors cannot or will not provide competition by submitting bids that are fair and reasonable, the work must be offered to outsiders. The North Carolina Highway Department has had practically all of its printing done outside the State for some time, for the very good reason assigned, that it is done at a much lower rate. Contracts for road construction, supplies and equipment are awarded also on a competitive basis.

When North Carolina desires to float a bond issue, it opens the bidding on bonds to outside banks or syndicates, as well as to inside banks or groups of banks. Everything else being equal, the issue will be sold to the state banks, on an equal bid, but a substantial difference will send the bonds to the outside banks.

I do not believe any fair-minded contractor, merchant or business man will oppose this policy, which is based on sound business principles.

I am anxious to see North Carolina contractors get all the state work possible provided they do so on a business basis. That they are able to compete with outside firms is manifest from the very large percentage of the state building they have done during the past three years. They are on the ground, know the conditions, and are able to do it more efficiently and economically than an outside contractor.

I repeat that North Carolina building contractors have done all of this work without asking for or receiving special consideration. I believe the North Carolina contractors are as completely organized as any other group of artisans anywhere, but I have not yet heard of any effort to eliminate competition by any unfair or unjust methods. In this and also in their general attitude toward their vocation, as far as I am able to discover it, I commend them. I also appreciate what they are doing to elevate their trade and improve conditions by eliminating undesirable and inefficient

contractors. So long as your organization is used to insure fair practice in the business, and without attempting to suppress wholesome competition, it deserves, and in my opinion will receive, the support of the public.

NORTH CAROLINA'S CLAIM AGAINST THE FEDERAL GOVERNMENT*

MARCH 3, 1928

I never heard of this contract with the attorneys until it was called to the attention of the attorney general and myself by one of the attorneys about a year ago. The attorneys also furnished us with a copy of the agreement made by Governor Craig, dated April 10, 1914. When they first presented this matter to me and asked me and the attorney general to confirm the agreement made to them with Governor Craig, I made the following statement to them:

After conferring with the attorney general, I do not feel justified in entering into a new agreement with you on the basis of the contract which you had with Governor Craig. I presume the state of North Carolina will, at the proper time, abide by any valid contract a former governor made. Personally, I must be frank enough to say that if I were making a new contract I would not agree to pay attorneys twenty-five per cent of the claim. I say this without prejudice to your rights to insist that the contract which you made with Governor Craig is reasonable.

Before the matter can be settled, the appropriation will have to be concurred in by the House of Representatives, and then I presume a settlement will be made with the United States in accordance with the terms of the resolution which Senator Overman has had passed. The question of the compensation of the attorneys, I presume, will be presented by them after the claim is paid and will be considered upon its merits. So far as I am concerned, I have expressly refrained from making any personal commitment in regard to it, as my correspondence with the attorneys show.

*Under the sponsorship of Senator Overman the Senate passed a bill appropriating \$118,035 to settle the claim of North Carolina against the United States growing out of the War of 1812, the Indian Trust Fund and the State's cotton seized after the Civil War by the federal government.

STATE GAME AND FISH LAW

MARCH 12, 1928

I am particularly pleased at the results obtained from the first year's operation of the state-wide game and fish laws enacted by the 1927 General Assembly.

North Carolina had more game laws than all of the other states in the Union combined. Each county had its local laws and there was little effort, except in rare instances, to enforce the laws. By breaking down some of the local prejudice, we were able to enact a law that is state-wide in its scope. As a result, commercial hunters, who made a living out of game, birds and fish, have been eliminated, and hunting and fishing have been reduced to a sports basis.

The results so far reported have been very gratifying, for they show increases in game and fish. The purpose of the law is not to collect the tax provided, but to conserve and preserve the game supply. The inauguration of the game sanctuary idea will materially aid in this purpose, and I hope that still further reservations, in which no hunting is permitted, will increase, thus giving more centers in which game may live and multiply, overflowing into the unrestricted hunting areas.

The state laws do not apply to commercial fishing, of course, for the supply seems unlimited and restrictions are not deemed necessary for this class of fishing.

I feel that, with proper care and enforcement of our laws, our game and fish will so increase that within a few years the supply will not only furnish sport for our citizens, but will attract sportsmen from all over the country, giving them an opportunity, incidentally, to see our great material progress and learn of our remarkable development in recent years. The result will be of incalculable value.

GREAT SMOKY MOUNTAINS NATIONAL PARK
PROJECT FOR THE STATES OF NORTH
CAROLINA AND TENNESSEE

MARCH, 1928

I am deeply gratified at the action of the board of directors to the Laura Spelman Rockefeller Memorial in providing a fund up to

\$5,000,000, matching dollar for dollar for amounts raised in other ways, for the purpose of establishing in North Carolina and Tennessee the Great Smoky Mountains National Park. I feel that this action, following the action of the general assemblies of the two states in making appropriations of \$2,000,000 each and of private subscriptions, all approaching a total of \$5,000,000, will assure the establishing of the park.

I have been very much interested in this project since it was started and especially so since I became governor more than three years ago. I favored the appropriation of \$2,000,000 made to the cause by the 1927 General Assembly of North Carolina, with the provisions that no bonds shall be issued and no part of the fund provided shall be spent until it was assured that the secretary of the interior had designated the areas to be acquired within the states of North Carolina and Tennessee, in pursuance of the act of Congress, that adequate provision has been made on behalf of the state of Tennessee for the purchase of the designated area within that State and within the state of North Carolina.

The governor and council of state, as provided in the act, found that these conditions have been met and adopted a resolution authorizing the issuance of the bonds to provide funds for carrying out the State's part of the provisions. The state of Tennessee appropriated \$1,500,000, in addition to a \$500,000 land grant, all of which, with private subscriptions and the funds tendered by the Rockefeller Memorial, will give a total approaching \$10,000,000 for establishing the park.

The land included in the approximately 424,000 acres designated for the park, half in North Carolina and half in Tennessee, is to be acquired, either by purchase or through condemnation proceedings, and turned over in fee simple to the federal government. In view of the progress so far made, I am sure that the Great Smoky Mountains National Park, including scores of verdant and lofty mountain peaks, will be a reality within the next two or three years.

The culmination of this national park plan will be one of the most significant and most important events in a generation, not only to the people of the two states involved, but to the citizens of the eastern part of the United States in general. Many of our people, especially those in the large eastern centers, are now

unable to reach the national park areas in the far western states and are therefore deprived of the invigorating and ennobling influence of communing with nature in primeval forests, at the feet of majestic mountains, on the brinks of deep chasms and along the banks of crystal streams.

All of this, and infinitely more, will be easily available to millions of people through the eastern half of the country, especially those in the large centers of population, with the completion of the Great Smoky Mountains National Park project. Although the designated park area is now within easy reach by rail and by motor road, much of it, in mountain fastnesses and deep ravines, has never been completely explored and will disclose a luxuriance and variety of fauna and flora that can hardly be excelled in any place on the globe.

A great boon will be extended to the people of the eastern part of the Nation, not only in the immediate future, but to generations yet to come, through the establishment of this park.

AN INSPIRATION TO LOOK OVER BUILDINGS AND GROUNDS

APRIL 4, 1928

It was really an inspiration to look over the buildings and grounds of the Elizabeth City State Normal School for colored boys and girls, in the kitchen and dining room. I have never seen cleaner or more attractive cooking and eating places than I found at this school, and the bedrooms and classrooms were models of cleanliness and order.

I am in hearty accord with the interest the people in authority in North Carolina are taking in the colored people. Recently a representative of the Rosenwald fund said that North Carolina was more liberal in its attitude toward the colored race than any other state in the Union. I hope and believe that the colored people are fully appreciative of this attitude and many of them have expressed their appreciation to me.

I have tried to be more careful in the selection of trustees of the colored institutions, in getting men and women who are in hearty sympathy with the education and progress of the colored people.

This is conclusive evidence of the interest the white people have in the progress of the colored people. It has been more difficult to work out and meet the needs of the colored race, because of the different background, but we have been fortunate in finding many colored men who appreciate and understand these differences and have worked faithfully with us in meeting this situation.

I am encouraged to see this institution so successfully operated. We must have patience and vision to work out the problems, no matter how difficult. You must remember that North Carolina was not able to look after the education of her children satisfactorily until within recent years. We are now determined that every child, white and colored, shall have opportunity for an education. We are not able to reach our goal in a short time, but we are carrying on. The time is near when we shall have opportunities for our children as good as anywhere in the country.

Training in moral character is more important than academic training. If you have not learned that it is wrong to lie, steal and practice immorality, then your academic training will be worthless. I realize that this is more difficult for members of the colored race, because of economic and other conditions, but it is an essential and indispensable part of your training. I advise the teaching of the moral code in North Carolina schools, even if we cannot teach the Bible because of the problem of church doctrines.

You have friends in Raleigh and all over North Carolina who will see to it that every institution for the colored race will be given proper attention. These friends will make sure that as long as these institutions show results, you will be provided with funds, not only for maintenance, but for new buildings and equipment, to meet the growing needs, and to the extent that conditions will permit.

I was deeply impressed with the appearance and attitude of the boys at the Eastern Carolina Training School for Boys, near Rocky Mount, on the occasion of my visit to that important institution last week. I was also impressed with the earnestness and apparent ability of Mr. Sam Leonard in handling the boys sent to him for training and discipline.

The state of North Carolina is interested in you. It has provided this institution for your welfare and in order to give you training in the right way of living. It has placed over you a set of able and patriotic men and a superintendent and instructors who are doing all they can for you. They are trying to supply the training that you may have missed in the home, because of the death or absence of one or more of your parents. The State is trying to help you forget any error you may have made and I ask you to follow the right, study to be honest, upright and honorable and help the State to help you make upstanding and honored men of yourselves. Some of you may attain any position of honor, even governor of the State and all of you can be valuable and useful citizens of the communities in which you live.

WILLIAM C. DOUGLASS DEAD

APRIL 20, 1928

I feel a deep personal loss in the passing of William C. Douglass. I have known Mr. Douglass for a good many years and regarded him as a very able lawyer, splendid citizen and one of my close personal friends. His long career as an attorney and his sturdy manhood and Christian character gained for him an important place in the hearts of the people of Raleigh, particularly, as well as other places in North Carolina in which he was known and loved. His place at the Raleigh bar will be hard to fill and his wise counsel and judgment will be greatly missed.

MEMBERSHIP CAMPAIGN OF AMERICAN LEGION*

MAY 9, 1928

You were brothers in service and sacrifices and I feel it is entirely proper and desirable that you remain brothers in associa-

*Statement made by Governor McLean when he accepted the honorary chairmanship of the membership campaign to be waged by the North Carolina Department of the American Legion from May 10-20, inclusive. Appointment was made by Gen. Albert Cox, commander of North Carolina Legionnaires, who had previously named W. B. Duncan, Raleigh postmaster, as active chairman. During the period specified, the

tion and in service to mankind in the years to come. For this reason, I do not hesitate to urge all ex-service men to join the American Legion. I think that its purposes and objectives are worthy, helpful and constructive. No man can be a real member of the American Legion without being a more useful and a more patriotic citizen.

I feel that it is entirely desirable for you men who were in the World War to join yourselves together in an American Legion, not for the purpose of demanding or receiving special privileges, but that you may perpetuate the spirit of patriotism and the consuming passion for justice and right that caused you to offer your all on the altar of your country. You are a picked and marked group. You had to come up to certain physical and mental standards before your country would accept you for military service. You passed through a season of special training and drilling that gave you increased strength and power. Many of you underwent a baptism of fire in the trenches and on the fields of France. Others of you were performing indispensable service in camps or were being prepared for fighting.

I can imagine no truer reflection of the virile manhood of America today, nor more accurate cross-section of the life of our people, than is shown by you men who served in the World War. Side by side in the trenches and on the battlefields were boys from mansion and hovel, sons of rich and poor, the university graduate and the product of farm and the factory. While many of us were *speaking* of the love we had for our country, you were *showing* yours. You left your communities, your jobs and your families to offer your time, your best energies and your very lives, if necessary, in defense of your country and her people. There can be no truer or finer demonstration of patriotism.

When the war was over, those of you who did return and who were able to do so, dropped back into your places and continued to carry on, no less in peace than you had in war. You have not boasted or whimpered or shirked. Be it to your everlasting credit that you did not assume the attitude that it was the duty of your country to keep you in idleness and luxury for the remainder of your lives. You have devoted your best efforts and best energies

officers of the posts all over North Carolina will bend their efforts toward bringing into the membership of the legion all of the former service men possible. The campaign will supplement the activities of the various posts during the past winter.

to the promotion of peace and prosperity at home, just as you devoted your lives to the furtherance of war and destruction when that was the duty expected of you. Individually and collectively, you have and are carrying on.

For these reasons, and innumerable others, I have accepted with peculiar pleasure the honorary chairmanship of your membership campaign. I feel that the safety, the peace and the future of our State and our Nation can be entrusted to the veterans of the World War. I feel that you can much more effectively attain the objects of the American Legion, as set out in the preamble of your constitution, by organization and coöperation, than you can working as individuals.

Therefore, I commend the American Legion to you and urge every eligible former service man to enroll as a member. I have confidence that the personnel and the leadership will continue to hold their state and their nation above any personal inclinations or ambitions, and do not hesitate to lend any influence I may have, both as governor of North Carolina, and as a private citizen, to help the organization in its desire to enroll as a member every veteran of the World War.

FEDERAL AID FOR NORTH CAROLINA RIVERS AND HARBORS

North Carolina will be the recipient in development and care of rivers and harbors a total of \$1,137,000, in addition to \$539,500 to be devoted to joint projects, North Carolina and Virginia and North Carolina and South Carolina, for the fiscal year ending June 30, 1929, according to the schedule of improvements approved by Dwight F. Davis, secretary of war.

The total amount of the appropriation for such work throughout the United States is \$55,886,310, of which \$43,096,510 has been allotted and listed by individual projects in the schedule of the National Rivers and Harbors Congress, leaving a reserve of \$7,789,800 for future contingencies.

In comparison of the North Carolina appropriation, Virginia waterfronts and rivers will receive \$959,300, South Carolina will

get \$233,500, Georgia's allotment is \$963,000 and Florida's is \$1,501,300. In addition to the North Carolina, Virginia, and South Carolina joint appropriations of \$539,500, the joint appropriations of South Carolina, Georgia and Florida amount to \$50,000.

Notably absent from the list is the proposed rebuilding of the lock in the Albemarle-Currituck canal, which has been permitted to disappear since the United States government took over the canal several years ago, permitting salt water to get into bodies of fresh water, the result being the gradual elimination of fresh water fish in these bodies of water and the destruction of plants along the water lines which have served as food for migratory and domesticated fowls for many years. This destruction is due to the increasing amount of salt water finding its way into the former fresh water bodies. Hearings were held before the board of engineers of the army in Washington several weeks ago on this project. It may be that this project will be included in the amount "reserved for future contingencies."

The amount appropriated to the Virginia and North Carolina project is \$537,500, to be devoted to inland waterway from Norfolk to Beaufort inlet. The North Carolina-South Carolina project is \$2,000 to be spent on the Waccamaw River.

The projects entirely within the state of North Carolina and to cost a total of \$1,137,000 are as follows:

Scuppernong River, \$3,000.

Beaufort Harbor, \$14,000.

Beaufort Inlet, \$26,400.

Cape Fear River, at end below Wilmington, \$184,000; above Wilmington, \$9,600.

Pamlico and Tar rivers, \$25,600.

Neuse River, \$51,600.

Trent River, \$4,200.

Waterway from Core Sound to Beaufort Harbor, \$6,000.

Intra-coastal waterway from Beaufort to Cape Fear River, \$200,000.

Shalotte River, \$12,000.

CONNECTICUT ON VERGE OF ABANDONING SUIT

MAY 15, 1928

The action* would have been abandoned in Washington yesterday, but for the urgent objection of the Mr. Griswold, who gave the bonds to the Connecticut hospital. Mr. Griswold asked for time to present arguments and was allowed a week in which to do so by Governor Trumbull and Attorney General Alling.

We were glad to find that the state officials, business men and newspaper men of Connecticut were fully advised of the nature of the bonds on which the effort to bring suit against North Carolina was being made. I am confident that if the officials had known in advance of the character of the bonds, they would not have accepted them in the first place and the suit would not have been brought.

While the authorities of Connecticut were undoubtedly acting in good faith and without knowledge of the character of the bonds, I am more fully convinced than ever that Mr. Griswold, the donor of the bonds, was acting under the direction of holders of some of those bought in England.

MONEY FOR SMOKY MOUNTAINS NATIONAL PARK

JUNE 19, 1928

At four o'clock Tuesday I received a telegram from Governor Horton of Tennessee agreeing to attend a conference at the office of secretary of the interior, Hubert Work, on Thursday, June 21. The governor and council of state met on Tuesday afternoon at two-thirty pursuant to adjournment on yesterday to further consider the park matter, and after full discussion authorized the treasurer to borrow \$2,000,000 on short time notes in anticipation of sale of long term bonds later, in order to make available the sum of \$2,000,000 in cash to provide North Carolina's part of the purchase price of the lands in the North Carolina

**Connecticut vs. state of North Carolina* in the matter of bringing suit for the collection of certain Confederate bonds.

area of the Smoky Mountains National Park; the said money to be placed in the hands of the state treasurer and to be available for the purchase of lands under the terms of the act of the last General Assembly of North Carolina as and when Tennessee has made available the sum of \$1,500,000, which that State agreed to provide.

UNABLE TO ATTEND BAR ASSOCIATION

JULY 7, 1928

I was much interested in some of the discussions that took place at the Bar Association as reported by the press. One of the chief speakers urged the importance of reform in our judicial procedure and proposed the judicial conference, composed of judges and lawyers, as an effective agency through which this reform could be brought about. He stated that this method had proven effective in England, in Canada and in many states of the Union.

I fully agree with the views thus expressed. I urged upon the General Assembly of 1925 the establishment of a Judicial Conference (which was done), composed of the Supreme and Superior Court judges and one practicing attorney from each judicial district.

While the entire program submitted by the Judicial Conference to the General Assembly of 1927 was not enacted into law, provision was made for the continuance of the work of the conference and a small appropriation made for that purpose.

I am thoroughly convinced that the Judicial Conference is the medium through which reform in judicial procedure may be most speedily and effectively brought about. The need for reform in judicial procedure is an urgent one. We have made progress in the last few years in reforming our methods of judicial procedure, but it is nevertheless true that North Carolina has made less progress in this matter than in any other phase of the State's activities. Nothing worth while can be accomplished without the wholehearted coöperation and action of the judges and members of the bar, particularly those members of the bar who are members of the General Assembly.

FINANCIAL CONDITION OF NORTH CAROLINA

JULY, 1928

To the Taxpayers of North Carolina:

Following my custom of giving the taxpayers of North Carolina, from time to time, information concerning the financial condition of the State, I submit for your consideration the following:

As required by the executive budget act, I have just had completed the audit of the offices of the state treasurer and the state auditor for the fiscal year ended June 30, 1928. This audit covers the first year of the second biennium under the operations of the executive budget act enacted at my request by the General Assembly of 1925.

In my statement to the taxpayers made as of June 30, 1927, I gave the results for the two fiscal years of the biennium ended June 30, 1927.

The results of the operations for the first three years afford conclusive evidence that the purposes for which the executive budget system was created have been fully realized.

The legislature of 1927 realized that the services performed by state departments and institutions have grown and provided for this by increasing the appropriations to practically all the departments and institutions for the biennium beginning July 1, 1927. There were increases in expenditures during the year over the previous year as follows: approximately \$1,736,000 in the equalizing fund to public schools, \$200,000 in administrative departments, \$60,000 in educational institutions on account of increased enrollment made possible by enlarged facilities, \$400,000 in pensions to Confederate veterans and widows and \$40,000 for debt service.

The credit balance resulting from the operations of the fiscal year 1927-28 was \$1,749,495 as compared with a credit balance in 1926-27 of \$133,759 and in 1925-26 of \$1,269,824.

The credit balance or cash surplus at June 30, 1928, was the result of: (a) collecting \$793,945 more than the original estimates of revenues on which appropriations were based and (b) actually expending \$955,550 less than the appropriations authorized by

the General Assembly for the maintenance of the various departments and other agencies and for debt service for the year.

The actual needs of each department and institution were determined, from time to time, from monthly reports and direct investigations and thereupon allotments of funds were made for these needs by the director of the budget.

An inventory of all the assets of the State was made at the close of business on June 30, 1927. It appeared at that time that the State had invested in the highway system, state institutions, departmental buildings, and other fixed assets, the sum of \$203,073,102. The inventory of \$223,347,629 shown at June 30, 1928, consists of the beginning balance at July 1, 1927, of \$203,073,102, with the addition of \$17,000,000 invested in new highways and \$3,274,527 invested in permanent improvements at various state institutions. Investment in railroad stocks at the market value are \$5,233,584. The current or working assets aggregate \$23,681,682.65 and are in addition to fixed assets.

The funded indebtedness of the State amounted to \$170,042,600 on June 30, 1928. Of this total approximately \$111,000,000 represents highway bonds, which will be retired out of the highway system's own special revenues; \$15,685,000 represents loans to counties for school building purposes, which the counties are repaying to the State in annual installments.

The State has set aside sinking funds in the form of cash and securities in the total amount of \$21,182,267.66 for the repayment of its funded indebtedness. This includes notes representing loans to counties for school building purposes as above mentioned.

A brief analysis and explanation of items in the accompanying exhibits are as follows:

BALANCE SHEET—EXHIBIT NUMBER I

1. "Cash in State Treasury \$19,641,222.41" is made up of the following:

General fund cash.....	\$	2,231,356.61
Highway construction fund.....		1,063,623.88
Highway maintenance fund.....		14,170,068.08
Cape Fear River bridge fund.....		1,250,000.00
N. C. State Fair.....		172,219.46
Department of Agriculture.....		127,438.49
Permanent improvement fund 1925.....		25,709.65
Special school building fund of 1925.....		65,417.31

County loan trust fund.....	\$	452,738.76
Other special funds cash.....		279,982.70
Reserve for highway bond interest.....		2,288,112.30
Reserve for payment of principal of general fund notes and bonds..		1,100,000.00
Reserve for general fund bond interest.....		587,102.00
Reserve for special school building bond interest.....		420,465.69
Cash to meet outstanding warrants issued but unpaid.....		1,384,851.13
		<hr/>
Total balances.....	\$	25,619,086.06
Less the following advances:		
(a) Advanced to special school building fund of 1927.....	\$	1,016,883.61
(b) Advanced to World War veterans' loan fund.....		1,849,194.71
(c) Advanced to permanent improvement fund of 1927.....		3,111,786.44
		<hr/>
	\$	5,977,863.76
<hr/>		
Net cash in state treasury.....	\$	19,641,222.30

2. "Advances to departments of \$3,875.89" represents advances to the Department of Labor and Printing for county printing which is to be reimbursed by the counties.

3. "Securities held in trust \$4,036,584.46" includes:

(a) State warehouse system.....	\$	614,520.00
(b) State literary loan fund.....		1,342,931.50
(c) World War veterans' loan fund.....		1,829,132.96
(d) County loan trust fund.....		250,000.00

(a) "State warehouse fund" represents loans made out of the state warehouse fund for the building of storage warehouses and is secured by first mortgages which are held by the state treasurer.

(b) "State literary loan fund" is a revolving fund set aside by the constitution for the special purposes of aiding the public schools. This money is loaned under the direction of the state superintendent of public instruction to counties for the purpose of building schoolhouses. The amount \$1,342,931.50 shown includes \$39,000.00 advanced by the Rodman trust fund to the state literary loan fund to be loaned in common with other funds. The Rodman trust fund advance is secured by a note executed by the State Board of Education to the Rodman trust fund.

(c) "World War veterans' loan fund" arises out of the operation of Chapter 155, Laws of 1925, as amended by Chapter 97, Laws of 1927, providing for the issuance of \$2,000,000 in bonds, the proceeds to be loaned to World War veterans as provided in the acts. These bonds have not been sold, but there has been advanced from the general fund the sum of \$1,849,194.71, of which \$1,829,132.96 was actually loaned to veterans at June 30, 1928, on the first mortgages now held by the state treasurer.

(d) "County loan trust fund" arises out of the operation of Chapter 95, Public Laws of 1927, providing for the allocation to counties of the State, to which the State Highway Commission is indebted for money borrowed from these counties for road building purposes, the proceeds of highway serial bonds authorized by said act. The counties that have loaned or advanced money to the State Highway Commission shall be reimbursed to the amount of allocation to said counties provided they have not pledged this money to the payment of any indebtedness. If such counties have pledged this money or any part of it to the payment of any indebtedness, the Sinking Fund Commission is required to hold such amounts in a separate fund to be used solely for the purpose or payment of such county indebtedness.

4. "Outstanding warrants of \$1,384,851.13" represents auditor's warrants issued but which had not actually been presented to the state treasurer for payment at the close of business on June 30, 1928.

5. "Liabilities for trust funds of \$4,501,888.22" represents various securities and cash belonging to trust funds held in trust by the state treasurer shown under the head of current assets "Securities held in trust" and included in "Treasurer's cash" and therefore must be set up as a corresponding liability in the balance sheet.

6. "Reserves due various special funds of \$11,164,030.81" represents all cash held by the state treasurer belonging to certain special funds, except cash belonging to certain special funds which are in themselves a distinct liability of the State.

7. "Reserve for bonds and interest due July 1, 1928, of \$4,395,679.99" represents all cash held by the state treasurer which has been set aside for the retirement of matured bonds and matured bond interest and represents the gross amount of bonds and bond interest accrued but unpaid at June 30, 1928.

8. "General fund surplus in cash of \$2,235,232.50" represents the cash surplus of the general fund at the close of business on June 30, 1928, after all current liabilities had been paid or provided for and is usually referred to as the "Credit balance."

9. "Sinking fund assets of \$21,182,267.66" are funds set aside for the retirement of the State's bonds when they mature. They consist of:

Cash in state treasury.....	\$	462,867.66
Various state, county and other bonds.....		5,496,000.00
Notes receivable of various counties for school building.....		15,223,400.00

These notes represent money loaned to the counties for public school buildings and are repayable to the State in twenty equal installments. The proceeds of interest and principal payments from counties are used to pay interest on the State bonds outstanding from which this money was originally received, and, second, to retire the principal of these bonds as they mature.

10. "Investments in railway stocks—market value \$5,233,-584.00" represents the State's investment in the North Carolina Railroad of \$4,410,294.00 and the Atlantic and North Carolina Railroad of \$823,290.00 at their market value. The State receives an annual dividend from these stocks of \$254,345.

11. "Fixed property—last appraisal \$223,347,629.00" represents the investments of the State in all fixed properties including investments in the highway system, state institutions, departmental buildings, and other fixed assets. The cost value of the same was \$223,347,629.00.

When the last balance sheet of the State was made at the close of the fiscal year 1926-27 on June 30, 1927, the fixed properties of the State were set up at \$203,073,102. It will be seen therefore that there has been an increase in the fixed properties of the State over the former balance sheet of \$20,274,527 consisting of the following additions:

(a) Construction of new highways.....	\$17,000,000
(b) New improvements at state institutions.....	3,274,527

12. "Permanent improvement construction requirements of \$25,709.65" consist of money received from the proceeds of bonds, which bonds are shown as a liability while \$25,709.65 is held in the state treasury to be spent for fixed properties; therefore, the permanent improvement construction requirements account has been set up to offset the liability in outstanding bonds for which the fixed properties have not been completed.

13. "Highway construction requirements of \$2,313,623.88" consist of money received from proceeds of bonds, which are shown as a liability while this money is being held for future construction of highways and bridges; therefore, this account has been set up representing bond money which has not yet been invested in fixed properties.

14. "State debt—current and funded \$170,042,600.00" represents the current and funded debt of the State incurred for the building of highways, buildings and other permanent improvements at educational, charitable and correctional institutions and for loans to counties for school buildings heretofore referred to. As stated under item "9" the State has already set aside \$21,182,267.66 to retire these bonds when they mature.

Of the total state debt above mentioned approximately \$111,000,000 represent investments in the state highway system. The special revenues derived from gasoline taxes and motor vehicle taxes are sufficient to pay annually:

- (a) The cost of administration of the highway system including the Motor Vehicle Bureau,
- (b) Interest on all outstanding highway bonds,
- (c) Sinking fund and serial payments to retire all bond principal as they mature,
- (d) Full maintenance of the state highway system, and
- (e) A surplus of approximately \$4,000,000 to \$5,000,000 for construction of new highways.

15. "Other liabilities of \$4,511,786.44" consist of:

- (a) Advances for permanent improvements for which bonds have not been issued.....\$3,111,786.44
- (b) Advances for loans to counties, for school building purposes for which bonds have not been issued..... 1,400,000.00

"Advances for permanent improvements for which bonds have not been issued of \$3,111,786.44" represents permanent improvements made under bond authorizations and shown in "Fixed properties" while the bonds have not been sold. This liability was set up to represent the advance from other funds for permanent improvements until bonds are sold.

"Advances for loans to counties for school building purposes for which bonds have not been sold of \$1,400,000" represents assets shown under "Sinking fund assets" of notes receivable from counties for school building purposes for which the bonds have not been sold. This liability is set up to show money advanced

from other funds until the liability is shown under "Funded debt," when the bonds are sold.

16. "Capital surplus—value of fixed properties in excess of state debt \$77,548,427.75" represents the excess in the value of the State's fixed properties and investments over the current and funded debt of the State. In connection with this item, it is interesting to note that the State has paid for a large part of its fixed properties from time to time out of current revenues.

EXHIBIT NUMBER 2

Exhibit No. 2 gives a condensed statement of operations of the general fund compared with budget estimates. The first "item" is the credit balance or cash surplus of the general fund with which the fiscal year began on July 1, 1927, in the sum of \$1,403,583. This cash surplus has been allocated to the two fiscal years of the present biennium as follows: \$917,845 to the fiscal year 1927-28 and \$485,738 to the fiscal year 1928-29. The revenues estimated by the Department of Revenue by sources are shown. These estimates of revenue were accepted as a basis of making appropriations by the finance and appropriations committees of the last General Assembly.

Under caption "As estimated in the budget" is shown the condition of the budget at the beginning of the fiscal year as estimates of revenue and legislative appropriations were made, and the "credit balance" at June 30, 1928, if the budget had worked out exactly as set up, showing a credit balance of \$485,738 or the amount of credit balance at the beginning of year reserved for the fiscal year 1928-29. Under caption "Operations for fiscal year" is shown the revenues collected, and appropriation expenditures as compared with estimated revenues and legislative appropriations. Revenues collected were \$15,592,690 or \$793,945 more than the original estimates. \$295,595 of this arose from interest on daily balances, attributable to the "Daily Deposit Act of 1925." Expenditures of appropriations were \$14,761,040 or \$955,550 less than the appropriations as made by the legislature. The fiscal year closed with a gross surplus of credit balance of \$2,235,233, of which \$485,738 was reserved for the fiscal year 1928-29 leaving a net credit balance resulting from operations of the fiscal year 1927-28 of \$1,749,495.

The appropriations to departments and institutions are made on a basis of gross appropriations less estimated receipts giving a net amount which is the amount appropriated by the legislature. The departments and institutions collected and expended receipts in additions to legislative appropriations in the sum of \$4,044,019.

EXHIBIT NUMBER 3

Exhibit No. 3 is a statement showing the budget of the general fund as set up and as it actually worked out. The General Assembly of 1927 authorized appropriations for the fiscal year ended June 30, 1928, of \$15,716,590. These appropriations were based on the estimates of revenue and beginning credit balance of surplus of \$917,845 allocated to the fiscal year 1927-28 making a total of \$15,716,590.

The appropriations for the fiscal year were \$15,716,590 and actual revenue collections \$16,510,535, resulting in actual revenue collections exceeding appropriations by \$793,945. The expenditures for the fiscal year were \$14,761,040 or \$955,550 less than legislative appropriations. The total credit balance on the operations of the fiscal year 1927-28 was \$1,749,495, consisting of:

(a) Revenues collected in excess of estimates.....	\$793,945
(b) Savings on appropriations—expending less than appropriated.....	955,550

The increases in revenue over original estimates were due largely to collection of \$1,175,000 above the estimates for income taxes and \$295,595 above estimate for interest on bank balances less decreases of approximately \$300,000 in inheritance taxes, \$175,000 in license taxes, and \$200,000 in franchise taxes under the original estimates of revenue from these sources.

The savings in appropriations by expending less than was appropriated was brought about by the machinery of the executive budget act. The act enables the director of the budget to keep in close touch with all departments and institutions so that he may regulate the expenditures of any department or institution according to their actual needs, but not exceeding the maximum authorized by the General Assembly.

EXHIBIT NUMBER 4

Exhibit No. 4 is a statement of receipts of the general fund, classified by sources. This exhibit is intended primarily to inform the taxpayers as to the particular sources of taxation tapped for the purposes of providing money for the operation of the state government. The estimates of revenue are shown in comparison with actual collections to show increases or decreases over or under estimates.

EXHIBIT NUMBER 5

Exhibit No. 5 gives the appropriation expenditures, classified by general divisions. The expenditures are shown by general divisions so that the taxpayer may see more clearly how his money is being spent. Out of the total expenditures of \$14,761,040, approximately \$395,000 was spent to carry on the courts of the State; \$3,606,000 was given to public schools as equalization fund and vocational aid; \$93,000 was given to counties to aid in health work; \$2,350,000 to maintain the higher educational institutions devoted to training the youth of the State; \$2,008,000 to operate charitable and correctional institutions; \$1,403,000 to Confederate veterans and widows of Confederate veterans in the form of pensions and \$3,234,000 to pay interest and principal of the State's general fund bonds which were issued principally to build and enlarge the institutions of the State. It can be seen that approximately \$13,100,000 of the \$14,761,040 was spent for the purpose of carrying on state courts, helping the counties to operate the public schools, protecting health, providing higher education for their children and taking care of indigents in charitable and correctional institutions. The State's prison was completely self-supporting and used no part of the appropriations of \$150,000 made to it by the 1927 legislature.

EXHIBIT I

CONSOLIDATED BALANCE SHEET OF ASSETS AND LIABILITIES
OF NORTH CAROLINA AT JUNE 30, 1928

CURRENT ASSETS:

- | | |
|---|------------------|
| 1. Cash in state treasury (exclusive of sinking funds) . . . | \$ 19,641,222.30 |
| 2. Advances to departments (Department of Labor
and Printing, for county printing) | 3,875.89 |

3. Securities held in trust.....	\$ 4,036,584.46	
(a) State warehouse system.....	\$ 614,520.00	
(b) State literary loan fund (including \$39,000 belonging to Rodman trust fund).....	1,342,931.50	
(c) World War veterans, loan fund...	1,829,132.96	
(d) County loan trust fund.....	250,000.00	
Total current assets.....		\$ 23,681,682.65
CURRENT LIABILITIES:		
4. Outstanding warrants issued but unpaid at June 30..	\$ 1,384,851.13	
5. Liabilities for trust funds.....	4,501,888.22	
6. Reserves due various special funds.....	11,164,030.81	
7. Reserve for bonds and interest due July 1, 1928....	4,395,679.99	
Total current liabilities.....		\$ 21,452,480.15
8. General fund surplus in cash.....	2,235,232.50	
Total current liabilities.....		23,681,682.65
CAPITAL ASSETS:		
9. Sinking funds, including county school notes.....	\$ 21,182,267.66	
10. Investments in railroad stocks, market value.....	5,233,584.00	
11. Fixed properties, last appraisal.....	223,347,629.00	
12. Permanent improvement construction requirements....	25,709.65	
13. Highway construction requirements.....	2,313,623.88	
Total capital assets.....		252,102,814.19
CAPITAL LIABILITIES:		
14. State debt, current and funded.....	\$ 170,042,600.00	
15. Other liabilities.....	4,511,786.44	
(a) Advanced for permanent improve- ments for which bonds have not been issued.....	\$3,111,786.44	
(b) Advanced for loans to counties for school building purposes for which bonds have not been issued.....	1,400,000.00	
Total capital liabilities.....		\$174,554,386.44
16. Capital surplus (value of fixed properties in excess of total debt).....	77,548,427.75	
Total.....		252,102,814.19
SUMMARY		
ASSETS:		
Current assets.....	\$ 23,681,682.65	
Capital assets.....	252,102,814.19	
Total assets of state.....		\$275,784,496.84
LIABILITIES:		
Current liabilities.....	\$ 10,282,419.34	
Capital liabilities.....	174,554,386.44	
Total liabilities of state.....		184,836,805.78
Excess of state's assets over liabilities.....		\$ 90,947,691.06
Consisting of:		
General fund surplus (in cash).....	2,235,232.50	
Reserves for highway and other special funds (cash)....	11,164,030.81	
Capital surplus (in fixed properties).....	77,548,427.75	
Total surplus and reserve.....		\$ 90,947,691.06

EXHIBIT 2

A CONDENSED STATEMENT OF OPERATIONS OF GENERAL
FUND COMPARED WITH BUDGET ESTIMATES FOR THE
FISCAL YEAR ENDED JUNE 30, 1928

REVENUE:	<i>As estimated in the Budget</i>	<i>Operations for the year</i>
Credit balance July 1, 1927.....	\$ 1,403,583	\$ 1,403,583
Schedule A—Inheritance taxes.....	\$ 1,000,000	\$ 698,740
Schedule B—License.....	1,579,900	1,401,473
Schedule C—Franchise.....	3,831,000	3,636,900
Schedule D—Income.....	7,000,000	8,175,189
Total under revenue act.....	\$13,410,900	\$13,912,302
Non-tax revenues (earnings, interest on deposits and miscellaneous).....	1,387,845	1,680,388
Total revenue collections.....	\$14,798,745	\$15,592,690
Total revenues and credit balance.....	16,202,328	16,996,273
EXPENDITURES:		
Expenditures other than debt service.....	\$12,222,095	\$11,527,049
Expenditures for debt service.....	3,494,495	3,233,991
Total expenditures.....	\$15,716,590	\$14,761,040
Total credit balance at June 30, 1928.....	\$ 485,738	\$ 2,235,233
Less: Reserves out of the beginning balance for fiscal year 1928-29.....	485,738	485,738
Credit balance on fiscal year 1927-28 operations at June 30, 1928.....		\$ 1,749,495

NOTE—The state departments and institutions collected and expended their internal receipts not applicable to legislative appropriations which are not included in this statement.

EXHIBIT 3

A STATEMENT SHOWING THE BUDGET OF THE GENERAL
FUND AS SET UP AND AS WORKED OUT FOR THE
FISCAL YEAR ENDED JUNE 30, 1928

Legislative appropriations.....	\$15,716,590
Original estimates of revenue (including balance).....	15,716,590
Legislative appropriations.....	\$15,716,590
Revenues actually collected and beginning balance (\$917,845) applicable to 1927-28.....	16,510,535
Revenues (and balance) exceed appropriations.....	\$ 793,945
Legislative appropriations.....	\$15,716,590
Actually expended out of appropriations.....	14,761,040
Savings by expending less than appropriations.....	\$ 955,550
The credit balance on the fiscal year 1927-28 operations resulted from:	
Revenues collected in excess of estimates.....	\$ 793,945
And savings on appropriations—expending less than appropriated.....	955,550
Total.....	\$ 1,749,495

EXHIBIT 4

A STATEMENT OF RECEIPTS OF THE GENERAL FUND,
CLASSIFIED BY SOURCES, FOR THE FISCAL
YEAR ENDED JUNE 30, 1928

	<i>Original Estimates of Revenue for fiscal year ended June 30, 1928</i>	<i>Actual Col- lections for fiscal year ended June 30, 1928</i>
Schedule A—Inheritance taxes.....	\$ 1,000,000	\$ 698,740
Schedule B—Licenses (Inc. B. & L.).....	1,579,900	1,401,473
Schedule C—Franchise taxes.....	3,831,000	3,636,900
	<hr/>	<hr/>
Railroads.....	\$ 475,000	\$ 472,823
Utilities.....	200,000	252,839
Sleeping car.....	6,000	4,378
Express.....	35,000	34,569
Telegraph.....	20,000	20,491
Telephone.....	170,000	229,609
Domestic corporations.....	700,000	582,099
Foreign corporations.....	285,000	251,490
Insurance premium taxes.....	1,370,000	1,280,865
Licenses.....	230,000	222,007
Bus taxes.....	340,000	285,207
Penalty bad checks.....		523
	<hr/>	<hr/>
Schedule D—Income taxes.....	\$ 7,000,000	\$ 8,175,189
	<hr/>	<hr/>
Domestic corporations.....	\$ 2,574,750	\$ 2,840,793
Foreign corporations.....	2,675,250	2,988,403
Individuals.....	1,750,000	2,345,735
Penalty bad checks.....		258
	<hr/>	<hr/>
Total under revenue act.....	\$13,410,900	\$13,912,302
	<hr/>	<hr/>
Non-tax revenue.....	\$ 1,387,845	\$ 1,680,388
	<hr/>	<hr/>
Insurance department fees.....	\$ 15,500	\$ 14,913
Secretary of state.....	130,000	124,638
Governor's office.....	18,000	15,827
Gasoline inspection.....	600,000	598,860
Oil inspection.....	70,000	79,342
Blue sky.....	24,000	11,844
Railroad dividends.....	254,345	257,512
Interest on deposits.....	271,000	566,595
Miscellaneous.....	5,000	10,857
	<hr/>	<hr/>
Total revenues.....	\$14,798,745	\$15,592,690

EXHIBIT 5

A STATEMENT, CLASSIFIED BY GENERAL DIVISIONS, OF
APPROPRIATION EXPENDITURES FOR THE
FISCAL YEAR ENDED JUNE 30, 1928

Legislative.....	\$ 188
Judiciary.....	395,523
Executive departments.....	180,627
Administrative departments.....	596,348
National Guard.....	146,885

Public buildings and grounds.....	\$	115,967
Mothers' aid.....		40,698
Board of health.....		413,719
Fire prevention.....		50,552
Miscellaneous.....		86,310
Education:		
Public school.....	\$3,738,748	
Educational institution.....	2,349,979	
Blind and deaf.....	274,519	
		6,363,246
Hospitals (insane, feeble minded, orthopedic and tuberculosis).....		1,349,961
Reformatories.....		265,582
Homes (Soldiers' and Confederate Women).....		61,071
Pensions.....		1,403,372
State aid to private institutions.....		57,000
		<hr/>
Total other than debt service.....	\$11,527,049	
Debt service (interest, sinking funds and redemption of bonds).....	3,233,991	
		<hr/>
Total expenditures.....	\$14,761,040	

DISCUSSION OF SPEECH MADE AT GRAY'S CREEK

OCTOBER 10, 1928

If you will read my speech in full, advance copies of which were sent to all newspapers, you will see that I favor retaining the eighteenth amendment, the organic law on the subject, without change; that I suggest the advisability of amending the machinery of the Volstead act by providing an alternative method of concurrent enforcement to be put into effect in those states like North Carolina that will agree to set up state enforcement units, and undertake the major burden of enforcement within state boundaries, with the provision that the federal government will pay a good part of the cost. This will enable the state and local enforcement agents to bring about effective enforcement. In addition to providing funds for the coöperative work by the State, the federal government should continue its activities by way of preventing the bringing of intoxicating liquors into the State from other states and foreign countries. In all states where the state authorities should decline to undertake the duty of enforcing the prohibition laws within their own boundaries, the federal government should continue its enforcement activities under the same plan now in force under the Volstead act. As I expressly stated, my proposal contemplates such an amendment or supplementary provision in the machinery of

the Volstead act as to "strengthen and not to weaken it." I stated that federal enforcement under the Republican regime in North Carolina and other states has been a failure; that practically all of the effective enforcement has been done by local officers in the counties, cities and towns, and that these have done remarkably well considering the handicaps under which they have labored, that if a state prohibition department is set up for the purpose of undertaking the major duty of enforcement in the State, it will be able to bring about thorough coördination of the work of local officials, the character of concurrent enforcement contemplated by the eighteenth amendment. I expressly stated that I do not favor Governor Smith's plan, except in so far as he takes the position that he is in favor of effective enforcement of such laws on the statute books. My plan for strengthening the machinery of the Volstead act so as to provide for an alternative plan of state enforcement, to the expense of which the federal government should make substantial contribution, is entirely in line with the policy which has been followed in North Carolina. It is a mistake to say that the Volstead act is perfect and should not be amended. The Volstead act simply provides for the machinery to enforce the eighteenth amendment, and in the light of the experience we have had since it was passed, we are bound to admit that we cannot depend upon federal enforcement under the present terms of the Volstead act.

In North Carolina we have amended the enforcement machinery of our prohibition acts a number of times since the original act was passed, each time strengthening the machinery and providing severe penalties. If we have found it necessary to strengthen the machinery of our state prohibition acts, why should we take the position that the Volstead act, in the light of its failure to bring about effective prohibition enforcement, is so sacred that it should not be amended and strengthened?

I have favored all the prohibition laws that have been enacted in North Carolina and took an active part in bringing about prohibition in my own county, which was the pioneer county in North Carolina in the work of driving out liquor. One thing is certain; if we are to have federal enforcement of the kind that we have had for eight years under the Republican rule, North Carolina will be forced to set up a state prohibition enforcement

department in order to meet the needs in the State itself. I discussed this plan with leaders in the last General Assembly, but at that time there was not sufficient sentiment behind the project to enforce it. I would like to see sentiment crystallize to such an extent that the next General Assembly will provide for the organization of a state prohibition enforcement department. After all, the State's prohibition statutes are much stronger and more effective than any federal statutes, so far as enforcement within the boundaries of North Carolina is concerned. We should learn that our chief reliance for prohibition enforcement in North Carolina is our state laws enforced by our state and local officers and we must marshal public sentiment behind those agencies, if we are to succeed in the difficult task of prohibition enforcement.

NORTH CAROLINA CONTINUES ITS FORWARD MARCH OF PROGRESS*

OCTOBER 18, 1928

The human element has played a far greater part in North Carolina's recent development than its material resources, great though they are. We have not built roads, schools, factories and other monuments to our substantial prosperity simply for the sake of seeing what could be accomplished with concrete, steel and stone, when backed by dollars. Our growth, though necessarily the result of money available, indicates something deeper than material prosperity: We regard this remarkable growth as an effect rather than a cause, for the real cause is hidden in the hearts of our citizenry, which, I firmly believe, places spiritual values above material success.

North Carolina has had the foresight to properly coördinate its resources and direct its activities. Our advancement has not been along haphazard lines, but with definite purposes in view, chief among which has been service to humanity. Our program has been a balanced program. We have built roads, to be sure, but we did not neglect education to do this. At the same time,

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there was no cessation in our activities in behalf of the weak and unfortunate.

Education, in its broadest sense, has done more than any other factor to bring our State to the forefront, and the external evidences of education are based upon something deeper than that which appears on the surface. True enlightenment goes farther than the erection of schoolhouses and the employment of competent teachers. It inspires a will to serve humanity as a whole.

North Carolina's chief aim has not been to outdo any neighbor state, but to improve its own opportunities and, therefore, to help others. Our interests are diversified. Not only do we believe in and strive to encourage diversified farming, but diversified industry as well, and diversified education.

In agriculture we are no longer dependent on any one crop. In 1927, our agricultural products, including livestock, were worth \$441,168,000, and we ranked seventh in the value of all crops and sixth in the value of twenty-two leading crops. Between 1920 and 1925, when there was a terrific slump in the number of farms throughout the United States, North Carolina showed a net gain in the number of its farms of something like 13,000 and was elevated to the rank of second state in the Union, with only Texas leading. From corn last year our farmers realized \$45,871,000; from wheat, \$7,344,000; from peanuts, \$4,872,000; from Irish potatoes, \$4,747,000; from sweet potatoes, \$9,944,000, and so on. During the past five years our farmers have shipped, in coöperation with the State Department of Agriculture and county agents, 10,000,000 pounds of live poultry, at good prices in carlots, while we are looking toward a material increase in the dairy cow industry.

Aside from its educational advancement, North Carolina's greatest progress has been marked by the building of dependable highways, for which \$115,000,000 has been authorized by the State since 1921. Through this and federal aid, our state system now extends between 7,000 and 8,000 miles, and the financing system calls for no tax on real estate or personal property. Besides the state system, there are approximately 66,000 miles of county roadways.

We have in North Carolina more cotton mills than any other state in the Union, and the output from these ranks second in value. They consume about 1,500,000 bales of cotton annually, which is considerably more than we produce.

As compared with \$68,000,000 in 1900, the manufacturing establishments of North Carolina now represent a total investment of considerably more than \$1,000,000,000, compared with \$669,000,000 in 1920. The aggregate annual output from these factories equals the amount invested. These factories employ approximately 185,000 workers, whose income is, in round figures, \$135,000,000 yearly. There are more debt-free homes in North Carolina than in any other state in the Union.

Another distinction enjoyed by North Carolina is in values added to raw materials by manufacture, which runs to \$499,727,-125. Ten leading industries show outputs for 1927 as follows: Textiles and their products, other than knit goods, \$425,233,595; tobacco, \$413,274,144; lumber, including planing mills, \$54,062,-615; furniture, \$53,551,221; fertilizer, \$18,293,687; flour and meal, \$18,201,542; cottonseed oil, cake and meal, \$17,612,879; leather, tanned and cured, \$16,405,354; car construction and repairs, \$14,447,443; printing and publishing, \$12,259,226.

North Carolina's rank in water-power development among the states of the Union is fifth. The output of its power plants is 1,730,861,590 kilowatt hours and its output by water-power is 1,025,278,570 kilowatt hours.

The State ranks first in the number of native minerals, with 260, and in the value and quantity of scrap mica, 43 per cent of United States, and feldspar 44 per cent of United States, produced in residual kaolin clay.

While the entire South produces 50 per cent of the nation's lumber, North Carolina's forest products amount annually in value to \$100,000,000. This is well in keeping with the total amount received for its cotton or tobacco, the two major crops. Western North Carolina's hardwood and Eastern North Carolina's pine and gum are among the State's richest assets.

Tremendous increase in per capita wealth has been noted in the State during the past two decades. Taking the 1912-1922 period as an example, this increase was 238 per cent, as compared with 61 per cent for the nation as a whole. The State's property

value is placed in excess of \$5,000,000,000, as compared with \$681,000,000 in 1900 and \$4,500,000,000 in 1926, while federal tax collections for the year ending June 30, 1928, totaled \$225,-315,303. Bank resources increased from \$150,000,000 in 1914 to over \$500,000,000 in 1927, a gain of 230 per cent in about a dozen years, while the banking resources of the United States increased slightly more than 100 per cent in the past twenty years.

North Carolina has the oldest state university in America, located at Chapel Hill and founded in 1789, while other institutions for higher learning include five colleges for white students and six for colored; also there are thirty-two privately operated colleges for white and seven for colored students.

North Carolina is more than 99½ per cent pure American stock, these people having as their background some of the finest sections of Anglo-Saxon Europe. The foreign influx has been slow and at no time has it proved threatening to home industries. Such foreigners as we have are orderly and industrious and have not given any cause for concern.

Briefly, I have endeavored to point out several outstanding facts, which I believe are easily substantiated: First, that North Carolina has been impelled by proper motives; second, that it has utilized its natural resources to the best advantage with a view to spiritual as well as material values; and third, that the spirit which pervades North Carolina is not one of selfishness. So long as these conditions prevail, we shall continue our forward march.

CONFEDERATE BONDS

1928

The suggestion made by some papers and individuals that the Connecticut bond suit be fought out in the courts on its merits is an ill considered one and would be so decided by those suggesting it, if they were familiar with the full facts in connection with the old so-called "carpetbag" bonds.

The Supreme Court of the United States is given the authority, but is not required to give permission to another state or to another country to institute suit against a state. In a case like

this, the application should be met at the outset. It would be manifestly unfair for us to waive our constitutional right to appear before and convince the Supreme Court that the so-called bonds were so corruptly and fraudulently issued that they should not be made the basis of a suit.

In the first place, holders of the bonds have them to produce as evidence on their face that they are bonds of the state of North Carolina, while all of the people living sixty years ago and active in state affairs at that time have since died, leaving no living witnesses familiar with the corruption and fraud practiced in connection with the so-called bonds. While there is documentary evidence with which to oppose such a suit, it is not as full and would not be as effective as testimony of actual witnesses, and the many statements previously made by those who have since died would not be held as competent evidence.

However, in no action of one citizen against another in North Carolina can suit be maintained after ten years elapsed since bonds fell due the defendant in such case could plead the statute of limitations. The assumption is that unless action is brought within that period, the claim is not just. Why, after sixty years have elapsed, should a state be permitted to file a claim against this State when its citizens are given only ten years for a similar action?

Still another point is that if the Supreme Court should permit such a suit to be brought against North Carolina, it would be necessary to spend a large sum of money in defending the State against holders of those old so-called bonds, thus requiring an unnecessary expenditure of state funds.

Again, if by any failure to produce the evidence it should be held that this State is liable for the bonds on which evidence shows that the State never realized a cent, it would seriously inconvenience North Carolina. The special tax bonds amounted to about \$15,000,000 and they bore six per cent. The interest for sixty years would be \$54,000,000. This would raise the State's indebtedness to an amount in excess of the constitutional limit of $7\frac{1}{2}$ per cent on the total assessed valuation of property of the State. The result would be that North Carolina could not hope to borrow for necessary purposes for a long time to come.

I found, up to this time, that little effort had been made to collect the documentary evidence we have of the fraud and corruption under which the alleged bonds were issued. Because of that neglect, it would have been more difficult for us to have defended the State against the claims, if action had been permitted by the Supreme Court. Now, however, I am having this material all gathered together and it will be put in such form that the citizens of the State may have knowledge of the hearsay-evidence. Many of them are already familiar with the conditions under which these special tax bonds came into existence.

I hope this is sufficient to convince those who have said that the case should be tried out in the courts that they were in error and that they will agree that the proper steps have been taken in the Connecticut case. It does our cause no good to have some of our citizens express the opinion that the motion to bring suit should not have been contested.

NORTH CAROLINA TODAY*

It is a common experience today for the North Carolinian abroad to find himself made the center of human question marks whose queries about his State, its cities, its industries, agriculture, business opportunities and good roads are flattering but disconcerting. For the North Carolinian is apt to be a very busy man whose ideas of the domain in which it is his lot to live, whose notion of its larger history, whose knowledge of its resources are of the most general sort. There are thousands of citizens in my State today who are keenly interested in what is going on about them and outside of their peculiar spheres because they found themselves wanting in the knowledge which strangers wanted of them. From a state that used to be largely a region living apart and of itself North Carolina, perhaps more intensely than any other commonwealth save California and Florida, has of recent years become an object of national curiosity. Curiosity, let me amend, is not quite the word; rather it is a widespread desire to verify what has been heard and to test with correct

*Article written for the North Carolina Supplement of the *Christian Science Monitor*.

data the arresting generalities with which the national mind has become impressed.

Technically, North Carolina is the oldest American state, since it was on Roanoke Island that Sir Walter Raleigh's colony founded the first settlement in 1584, only to disappear mysteriously and leave behind it enduring mystery and romance. A hundred years later the real settlement of the State began when immigrants arrived from England. There followed other important migrations which moved from Scotland, Ulster, Germany, via Pennsylvania and the Shenandoah Valley. Today the population is in round figures 3,000,000, an amalgamated strain of dominant races, English, Scotch and German, with a slight admixture of Swiss and French. A generation before the Civil War foreign immigration practically ceased. It has never been renewed. As a result, the population of North Carolina, in its white inhabitants, presents what is incomparably nearer a distinctive American type than can be found in any other state. The Negro element of this population is descended from generations which have lived on its lands and is itself one hundred per cent native born. In the census of 1920, it was shown that of the total population of the State only three-tenths of one per cent are of foreign birth. It was natural that a people so self-contained, which has been through great crises of disastrous war and endured long periods of difficult recovery, should have been slow in coming into national notice. It was natural, also, that when it became evident that they had achieved not only their own salvation but a great and outstanding progress, the fact should carry something of the glamor of a discovery.

To understand the North Carolina of today it is necessary to keep these historical and racial facts concerning its people well in mind. It must be remembered, also, in gauging the appeal which the recent success of the State makes to the people of the United States, that until a short generation ago North Carolina was one of the commonwealths which was busily engaged in enriching other sections through the emigration of thousands of its best and most energetic young men. Go where you will in the United States and you will find familiar North Carolina names and encounter North Carolinians afield who still retain an undying interest in and love for the land of their nativity.

That character and fortitude which sent North Carolinians to the winning of the first pitched battle against the forces of the British Crown (the Battle of Moore's Creek Bridge, February, 1776); which brought the first declaration of a colony looking to independence (Halifax Resolution of April 12, 1776); which carried North Carolina troops to the battles of Brandywine, Germantown, Valley Forge, Monmouth, and Stony Point; which sustained Washington at Valley Forge, with men and with provisions and supplies sent from North Carolina, with which they fought at Kings Mountain and Guilford Courthouse and so harassed Cornwallis as to insure his defeat and capitulation at Yorktown, were qualities of a people often tested and found true through the years, and are maintained to this day as the steady heritage of an unbroken lineal succession. In war, the courage and persistency which distinguished the State during the Revolution were equally conspicuous in the generous fashion in which it spent itself under Lee and Jackson in the Civil War. They found expression in quick response to the national call for volunteers in the war with Spain, and in the World War it was the Old Hickory Regiment, largely composed of North Carolina men, which contributed so much to the breaking of the Hindenburg Line. Even more notably did these qualities serve to sustain our people when, in the period after the Civil War, they found themselves faced with such a poverty and destruction of assets as few peoples have ever suffered without losing also their racial faith and civilization. It is this victory—a great moral feat—which the Nation is today coming to recognize in North Carolina's material possessions and progress without at the same time recognizing their genesis.

It is somewhat difficult for a North Carolinian to avoid undue boasting about these material things when he has an opportunity to do so in a forum from which his words will carry to the world. Let me touch, as briefly as possible, on a few salient figures which may suggest the picture:

In 1925 the State grew 1,100,000 bales of cotton, which sold for more than \$100,000,000. The total value of its crops was \$317,000,000. Its timber production was around \$90,000,000 in value. Its mineral resources produced a value of \$10,000,000. These are values of the raw materials.

Those materials are utilized in a state industry which has had a marvelous expansion. Textile and tobacco manufactures which get most of their raw material from North Carolina farms, furniture factories supplied by our forests, knitting, woolen and silk mills and a thousand diversified industries increase these values by turning out products which last year sold for a billion and a third dollars. In 1926 this State—that a generation ago was considered on the verge of bankruptcy—will pay into the federal treasury in taxes on its incomes and the products of its factories the sum of approximately \$200,000,000.

The human life that these figures reflect is distributed over a state 550 miles long, extending from a coast with great inland sounds, through a rich coastal plain to a piedmont humming with industry, to a mountain region of the highest Appalachians. In this range is included every physical advantage known to the temperate clime. Within it every crop, except the subtropical varieties, may be successfully grown. Its resources are infinite and, practically speaking, illimitable. Its climate is mild and without extremes. From one end to the other it is threaded with modern hard-surfaced roads that are wiping out with wonderful rapidity what used to be sectional peculiarities and making for a new consciousness of the Commonwealth. Although there are no great and few large cities, these roads touch hundreds of towns which are, in point of conveniences, cities in miniature. They draw yearly thousands of tourists to flourishing resort centers in all three chief divisions of the State. Everywhere, though the life is still in large part rural, there are modern school-houses from which there comes a yearly flood of students which the State and the great denominations are strained to accommodate at our University and the dozens of colleges for higher education and special training.

Behind these high lights suggesting a very definite and established prosperity, there were in North Carolina in the last generation three movements, or crystallizations, of distinct poetic quality.

The first and most significant, was the campaign which the great-hearted Governor Charles B. Aycock undertook in 1900, with the ideal of giving every North Carolina child the opportunity to receive an education and to develop to the fullest his

natural powers. For a quarter of a century every North Carolina administration has had the realization of that program as one of its central policies.

The next was the dream a unique capitalist and industrialist, James B. Duke, realized by the creation of the hydro-electric industry upon the streams of the State. There is now developed from this source 600,000 horse-power, which delivers to industry more than a billion and a half kilowatts per year. There is in the manufacturing center of the Piedmont a stretch of twenty miles of factories paralleling the railroads and hard-surfaced highways, where smokestacks are cold.

The third was the decision five years ago to use the credit of the State to construct modern highways. The system now includes 6,200 miles, of which 4,500 have been hard-surfaced, representing a total investment of \$125,000,000.

These, then, are the points of the North Carolina of today, the character of a sound stock that has held to old faiths while showing initiative, adaptability and daring; the opportunity of universal education to recruit with intelligence the ranks of effort; the harnessing of the streams to run more economically the industries which thrift and vision have created and to bring modern comfort and convenience to aspiring homes; the roads which make a people mobile, which encourage business, commerce and trade, which attract visitors and which everywhere promote friendship and understanding and a common sympathy.

Thus we have built up, slowly it is true, but lately with much acceleration. We could not have come to be what we are or to hope as we do without either of these contributing advantages.

North Carolina's great need at present is the fuller development of almost incalculable natural resources. To make this development fit the opportunity would take more capital than we could find of ourselves in another generation. Our own hardly accumulated wealth now represents probably the hardest-working dollars in the world. The time has come, when, to keep our development uniform, we need capital, and we need men from other states who will use our resources. To such capital and such men the State offers welcome and encouragement and the same privileges—no greater, no less—than it offers its own

citizens. In fact, it is citizens of North Carolina characteristics that North Carolina wants.

We have in this State a big business, where there is wealth, industry, opportunity and no politics of the sinister kind. We have resources and a native labor of high intelligence and unusual ambition along with contentment. May I say that it has been one of my own chief ambitions to put this business of the State in the way of being managed in a businesslike way.

North Carolina is one of the few states in the Union that has taken definite steps to apply to the administration of its affairs the same principles and methods of business economy necessary for any enterprise that would prosper and serve. An executive budget system has been set up which gives the governor, as director of the budget, continuing oversight of the affairs of the State, its various departments, boards and institutions, very much in the same way that the executive head of a large organization supervises its departments. The State is operated on a balanced budget basis. Bonds can be issued only for useful and necessary permanent improvement, and in all cases provision is made, not only for the payment of the interest, but for the amortization of the principal out of the current revenues within the life of the improvement. A careful examination will disclose the fact that North Carolina is at the very forefront among the states that have adapted improved business methods to the administration of affairs.

Business method, however, is the necessity created by a democracy of the old order which encouraged the individual. Our cohesion and such success as we have had has been due to these independent toilers who have found brotherhood and team work in effort because of the long brotherhood of a common race and a strong and essentially common aspiration.

WILLIAM A. FOIL DEAD

I am deeply grieved to learn of the death of Senator William A. Foil of Concord. He was one of the outstanding members of the last General Assembly and contributed in a very large way to the constructive work of that body. He was one of the most

patriotic and public-spirited men in the State and in his death the State has suffered a severe loss.

I feel a genuine personal loss in his untimely passing.

CHOCOLATE BARS THE FAVORS FOR WOMEN

I hesitate to spoil what newspaper men call a good news story,* one that seems to have stirred up some newspaper comment.

However, the cigarettes were not at the women's plates. The cigars and cigarettes were distributed on the tables indiscriminately and were intended for the men, while the chocolate-colored donkeys, mounted on little platforms of chocolate bars, were the favors for the women.

So far as I know, not one of the women committee members even smokes. I am sure the women were neither encouraged nor expected to smoke.

I suppose the story had its origin in the fertile imagination of an enterprising reporter of one of the Raleigh papers who was driven by the paucity of news at the committee meeting to invent what is usually referred to as a "human interest" story. The main objection to the story was its lack of foundation in fact.

NORTH CAROLINA CELEBRATING THE SESQUICENTENNIAL

No state has better right or could take more pleasure in celebrating the sesquicentennial of the signing of the Declaration of Independence than North Carolina. For while her patriots supported and joined in the decision of July 4, 1776, they had been among the very first to urge such a step upon the delegates from the colonies.

The way to the Declaration was pointed in the ringing words of the brief and pregnant statement of the rights of the colonies as set forth in the resolution introduced on June 7 by Richard Henry

*This statement came as a reply to the suggestion of a newspaper correspondent that cigarettes were placed at the plates of the women attending a reception given to the State Democratic Executive Committee by Governor and Mrs. McLean at the Executive Mansion.

Lee of Virginia, who acted in accordance with a resolution of instruction adopted at Williamsburg, Virginia, on May 15.

But my State does not forget that more than a month prior to the resolution of Williamsburg the Provisional Congress of North Carolina in session at Halifax resolved:

That the Delegates for this Colony in the Continental Congress be empowered to concur with the Delegates of the other Colonies in declaring Independency, and forming foreign alliances, reserving to this Colony the Sole and Exclusive right of forming a Constitution and Laws for this Colony, and of appointing Delegates from time to time (under the direction of a general Representation thereof), to meet the Delegates of the other Colonies for such purposes as shall hereafter be pointed out.

It was the independence of North Carolina patriots and their resentment of political wrongs that contributed very largely to the creation of the moral purpose which sustained the colonies in their experiment in self-government; and it was the fortune of North Carolina troops in the war of the Revolution to take important share in the more brilliant exploits of General Washington, and in the last great campaign so to defeat and punish the Crown forces at Kings Mountain, Guilford Court House and elsewhere as to compel and materially hasten surrender at Yorktown.

BOOK CONTRACT*

I was fully informed as to the situation as soon as Professor Allen discovered the prices being charged in Tennessee, just before I left for my vacation. I have kept in touch with the situation since that time. I have fully approved the efforts which Superintendent of Public Instruction Allen and Attorney General Brummitt have made to have the book companies remedy the situation without the State's having to resort to litigation.

I am fully in accord with the other members of the Board of Education in the determination to force compliance with the contract made in 1922.

*This statement was made in reference to the controversy between the Board of Education and the book companies as to the price of certain books sold in North Carolina under contract.

I feel, as I am sure the other members of the Board of Education feel, that the State should exert its full power, not only in the courts, but in other forums if that should finally appear necessary to compel prices charged in the future to be fixed in strict accordance with the contract and to compel the book companies to make reparation for any overcharges they have made in the past twelve months.

WESTERN NORTH CAROLINA

Western North Carolina is destined to be one of the richest areas of this globe. With unexcelled climate and scenery, with tremendous natural resources of forests, minerals and water-power, with splendid transportation facilities and access to the centers of population—with all of these factors, it is difficult to imagine the great economic development that will take place in the Carolina mountains during the next few decades.

Not only will the tourist industry continue to grow, but more and more will people (including many with their fortunes already made) come to this magnificent section to live all the year round. Manufacturers will see the advantage of locating plants here; and agriculture will make progress to care for an ever-increasing urban population.

The future of Western North Carolina is one to serve as a source of inspiration and pride to the entire State.

FURTHER ROAD BONDS UNWISE

I have had a number of requests lately for an expression of my opinion in regard to the matter of further bond issues for highway construction, particularly since the recent resolution adopted by the Highway Commission to the effect that the commission would not request the next General Assembly to authorize the issuance of additional bonds for highway purposes. I have a very definite opinion about this important business and feel that I should express it frankly. The general assemblies of 1921 and 1923 authorized the issuance of \$65,000,000, in bonds for the construc-

tion of state highways for the ensuing four-year period. The general assemblies of 1925-1927, upon my recommendation, authorized the issuance of \$51,850,000, additional bonds, including \$600,000 for the erection of the Chowan River bridge and \$1,250,000 for the erection of the Cape Fear River bridge, for highway construction. It will be seen, therefore, that within a period of eight years the General Assembly authorized the total amount of \$116,850,000 in bonds for highway construction. With the amounts received from federal aid and surplus revenues derived from gasoline, motor vehicle taxes and other sources, we will have expended by January 1, 1929, approximately \$140,000,000 for our state highway system which could not be duplicated today for less than \$150,000,000.

The system, including the additional mileage authorized by the General Assembly of 1927, comprises 7,700 miles of dependable highways, connecting every county seat and principal town and city in the State, about half of which is hard surfaced.

North Carolina's plan of highway construction, from its inception up to the present time, has proceeded along sound, safe and conservative lines. I heartily approved of the plan when it was launched in the General Assembly of 1921. I have approved by words and acts every important step which has been taken in promoting it. I strongly urged the authorization of the \$51,850,000 of highway bonds by the general assemblies of 1925 and 1927. Having backed the program from the beginning up to the present time, I feel that I cannot justly be suspected of lack of enthusiasm for the cause.

The value and popularity of the state highway system has been fully demonstrated. The highways constructed under this system have contributed in large measure to the wonderful development of our State. While the program of rapidly expanding our highway system, under the bond issue plan, has had no more ardent advocate, I believe we have come now to the time when further bond issues for highway construction should come to an end, for a period of years at least.

I have given the matter of state finances my earnest consideration from the time I became governor to the present time.

The public debt of the State, including bond authorizations made by the General Assembly of 1927, under which all the bonds

have not yet been issued but for which either bonds or bond anticipation notes will be issued by January 1, 1929, will be approximately \$185,000,000, of this amount \$116,850,000, represents bonds for highway purposes. All of this debt except about \$11,000,000, has been incurred in the past eight years for highway construction and permanent improvements at our educational, charitable and correctional institutions and loans to the counties for the purpose of erecting buildings for the public schools. In the matter of our state debt, we rank near the top, only New York and Illinois having a larger debt than ours. Ordinary business prudence dictates that we should not approach too closely to the constitutional limitations upon our debt contracting power. Of the total debt, the sum of \$116,850,000, representing about 64 per cent of the total, has been incurred in the construction of the state highway system, which is usually termed self-sustaining, because sufficient revenue is produced by the operation of motor vehicles on the highways to pay the cost of administration of the Highway Commission, interest on all highway bonds, sinking funds and serial payments to retire all highway bonds within a period of twenty-five years, full maintenance of the highway system, and a considerable surplus for construction and reconstruction.

I realize that under our present system of allocating the funds derived from bond issues and other sources for highway construction to the various counties and districts, some counties, particularly in the eastern and western sections of the State, have not had their highway mileage improved and rounded out as completely as counties in the central and more populous sections of the State. It must be remembered in this connection that while the highway system was projected upon the plan of connecting by dependable highways every county seat and principal town and city in the State, the system was nevertheless predicated upon the idea that it should be a state system and not a county system. When the program was first presented to the legislature it was agreed that the general principle of coöperation, expressed in the slogan "all for one and one for all," should be the controlling motive. I believe the time has come when this idea should be reasserted and put into effect.

I believe there are other ways than the resort to bond issues, whereby funds may be obtained for continuing our highway construction. For example, a considerable sum will be available annually from federal appropriations. This will amount to about \$1,750,000 from now on, even if there is no increase in these appropriations over what is now in prospect. For another example, current revenues derived from present sources of taxation after providing for administration, maintenance and debt service. If additional money for construction is needed, it can be provided by levying an additional one-half of one cent per gallon on gasoline, or even one cent may be added without increasing the tax to a point where it will be higher than in many other states.

Many of the states of the Union are now providing all of their funds for highway purposes from current revenues and without resorting to the bond issue plan at all.

I earnestly believe that, from the sources above mentioned each of the two years beginning January 1, 1929, at least \$7,000,000 for highway construction will be available, without levying additional tax on gasoline. If we levy an additional tax of one-half cent on gasoline there will be available for construction the additional sum of \$1,500,000, or twice that if we levy one cent per gallon, or a grand total of ten million dollars from all sources for construction for each of the years 1929 and 1930.

This does not include the sum that will be available for maintaining the roads already constructed, amounting to some \$4,500,000 annually, nor does it include the sum that will be available for maintaining additional mileage to be added to the State from time to time. Under such a program of construction, and with some amendments to the present laws whereby the Highway Commission should be given power to give special consideration in the distribution of funds for construction purposes to those sections of the State where natural barriers such as rivers, bays and mountains exist, or other special needs appear, I believe all reasonable demands for the continuance of the highway program can be adequately met, including repayment of the \$4,000,000 remaining unpaid on advances made by some counties to the Highway Commission for construction purposes, and the gradual increase in mileage in the State system can also be taken

care of. I believe, therefore, the situation can be fairly, satisfactorily and adequately met without resorting to further bond issues.

Unfortunately there are some thoughtless persons among us who believe that the highway system will not be complete until all of the mileage within the system, even after it is substantially increased, has been hard surfaced. It should be remembered that there are many miles of highways in North Carolina which we could not afford to hard surface, no matter how much money might be available. We must take into consideration the question of traffic density and the actual need for the cement or other hard-surfaced type of construction. To use the hard-surface type of construction on many of the highways of the State where traffic is light or the soil is adaptable to other dependable types would be about as uneconomical and unbusinesslike as to construct a four-track Class A type of railroad from University Station to Chapel Hill.

Naturally, any program of expenditures for permanent improvements must be predicated upon the theory that the particular character of improvements is needed and will be carried out in such a manner that a reasonable return in service will be derived from the investment in each case. If expensive hard-surfaced highways are built in places where the amount and character of traffic will not justify it, or where less expensive types of construction will meet the need, the structure of the entire highway system will be weakened and perhaps ultimately destroyed.

North Carolina has made wonderful progress. Its program of public improvements has elicited favorable comment, not only throughout America, but throughout the whole civilized world. Up to the present time the plans have been laid out and executed along sound and constructive lines.

The most important duty which devolves upon the intelligent and patriotic citizenry of the State at the present time, however, is to see to it that in our desire for further expansion and progress, we do not overstep the bounds of prudent and constructive financial policy.

We must keep in mind always that the most important consideration is to handle all our financial affairs in such a way that

there shall be no weakening or ultimate injury to the general credit structure of the State.

Under the constitution and laws of the state of North Carolina, the governor and state treasurer are charged with the solemn duty of administering the finances of the State. By reason of their intimate contact with the fiscal operations of the state government in all of its complex ramifications, they are more familiar with the financial resources and liabilities of the State, present and potential, than any other officials. I mention this by way of introduction to the declaration that I have discussed the views which I have just expressed with our able and conscientious state treasurer and that he concurs fully in the opinion I have expressed.

REFORESTATION IN EASTERN NORTH CAROLINA

Ever since I have been governor, I have been trying to stress the importance of reforestation, especially the protection of our young forests in eastern North Carolina. It requires considerable agitation and education of public sentiment if we are to get results. The general attitude of the people toward this important matter is rather indifferent and the State Department of Conservation and Development has been doing a great work in bringing this important matter to public attention. I repeat the statement that these young forests properly looked after will bring a much greater financial return than can be derived from cultivated crops. This is especially true of the pine trees in eastern North Carolina, which have a rapid growth, reaching a usable size in twenty or twenty-five years. Moreover, they grow on lands which are not particularly remunerative from an agricultural viewpoint.

SALARY AND WAGE COMMISSION

Obviously, there are many technical, professional and scientific workers in certain institutions in the State whose salaries cannot be fixed as a class. Many of them are in a class by themselves.

Personnel classification, such as is to be attempted by the Salary and Wage Commission, is not new in government administration. In the federal government and in practically every progressive state in the Union, where real effort has been made to apply sound methods of government, it has been found necessary to take definite steps to have the salaries and wages of government employees brought into more direct relationship with the duties and responsibilities involved in the various positions and the qualifications necessary to their proper performance. Unless this is done, many cases will be found, as many were found in our state government, where some employees receive far more than others equally capable and where the work was substantially identical. It often happens that the harder working, more efficient employee will be the one receiving the smaller pay because of lack of political or other personal influence.

The effort on the part of some designing persons to discredit in advance the work of the commission by trying to create the impression that the purpose of the commission is to arbitrarily reduce all salaries or to fix a flat salary for each class of work without regard to the elements of experience, ability and hours of service is wholly unjustified.

The purpose of the General Assembly, and I have no doubt that the able commission will carry out that purpose, was to establish a system of personnel classification, by fixing for each class of employees a fair range of salaries so that the amount paid to any employee between a minimum and maximum will depend upon his or her experience and general efficiency. It is expected that there will be established uniform hours of service for all of the departments and that salary rates will, as a rule, be based upon standard hours of service and other conditions of employment, such as regulations concerning vacation leave and sick leave, just as has already been done by the United States government and the governments of every other progressive state in the Union, except North Carolina. This will be fair to the taxpayers, and no fair-minded office-holder or employee should object to it. In fact, the faithful and efficient employee should welcome such a plan as the only hope of reward for faithful and meritorious service performed.

When asked for the appointment of this commission, I had no knowledge as to the salary and wage situation, except that given me by members of the legislature and the newspapers, and the charge made then was not that all salaries were too high, but that salaries of some of the employees in some of the departments were from twenty-five to fifty per cent higher than salaries of other employees in other departments doing the same class of work. I am reliably informed that the appointment of the commission has already had the effect of correcting many of the cases in which public criticism was directed against unfairly high salaries in some departments.

Now that these inequalities have, to some extent, been eliminated, it is entirely possible that an important result of the commission's work will be to perfect a classification system that will prevent the recurrence of unfair discrimination and favoritism in the future, and particularly of developing a system of personnel administration which will be effective in carrying out the plan for a new budget system and the inauguration of other business reforms in our state government. I desire to emphasize the fact that there is no disposition on my part, or on the part of the Salary and Wage Commission, to treat any employee of the State unfairly. The main purpose is to give North Carolina a classification and a salary equalization system such as the United States government and most of the progressive city and state governments have had since the year 1910.

I believe that the people of North Carolina will give the able and fair-minded gentlemen who constitute the Salary and Wage Commission their united support and thus render futile the attempt of a few who are actuated by ulterior motives, to prevent North Carolina from aligning herself with other progressive states, which are putting fair, just and businesslike methods into the administration of government.

VISIT IN WASHINGTON, D. C.

While there was a frank exchange of views on both national and state politics between Senator Simmons and myself, neither

of us thought that what was discussed would be of sufficient interest to make it public.

Senator Simmons had asked me to confer with him and some men from the West who are interested in establishing boat lines on the eastern North Carolina coast, both for coastwise and inland waterways traffic. We discussed the plans and possibilities of such boat lines. These men plan to go into the proposal further, no definite decision having been reached as to the consummation of the project.

After this conference, I discussed with Senator Simmons, as is my custom when opportunity presents, many matters, particularly those relating to North Carolina and her progress. I have been closely associated with Senator Simmons from my youth and have always discussed all matters without reserve with him. I have always found his wisdom and sound judgment in public matters most helpful to me in every situation in which I have been placed.

I observed during the two days I was in Washington that Senator Simmons has apparently not let up in the amount of work he is doing and seemed to me to have been at work almost as constantly at his duties as senator as I have ever known him to do. I saw no evidence of any effort or desire on his part to lighten his work and no lack of interest in matters relating to North Carolina and in the Democratic party in State and Nation.

Also, I visited the House of Representatives while there and met in the cloak room all of the members of Congress from North Carolina, except Major Stedman and Representative Lyon, who were absent. My visit there was largely social and personal. I didn't go to talk national politics, but there was casual and disconnected discussion of politics, as would be natural at such a time and place. Nothing definite came from these discussions and they were not of a nature that would justify me in believing that the public would be interested in them.

I also had a conference with Senator Overman, in accordance with a previous arrangement, on the matter of which he has charge—trying to bring about a settlement of the old claims of the United States against North Carolina, and vice versa. I learned that the bill Senator Overman introduced, giving Comptroller General McCarl authority to look into the claims, had

been passed, and that Mr. McCarl is now auditing the claims, with a view of their adjustment and the payment to North Carolina of the difference between the claims. I also discussed this matter with the North Carolina delegation in the House, for the bill authorizing the payment will no doubt come up in that body at some future date.

Mr. John H. Small, former congressman from the first North Carolina district, discussed with me the claims of North Carolina against the United States growing out of moneys advanced the federal government in the War of 1812, in which Mr. R. H. McNeill and Mr. Adrian Sizer were employed by Governor Craig, during his administration, to press for settlement. Mr. Small was later associated with them. He had previously furnished me with a copy of the agreement entered into between Governor Craig and Messrs. McNeill and Sizer.

This agreement, I find, authorized the attorneys to prosecute any claim the state of North Carolina might have against the United States government for raising and equipping troops and expenditures made in repelling invasions and suppressing Indian hostilities in the State, naming several dates of wars, including the War of 1812, "in any tribunal or department that may be deemed to be of the best interest to the State." In consideration for such services, the attorneys were to receive a fee equal to 25 per cent of any amount that may be awarded or collected in such claim or claims, without liability to the State for any expenses incurred.

Mrs. McLean and I had a very pleasant time at the reception given at the White House Thursday night by President and Mrs. Coolidge. It was the first time I had been in the White House since it has been overhauled last summer. It is interesting to observe the many changes made in the repainting, redecorating and refurnishing. During the hour and a half we were at the White House, I renewed my acquaintance with many Democratic and Republican officials whom I had known in Washington during and after the war.

THE MAJESTY OF THE COURT MAINTAINED*

The action of Judge Grady and Sheriff W. D. Grant in preventing interference with regular processes of the court was most commendable.

The judge and sheriff are entitled to the thanks of the people of the State for the satisfactory way in which they handled what evidently was an extremely difficult situation. I realize that a horrible crime had been committed and that the relatives and friends of the murdered girl were almost irresponsible. While their attempt was the result of a terrible strain caused by the death of their loved one and while I sympathize deeply with them in their suffering, they must remember, as all good citizens of the State must remember, that the courts are established as a means of redressing wrongs and punishing offenders. The dignity of the State and the majesty of her courts must be supreme, no matter what the provocation may be.

The State is under lasting obligations to Judge Grady and Sheriff Grant for the courageous and heroic manner in which they performed their official duties. By their quick action they forestalled what may have led to lynching a prisoner who was sentenced to death a few hours later through the regular processes of the court. All good citizens should find satisfaction in the fact that the fair name of North Carolina has been spared the horrible blot which mob violence inevitably stamps upon any state.

NORTH CAROLINA REALIZING ITS OPPORTUNITIES
AND DEVELOPING ITS RESOURCES

There is a pretty general idea abroad that North Carolina is one of the foremost states in the Union in the rapidity with which it has of late years been realizing its opportunities and developing its resources.

There has gone out about the State the good reputation that it is a commonwealth that is progressive in industry, in education, in social life.

*When this case was in process of trial, Judge Henry A. Grady was armed, and the National Guards were on duty. Larry Newsome, Wayne County Negro, defendant, was charged and convicted of assaulting and murdering Beulah Tedder. He was sentenced to be electrocuted.

Particularly, it has become a matter-of-fact in thinking of a state that until recently was included in the provinces as a leading example of the application of the economy of good roads.

I am happy to say that this reputation has made North Carolina a subject of journalistic interest. We have been frequently "written up" by men of training and discrimination and judgment, in the national press and in magazine articles. Different phases of our development have been treated in interesting detail. Our resources have been analyzed and exploited. Our climate has been sung. Our recreational areas, along our long coast line, in our Piedmont section and in the wonderful mountain region, have been widely celebrated. North Carolina is no longer in a corner.

It is a happy circumstance that while some poets have had their way with us, the great bulk of this praise has kept itself within the bounds of fact. North Carolinians will tell anyone who inquires that our greatest asset is the intangible one of our population, miraculously true, bred in a polyglot age; they will enlarge upon the qualities of a people who have been late in coming into notice, but have attained sudden celebrity, as those distinguishing a race of peculiar pride, independence and self-sufficiency. But figures furnish a gauge of what a people is doing, and North Carolina figures bear out and furnish an index to the more human story.

I will give just a line or two of Census Bureau figures relating to true property values in North Carolina, since the decade prior to the Civil War and including the year 1922, these being: 1850, \$226,800,000; 1860, \$358,739,000; 1870, \$208,606,000; 1880, \$461,600,000; 1890, \$584,149,000; 1900, \$681,982,000; 1904, \$842,072,000; 1912, \$1,685,408,000; 1922, \$4,543,110,000.

Last year North Carolina raised on its farms crops which had a value in round figures of \$317,000,000; it received from its forests a revenue of around \$100,000,000; from its minerals, \$10,000,000.

Its industry took these raw materials and in a diversified form including over a thousand different enterprises expanded them in values of manufactured products to over a billion and a quarter dollars.

It will thus be seen that in twenty-two years we have reached the point where we are adding to the value of raw materials by

manufacturing within the State an annual value greater by half a billion than the true value of all the property in the State in 1912.

This material increase in North Carolina values has, of course, found full expression in expansion along manifold lines of State interest and encouragement in educational, social and charitable lines. Our common school system alone involves an expenditure of over \$32,000,000 a year, taken care of, for the most part by a county and city system, but aided materially by the State. The University, and a system of state colleges have been fostered by increasing appropriations and by large sums expended for permanent improvements. In six years the indebtedness of the State has increased from \$3,980,000 to \$143,557,600, of which \$85,299,600 is represented by bonds issued for the construction of state highways. These now include a system containing a mileage of 6,200, of which 4,500 miles have been surfaced. Every county seat of the one hundred counties in the State is now connected by one or more hard-surfaced roads. In addition to attracting thousands of tourists annually to the resorts of eastern, central and western North Carolina, these roads, which are the State's pride, having brought about a remarkable unity of purpose and understanding among a people geographically distributed from seacoast to mountain coves.

Revenue to meet these bonds is taken care of by gasoline and automobile taxes collected, which provide for interest on all the bonds covering construction of roads, amortizes the principal of the bonds issued within a period of time much shorter than the life of the improvement, provides full maintenance of the entire state highway system, and leaves a surplus of over \$4,000,000 after all of these charges are met. Other revenue is derived by the State exclusively from taxes on trades, businesses, franchises, inheritances, incomes, occupations, etc., the biennial appropriations for state expenses being readily met without recourse to ad valorem taxation.

The expansion outlined above means, of course, readjustment of governmental method. Only recently constructive statesmanship in the United States came to realize that the system of government in force in most jurisdictions was patterned to deal with the simple functions of early history and was utterly unfitted to the requirements of modern life. One of our engrossing

problems in North Carolina has been to put business in government.

In North Carolina we have only recently gotten away from an old and inelastic system. When my administration began, it was found that there were approximately seventy-five departments, institutions and other agencies administering the State's affairs. Many of these had been given overlapping duties and responsibilities, which required much duplication of effort and outlay. We had no centralized control and no adequate supervision was lodged anywhere. This condition was due to the fact that we were one of the original thirteen states, settled by a population of pioneers, distinctly Anglo-Saxon, in other characteristics, independent, conservative, and with a deep passion for self-government. It survived for a long period because the South had been reduced to an unfavorable economic condition due to destruction of its resources by the Civil War, such as I feel has never been equaled in the history of governments. With the increased scope of government due to enlarged resources and activities, reform in this respect was imperative, and in my campaign for governor I tried to stress the fact that our evolution in state services and our increase in economic resources has brought about a corresponding need for radical changes in our governmental methods. I urged that the time was ripe for radical changes in our governmental methods. I urge that the time had come to apply to the administration of the State's affairs the same principles and methods of business economy necessary for private enterprises to prosper and serve. At my request more than thirty measures were enacted by the General Assembly of 1925, having for their object improvement in the methods of government administration.

The most important measure enacted into law was an act establishing an executive budget system, whereby the Budget Bureau in the executive department becomes a supervisory department of finance and business administration under the executive direction of the governor, who supervises the financial affairs of the State very much in the same way that the executive head of a large business supervises the various departments of that business.

As the director of the budget, the governor is given continuing oversight and control of the fiscal affairs of the State, and its various departments, boards, and institutions, so that he is not only the supervisor of the general fiscal operations of the government, but also director of economy and efficiency.

Other legislation supplementing and making the executive budget system effective, consisted of acts:

(a) Repealing numerous existing statutes authorizing the payment of money from the treasury without limit as to the amount or the time within which the money could be expended.

(b) Requiring all revenue-collecting agencies of the State to deposit daily with the state treasurer all moneys belonging to the State.

(c) Consolidating all of the principal revenue-collecting agencies under the Department of Revenue.

(d) Providing for the lapsing of all appropriations for maintenance unexpended at the end of the fiscal period.

(e) Establishing a complete system of personnel classification whereby all services are classified, and a range of salaries fixed upon the basis of the actual services performed.

As a part of the executive budget system, the legislature declared it to be the fixed policy of the State to maintain at all times a balanced budget, to the end that total expenditures for the fiscal period should not at any time exceed the total amount of income available within the same period. In furtherance of this policy, the legislature repealed all statutes allowing general and unlimited appropriations and placed every department, institution and agency of the State upon a definite appropriation basis. A provision was also inserted giving the governor as director of the budget power to reduce all appropriations pro rata when this appeared to him necessary to bring the total appropriations for all purposes within the limits of the revenue actually available within the same fiscal period.

In brief, we have safeguarded the principle of the balanced budget by providing that there must be no appropriation without corresponding provision for revenue to meet it.

We have adopted also the definite state policy that bonds shall be issued only for usual and necessary permanent improvements,

and then provision must be made for the payment of the interest and amortizing the principal out of current revenues within the life of the improvements.

Under constitutional provision the aggregate obligations which the State can contract are limited within safe and conservative bounds, and sinking funds for the payment of the principal of all bonds issued must be set up and safely invested. To make these constitutional requirements effective, the last legislature established a Sinking Fund Commission, composed of the governor, the treasurer, and the state auditor, who are required under the severest penalties to collect and invest all sinking funds provided by the various acts authorizing the issuance of bonds.

It is believed that a careful examination of the laws of North Carolina will disclose that rapid progress has been made in adopting improved methods for the administration of the affairs of this State.

Our people have arrived at the definite conclusion that it is as necessary for the executive head of government to have adequate supervision over the various departments of the government, for whose success he is held responsible, as it is for the head of any great business to have such control and supervision. To withhold necessary power from the chief executive, mainly because it is possible for him to abuse it, is to weaken the most important function of our system of government. Diffusion of executive power does not safeguard against official abuse, as was once thought, but only serves to disguise and conceal it.

SCHOOL SUPERVISORS DOING GOOD WORK

You may be certain that every general officer whose matured plans win a battle, stops, even in the moment of triumph, to wish that he might be in the line once more.

This is not because he regrets the fact that he is old. It is not that the responsibility weighs on him. It is no false pose of modesty. It means that his necessary aloofness from the field robs him of the actual joy of the conflict. He would be in actual touch with the men in the trenches. He would know the jeopardy of the "zero hour." He would feel the shoulder-touch of his

comrades. He would be not only a director, but a doer. He would see things running out of his own fingers. Hear his own commands sound above the tumult. Visualize the action he incites.

I am sure that school supervisors must feel something of this elation, this natural joy of participation, very acutely. Surely, nobody has a more active part in the great work of organizing our schools out of the unorganized, hit-or-miss, hopeful, but almost hopeless, mass of good intentions that they once were into the unit they are becoming. A unit with an objective. With a purpose. With rules of which he knows the meaning and the value. With a knowledge that, above rules, he must know, observe, ponder and serve the human acquaintance. In other words, supervise and direct school work, if you will, but be yourselves constantly at school. Whoever it was who invented the idea to which you are responding and which, I am sure, you are constantly expanding in the practice and application, surely struck a blow for a great economic and practical and humanizing principle in this most important work.

I cannot, of course, instruct you in your duties. It is needless for me to attempt to say in the general way what you know in the particular way about the problems with which you live. I feel, nevertheless, that it will be of value if the people of the State know in general terms the work the school supervisor is doing, and that it will encourage you if I can bring you assurance that your labor is appreciated. That assurance, I am happy to say, I have abundant evidence justifying me to give you. The counties which have adopted the supervisor system are those in which education of a popular sort is more symbolic of what a county means, even than a courthouse. The schools in these more progressive communities are the troops. The communities themselves are or might represent the country which is giving its armies for the sake of their and its own future. Every man and woman in the population is your moral support. They do not have to await a drive, in order to vote you a liberal measure of their means. They are enlisted with you, and as you lead and organize the pupils who are put in your training you have them behind you one hundred per cent. It must be a great satisfaction

to realize, as you must frequently do, that this centering in hope on the school child is so largely your work.

Sometimes I read school statistics that show where our State was a few years ago, and where it is now, and the money we spent then, and what we are doing today, and I feel proud, as any North Carolinian must. Then I read more statistics of a relative sort, and I see how very far we have yet to go before we can hope for the full measure of that equality of opportunity which was Aycock's ideal, and which his eloquence promoted. We are still centering on that. Our general staff in Raleigh is laying its plans with that great objective in view. Our city schools, our consolidated high schools, our rural organizations, are a part of this dream. It is coming true, and I realize it and promise you that I shall, to the extent of my personal power and that of any place with which I am entrusted by the public confidence, do what I may to promote it. But I know, and the county superintendents who are your field generals know, that you are of the line; that you are commanding, as it were, our shock troops; that when these peaceful cohorts of our boys and girls come out of the training they are getting, their militant spirit will be largely your work, your care, your regimen, discipline, and thoughtful prevision.

For years, of course, it was true that whatever the South could do out of its poverty for public education was ground work, beginnings, the rudimentary essentials. We had to take our material in the raw of an ignorance for which we were not responsible. We had, first of all, to plant the very first germ of desire for knowledge. We had small equipment and facilities. It was a struggle which our results of today present to our memory in a rosy hue. But we are getting out of that nobly. We are coming to the point where, education admitted everywhere in principle, we must tackle the case scientifically from the point of view of what it is, what it means, what it may become to the body politic and social. You, supervisors, are our practical, active, working agents. You know, see, discover the means to this great, beneficent efficiency. It is for the State to back you up.

Rest assured that I am not going to attempt one of the most attractive, and yet one of the most hopeless of tasks. I am not

going to try to define—especially to you—education. I shall not make the vain attempt to give a layman's opinion of what it must include, what it must do, where it must lead. Perhaps it is competent, however, for me to suggest some negative things that deny education in any sense from the public point of view.

There is no education, from this point of view, which is what we are interested in, that fails of a real democracy.

There is no education that confuses an opportunity given unselfishly with a privilege that, by some mental hocus pocus, is considered something personal.

There is no education that holds itself aloof, that carries itself unseemly, that vaunteth and puffeth itself.

Whatever we do publicly in the way of educating our youth must be done with the idea and in pursuit of the guiding principle that we are thereby educating ourselves.

This thing of the schools is a home principle.

It is a domestic investment.

It is my money, and yours, and that of our neighbors.

If anyone of these, our high-brows, wants to criticize me for saying so, I will declare that it is your industry and mine and that we are shareholders who expect dividends, and, expecting them, demand that every dollar of our tax money shall work overtime in our interest. In the words of the Rotarian, "If this be Babbittry, make the most of it!"

No, there is no need for us to take some figures of progress and conclude ourselves rich. We don't know, relatively, what riches are. By comparison with some others, we are paupers.

But there is one thing that you and I can remember; we have the stuff. We have it in our resources and in our folk. We have been producing from resources, and our folk have been the active agents that made resources give up. Education, of course, is in this, up to the neck. We have a generation of boys and girls behind us. We have new drafts coming on. Our system is cumulative and infallible, if we have faith in it.

One of my dreams is that I may live to further a better liaison between the man at the head of the home and the man at the head of the school, and the agent who comes along as the officer who keeps in touch, who sees to the dispositions. I believe that here we have the makings of a great economy. Others have told

eloquently of how the schoolhouse has broken out of its old rôle as a place to which to send the children on mornings when there was nothing better for them to do, for a few months of every year. We know that the schoolhouse has now become in many respects the central focus of interest of the community from which it draws its pupils. We know how people who pay for a thing adopt it, and, if it be worth while, love it with a peculiar passion. How children home from school, unconsciously, without cant, with no pert arrogance of the young, bring the school to the home. This is a great thesis in the beginnings. It can be worked out. You are the people on whose shoulders most of the responsibility for making it an effective and proven rule will rest. It is my hope that I can help. Count on and advise with me.

I cannot get away from the idea that our numerous state agencies are not so closely connected with our primal state agency as they should and might be. Even the schools would be astounded to know the things of value these agencies could tell them, if only we had the proper coördination. You no doubt have known or heard that I was interested in radio. Why not? Radio is the great modern release. The great coagulator. Compared to its instant intimacy the finest hard-surfaced road is a footpath of the Dark Ages. Compared with it, the most effective newspaper is not only a day late, but prosiac in the telling. The radio lives and breathes. It talks man to man. Why should we not have it in our schools. And if we have it in our schools, be content. It will be—we cannot keep it out of—our homes.

All this, in the doing, is your job with our interest and assistance. You have a happy rôle. You are striking where, in my opinion, things count most.

No man, for his work in life, could want better knowledge than that!

LETTERS AND TELEGRAMS

WASHINGTON, D. C., May 28, 1925.

HONORABLE ANGUS W. McLEAN,
*Governor of North Carolina,
Raleigh, N. C.*

MY DEAR GOVERNOR:

Pursuant to my letter of April 14, and your kindly coöperation in instruction to the representative of the fish commission of your State, a conference of Atlantic Coast Fish Commissioners was held here on the twenty-second instant.

After an exhaustive discussion of the great depletion now in progress in respect to our resources of certain species of littoral fish, particularly shad, lobster, sturgeon and salmon, and the general acknowledgment that the problem cannot be solved except by joint action amongst the states, I was asked, subject to your coöperation, to create the Atlantic Fisheries Commission to be comprised of one representative from the fish commission of each state concerned, together with the federal commissioner of fisheries. It is proposed that this commission shall study the method which might be adopted by uniform or joint action between states in order to solve this important problem of conservation.

I enclose herewith a statement which I made to the conference, indicating my belief in the undesirability of an extension of federal authority, stating that the problem can be best solved by securing cohesive interstate action.

I should be glad if you would give consideration to the matter and, if you approve, designate to me the gentleman who will represent your State on this commission. It is my purpose to seek a small appropriation from Congress to cover its expenses, but pending such an arrangement I am in hopes that the states can see their way to pay traveling expenses of their individual representatives. The federal government in the meantime will furnish clerical, legal, and expert assistance which the commission will require.

Yours faithfully,

HERBERT HOOVER,
Secretary of Commerce.

RALEIGH, N. C., June 12, 1925.

THE HON. HERBERT HOOVER,
Secretary of Commerce,
Washington, D. C.

MY DEAR MR. SECRETARY:

Upon my return here after several days' absence, I find your letter of May twenty-eighth.

I am thoroughly in accord with the plan to create the Atlantic Coast Fisheries Commission to be comprised of one representative from the fish commission of each state concerned, together with the federal commissioner of fisheries, for the purpose of studying the methods which may be adopted by uniform or joint action between the states, and in coöperation with the federal government to solve the problems of conserving our fisheries.

As suggested, I designated Mr. J. K. Dixon, chairman of the State Fisheries Board of North Carolina, to represent the State on the commission.

I have, for a long time, advocated the organization of the states of the Nation for the purpose of bringing about coöperation and concert of action in respect of matters of interest and concern to all of the states.

You can count on North Carolina to give whole-hearted support and coöperation to this important movement.

Faithfully yours,

A. W. McLEAN, *Governor.*

NEW YORK, August 7, 1925.

HON. A. W. McLEAN,
Governor of North Carolina,
Raleigh, N. C.

HONORABLE SIR:

The New York Hippodrome this year is inaugurating the plan of naming its boxes after the states of the Union, and one of the most prominent will be named after your State. This is done particularly for the many out-of-state visitors who every week attend the performances at our playhouse, and to add to the attractiveness of their visit to the Hippodrome, we plan to issue

special state tickets for those boxes and other souvenirs which they might like to show to the folks back home.

If possible we would like to get a message of greeting from each governor, to place in the box which bears the name of his commonwealth. Such a message from you will be seen by the many visitors from your State to the Hippodrome and will doubtless be appreciated by them. I hope you can find time to send a short note of welcome, which will be highly valued, and also that you will be our guest in your state box the next time you are in New York.

Respectfully yours,

MARK A. LUESCHER.

RALEIGH, N. C., August 27, 1925.

MR. MARK A. LUESCHER,
*Manager, New York Hippodrome,
New York City.*

DEAR MR. LUESCHER:

Upon my return here from my vacation, I find your letter of August seventh.

I see no reason why I should not comply with your request. Before doing so, however, I should like to have more definite information as to the length the message of greeting which will be placed in the box assigned to North Carolina. Also, please let me know about how long you wish me to make the note of welcome and what should be the general character of it.

Respectfully yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., September 8, 1925.

MR. MARK A. LUESCHER,
*Manager, The New York Hippodrome,
New York City.*

DEAR SIR:

In accordance with your recent request I enclose herein three suggestions of forms of greetings to be inscribed in the box

assigned to North Carolina in your theatre. You may use either of these that you see fit. Please advise me when you have made a selection.

Yours very sincerely,

ANGUS W. McLEAN, *Governor.*

NEW YORK, N. Y., September 14, 1925.

HON. ANGUS W. McLEAN,
Governor of North Carolina,
Raleigh, N. C.

MY DEAR GOVERNOR:

Many thanks for your kind letter of September 8 and your suggestions of forms of greeting to Carolinians visiting our playhouse.

I am returning herewith the one I consider most appropriate, and would appreciate your sending it back on your official stationery, in order that we may frame it and hang it in the North Carolina box.

Should you have occasion to visit New York, please remember that it will be my pleasure to entertain you and your party in your state box.

Again thanking you for your interest and courtesy, believe me,

Sincerely,

MARK A. LUESCHER,
Director General.

RALEIGH, N. C., September 17, 1925.

MR. MARK A. LUESCHER,
Director General, New York Hippodrome,
New York City.

MY DEAR MR. LUESCHER:

I am very glad to return to you the form of greeting selected to hang in the North Carolina box, sent as you ask on official stationery.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

GREETINGS FROM THE GOVERNOR OF
NORTH CAROLINA

To My Fellow North Carolinians:

I welcome this opportunity to send a word of greeting to you who are sojourning for a brief period in this metropolis.

New York is indeed a great city, worthy in every way to be called the First City of the world. It leads in population, in industrial organization, in scientific improvement. Every great idea in every field of human endeavor, wherever it may have originated, finally finds its fullest expression in this city of teeming millions. It is a liberal education in itself to watch so much power, energy, and efficiency. I wish it were possible for every North Carolinian to visit New York at least once in his lifetime.

I trust your stay here will be most delightful in every way and that you will carry back to your native state some of the spirit of coöperation, of boundless energy, and matchless efficiency that have made New York the world's commercial center. Whatever constructive ideas you have gained here I hope you will apply in unstinted measure to the sound development of the unparalleled natural resources of our own great State.

ANGUS W. McLEAN, *Governor.*

ASHEVILLE, N. C., October 23, 1925.

HIS EXCELLENCY, ANGUS W. McLEAN,
Raleigh, N. C.

MY DEAR GOVERNOR McLEAN:

May I add some more detailed information to that which I submitted to you in our request of September 28, in regard to the textbook for native adult beginners.

Dr. Glenn Frank and Mr. Will Hays have asked that we send them a typical chapter in order that they may get a clearer idea of the form of the material. So we are sending to them and to you two chapters that are ideal for our book. The one from Mary Roberts Rinehart is sent as a type of the indirect form and Mr. L. R. Alderman's as a type of the direct form. These two are ideals for our purpose because these authors have used words the pupils need to know and sentences short enough for them to grasp. At the same time they have gotten vividly before the pupils the value of high aims in life and education.

My thought is to get before the pupils six essentials—education, health, good cooking, thrift, recreation and citizenship—in such form and with the prestige of the writer behind it, that they will be impressed with the great value of these essentials to themselves and to their children.

This series of inspirational readings will follow a regular series of forty reading lessons, made as nearly as possible from Ayres' list of "300 Words Most Used." After these forty lessons, they will read two books of first and second grade standard. The inspirational readings will correspond to the supplementary reading in the day school.

We find it a fascinating thing, this trying to get the essentials of life set down in words essential to a limited vocabulary.

We shall count it high honor if we may have your coöperation in our undertaking.

Sincerely yours,

ELIZABETH C. MORRIS,
Director Community Schools.

RALEIGH, N. C., November 6, 1925.

MRS. ELIZABETH C. MORRIS,
*Director, Community Schools,
Asheville, N. C.*

MY DEAR MRS. MORRIS:

Your letter of the twenty-third of October was duly received by me.

I am attaching hereto, in the form of a letter, an item on thrift, which I sincerely believe to be of a vital fundamental nature to the children with whom we are laboring to make good citizens; and in order to provide this good citizenship, keeping pace with the change of pace in society, morals, education, etc., these children must be imbued with the principles of this good citizenship. So, believing that thrift is one of these fundamental principles, I have devoted my efforts in writing these children on that subject.

I have a very great personal interest in the children of this State as one can readily visualize that these children of today

must take the place of those of us who now compose the citizenship of North Carolina. I think more effort in instilling in the children the necessities of good citizenship—namely that of thrift, education, wholesome living, religion and recreation, should be exercised. And, I am sure your efforts are directed toward this end.

Hoping I have followed the suggestions as outlined by you and if not, if you will notify me to that effect, I shall be very glad to comply with any further request.

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., November 7, 1925.

MY DEAR FRIENDS:

We are living at a time when everybody should try to save something. Let me show you what I mean:

Suppose we go into a cotton mill. We see a man at a big machine. The man tells us that the machine can do the work of ten men, and that is why they are using it. *It saves hard work.*

Next, suppose we are in a great hurry and must go for the doctor, or catch a train, or something. We own a horse and buggy and also an automobile. Which do we take? Why, we jump into the automobile, of course, because *it saves time.*

Or, let us suppose that we are not feeling well. We go to the doctor and tell him what ails us. He tells us to chew our food, get plenty of sleep, stay outdoors, and stop doing what we know is hurting us. Why does he give us this good advice? In order that we may save our health and live to a ripe old age.

So you see we are all saving something. The factory hand saves labor by running a big machine; the automobile owner saves time when he has to make a quick trip; and the sick man saves his life by taking the advice of his doctor.

Now there is one thing that all of us make a little of and ought to save a little of; it is MONEY. No matter how little we make, we should save a few dollars each week. If we spend all we earn, there may come a time when we shall need a little money and there will not be enough to buy clothes, to pay the doctor, or do

anything we should like to do. Money is not the most important thing in life, to be sure. Education, health, a home with children, religion—all these are much more important. But if you can save a little money, it will help you get those other things that are essential to good citizenship.

And so I say to all my friends, rich and poor, save some of your earnings. At least that is what I have always tried to do, and I hope every person who reads these lines will do the same.

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

WASHINGTON, D. C., April 21, 1926.

HON. A. W. McLEAN,
Governor,
Raleigh, N. C.

DEAR GOVERNOR:

The National Republic for July, which will appear soon, will be devoted to material commemorative of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence.

Expressions from scores of the leading men and women of the nation will be published. Members of the cabinet and other high officials of the federal government will join state and municipal officials and many persons prominent in private life in what we believe will be the most interesting and valuable patriotic symposium ever arranged.

We wish to secure expressions appropriate to this anniversary from the governors of each of the original thirteen states. We will appreciate it very much if you will dictate an expression of from two hundred to two hundred and fifty words in length. We would like to have a photograph to be used in this connection, and if you will advise us where we can purchase a good print we will send for it.

Assuring you in advance of our appreciation of any attention you may give this request, I am,

Very truly yours,

GEO. B. LOCKWOOD.

CINCINNATI, OHIO, April 27, 1926.

HON. ANGUS W. McLEAN,
*Governor, State of North Carolina,
Raleigh N. C.*

HONORABLE SIR:

As you perhaps know, the Disabled American Veterans of the World War, a national organization composed only of men who were wounded, injured or disabled during the World War, will hold their sixth national convention at Atlanta, Ga., June 21 to 26, 1926.

It is customary to read at the convention, greetings from the governor of each state, and a letter from you, as the governor of your State to John W. Mahan, national commander of the Disabled American Veterans of the World War, 2840 Melrose Avenue, Cincinnati, Ohio, expressing your greetings to the Disabled American Veterans in convention assembled, would be appreciated.

Thanking you for your coöperation, I am,

Yours very cordially,

OLIVER S. PERRY,
National Adjutant.

RALEIGH, N. C., May 25, 1926.

JOHN W. MAHAN,
*National Commander, the Disabled American Veterans of the
World War,
Cincinnati, Ohio.*

MY DEAR SIR:

Permit me as governor of North Carolina, a state that in all the wars in which the Nation has been engaged has always contributed more than its quota of devoted soldiers, to extend to the sixth national convention of the Disabled American Veterans of the World War greetings and good wishes for myself and for their fellows-in-arms among our people.

A national effort, such as every modern war must be, calls, in one way or another way, for the enlistment of every man, woman

and child of the population. The nearer universal the sacrifice, the more effective is the power of arms and, in the end, the greater the economy of lives. But there will always and properly remain with the people at large a consciousness of obligation to those whose fortune it was actually to bear arms upon the battle lines. To them the ultimate gift on the shrine of patriotism was an ever present possibility, of which the spiritual reaction in the hearts of the American people will be lasting and of an ennobling kind.

Especially keen is the obligation and desire to honor and, if need be, care for those veterans like yourselves who have taken wounds and spent bodies in your country's service. Yours is the dearest accolade a soldier can own, the honorable scars of victory. We could not remember gratefully those soldiers of our own who fell in Flanders and the Argonne without feeling for the members of your organization an intense emotion of respect and brotherhood.

Cordially yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., May 29, 1926.

REV. T. J. PORTER, SR.,
*Pastor Lebanon Baptist Church,
Lebanon, Ky.*

MY DEAR SIR:

I have your recent letter in which you urge the pardon or parole of W. T. Estes, formerly of Wilson County. The record of this State fully confirms the statement made in your letter to the effect that the prisoner was convicted at Wilson, N. C., in 1921 for conspiracy and embezzlement, and sentenced to five years in the State's prison; that after serving a few months he escaped and every effort to capture him has been unavailable. It is of interest in this connection to learn from your letter that he is in South Africa.

I can appreciate the motive of sympathy which actuates you in asking me to parole or pardon the prisoner in order that he may return to this country and be with his wife and children. Your request in this connection is joined in by a large number of the

most reputable citizens of Wilson County, including some of those who suffered loss by the prisoner's unlawful conduct. I naturally sympathize with the wife and children and the aged father of the prisoner who are desirous of having him at home again, but my convictions of duty will not permit me to be influenced by my sympathies, because of the principle involved. The prisoner has no right to expect favors at my hands for the reason that, after all, I am only the instrument of the law through which the sovereign will of the people is exercised in granting or withholding clemency. The judge who sentenced the prisoner and the state prison authorities who held him in confinement in execution of the sentence were likewise merely instruments of the law and represented the same sovereignty. The prisoner, by his conduct in escaping and willfully refusing to abide the judgment of the court, has repudiated the sovereign power of the people and has continued as a fugitive from justice. Through you and his friends he has now come to me, as governor, and asked me to exercise in his behalf the sovereignty of the people vested in me for the time being and give him respite from the penalties of the law and permit him to return and enjoy the association of his family and friends. I do not believe that a person should be permitted to benefit by the exercise of a power which he not only refuses to recognize but which he has repudiated. The sacred power of executive clemency is justified and respected only when it is used to meet the demands of justice and good conscience. To exercise it in a case of this kind would, in my opinion, tend to destroy rather than create respect for the law.

For the reasons stated I cannot see my way clear to extend clemency in this case.

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., June 8, 1926.

MR. GEORGE B. LOCKWOOD,
Editor, National Republic,
Washington, D. C.

MY DEAR MR. LOCKWOOD:

The delay in complying with the request contained in your letter of April 21 has been occasioned by my almost continued absence from the city for the past several weeks and the pressure of business.

I am glad to enclose herewith an article as per your request.

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

NEW YORK, N. Y., June 14, 1926.

HON. A. W. McLEAN,
Raleigh, N. C.

DEAR GOVERNOR McLEAN:

On May 17 I wrote you asking for certain information regarding the state of North Carolina to be used as a basis for an article in our monthly publication, *The Index*,* similar to an article dealing with the state of Texas which we recently published.

To date I have received no reply and thinking that the matter may not have been brought to your attention, I enclose a copy of my first letter together with a copy of *The Index*. We have no wish to be unduly importunate in this matter, as I realize it may occasion some work on the part of some of your staff. Nevertheless, since the article has been suggested by two or three of our officers and as I feel sure it would be of interest to the readers of *The Index*, which number some fifteen thousand here and abroad, we should not like to drop the matter without due consideration.

Yours respectfully,

EARL LANGSTROTH,
Publicity Manager.

*A publication of the New York Trust Company.

RALEIGH, N. C., June 29, 1926.

MR. EARL LANGSTROTH,
*Publicity Manager, The New York Trust Company,
New York.*

MY DEAR SIR:

Further replying to your letter of the fourteenth I take pleasure in giving you the following facts relative to the resources of North Carolina, for use in your forthcoming copy of the very valuable periodical called *The Index*.

North Carolina is technically the oldest state in the Union by virtue of the settlement of Roanoke Island by the Sir Walter Raleigh colony in 1584.

It was a hundred years later that the first permanent settlers came from England. Subsequent settlements were derived from Scotland, Ulster, and Germany, via Pennsylvania. Today the population is 2,800,000, an amalgamated strain composed of English, Scotch and German, with a slight mixture of Swiss and French. The census of 1920 showed that of the total population only three-tenths of one per cent were foreign born, four-tenths of one per cent were native Indian and twenty-nine and eight tenths per cent native Negro. The remaining seventy per cent is native-born white, a homogeneous blend of English, Scotch and German strains.

In 1925 North Carolina grew 1,000,000 bales of cotton, which sold for more than \$100,000,000.

The total value of its crops was \$317,000,000.

Its timber resources amounted to \$90,000,000.

Its mines produced \$10,000,000.

These values are those of raw materials.

Values produced by industry, very largely utilizing the products of the State and its natural resources were \$900,000,000. They came from textile and tobacco manufactures, furniture factories, knitting, woolen and silk mills, and 1,000 diversified industries.

In 1925 the State paid into the federal treasury in taxes on its income and the products of its factories the sum of \$180,000,000.

To power its vast industrial establishment—there are 500 textile mills alone—the State possesses a hydro-electric industry which has developed 600,000 horse-power, and delivers, with its

steam plant auxiliaries, more than 1,500,000,000 kilowatt hours of electric energy per year.

It has banking resources of more than \$500,000,000, divided respectively \$307,000,000 and \$204,000,000 between state and national banks.

According to the best estimates that could be made, it was recently determined that values of manufactured products could be fairly stated as follows:

Textiles.....	\$400,000,000
Tobacco products.....	300,000,000
Furniture manufactures.....	50,000,000
Forest products.....	118,000,000
Minerals.....	10,000,000
Miscellaneous.....	75,000,000
	<hr/>
	\$953,000,000
Crop value, 1925.....	318,000,000
Value livestock.....	73,000,000
	<hr/>
Total annual production.....	\$1,344,000,000

It is estimated that in 1925 the value of new construction in North Carolina was \$125,000,000. The figure for 1926 probably will exceed \$200,000,000.

North Carolina has probably the greatest range of soil, climate and altitude of any American state. Its geography includes a wonderful system of inland sounds and tidal rivers, a great coastal plan, a Piedmont plateau, and a remarkable mountain region.

In these limits can be successfully grown every crop known to the United States, except those which are subtropical. Climate generally is mild, winter and summer. In the East cattle can be pastured practically the year around; forests vary from the palmetto trees on the coast to the firs and balsams of the North woods, which grow in the mountains.

Natural resources are of infinite variety. They are being developed the more rapidly as the good road system of the state highways make them available.

Good roads in North Carolina are based on a county-to-county seat system which includes over 4,500 miles of completed roads,

on which there has been expended in four years \$100,000,000 of state and federal funds, in addition to large expenditures by counties and cities. Every portion of the State is now readily available by hard-surfaced roadways of an excellence that has gained them nation-wide reputation.

As a result of good roads both Eastern North Carolina, the Piedmont and Western North Carolina are now nationally known resort centers and capital is being freely expended in their development.

In the East fisheries products are a great industry, as is trucking, cattle-raising, and diversified farming. There are three principal ports of foreign commerce: Wilmington, New Bern and Beaufort. To the latter extends the inland waterway, which is soon to be extended from Beaufort to Wilmington. On the great sounds are many inland ports connected by water with world markets and available for transportation of products to the State over railroads, hard-surfaced roads and trucks.

In the West mountain streams are available for the development of over a million additional hydro-electric horse-power, promising that this section will in a comparatively few years rival the industrial Piedmont as a manufacturing area.

North Carolina suffered acutely for a generation from the paralysis produced by the wiping out of values consequent of the Civil War. A few comparative figures will show the rapidity of economic recovery, once it began:

In 1900 the true value of the State's property was \$682,000,000, but in 1924 it had risen to \$4,500,000,000.

In 1900 the total value of manufactures was \$85,000,000; in 1923 census figures placed it at \$950,000,000.

In 1900 crop values were \$69,000,000; in 1923 census figures placed them at \$436,000,000.

Bank resources today exceeding a half billion were in 1900 less than \$15,000,000.

In 1900 the State was spending a bare million on its public schools; in 1924-1925 the total school expenditures exceeded \$33,000,000.

I appreciate very much your kind consideration in this matter.

Very truly yours,

ANGUS W. McLEAN, *Governor.*

NEW YORK, July 22, 1926.

HON. A. W. McLEAN,
*Governor of North Carolina,
Raleigh, N. C.*

DEAR GOVERNOR McLEAN:

We have received no reply to our letter of July 2 asking for a brief paragraph of comment or approval for our sesquicentennial issue* of September to contain articles on the participation of American Jews in the building of the nation since the Declaration of Independence.

One of these articles is to give facts about early Jewish settlers in the thirteen original colonies and material accompanied our letter of July 2 for your information.

It would be lamentable for the state of North Carolina to be omitted from such a symposium.

Very truly yours,

WALTER HART BLUMENTHAL,
Associate Editor.

RALEIGH, N. C., July 26, 1926.

MR. WALTER HART BLUMENTHAL,
*Associate Editor, The American Hebrew,
New York City.*

MY DEAR MR. BLUMENTHAL:

It is very interesting to learn that the American Hebrew will get out a sesquicentennial issue in September containing articles on the participation of American Jews in the building of the nation since the Declaration of Independence.

As governor of North Carolina, I am very glad to bear testimony to the important contribution which the men and women of Jewish faith have played in the upbuilding of our State and country and many of the outstanding citizens of North Carolina not only in the early history of our State, but in later times, have been Jews. They have been particularly active in philanthropic work.

**The American Hebrew*, a magazine for American Jews.

Wishing you very great success in making your sesquicentennial issue an outstanding achievement, believe me,

Faithfully yours,

ANGUS W. McLEAN, *Governor.*

53 SHORTS GARDENS,
DRURY LANE, LONDON, ENGLAND,
August 14, 1926.

THE GOVERNOR OF NORTH CAROLINA,
Raleigh.

DEAR SIR:

If it is not troubling your excellency too greatly, I should appreciate receiving copy of the official records of North Carolina regarding the *Wasp* naval presentation made in or about the year 1814 to Udney Maria Blakely by the State.

There was a set of five pieces of silver plate presented to the above named daughter of Captain Johnston Blakely, who commanded the *Wasp* when it defeated the British ships *Reindeer* and *Avon*, and the presentation was doubtless recorded in the archives of your State as well as in the newspapers, etc., of the time.

I should like to have as complete a record as possible copied out and sent to me, as I am acquainted with some of the descendants of the naval hero concerned; and I shall be grateful if the state historian or some other official can thus kindly favour me. Are there any illustrations extant?

With many thanks in anticipation, I remain, Sir, yours faithfully,

E. PAGE GASTON,
(*F. R. G. S., etc., as per "Who's Who in America."*)

RALEIGH, N. C., September 14, 1926.

E. PAGE GASTON, ESQ.,
Drury Lane, London, England.

MY DEAR SIR:

In reply to your letter, I have requested the secretary of the North Carolina Historical Commission to investigate the official

records of the state of North Carolina in regard to Captain Johnston Blakely and his daughter. I quote from the letter of the secretary of the commission as follows:

On December 1st, 1814, the Senate resolved "that this Legislature feels with ardent and peculiar emotion the honor reflected upon North Carolina by the skill, courage and good conduct of one of her sons, Captain Johnston Blakely of the U. S. Sloop of War, *Wasp*, in the destruction of two of the enemy's vessels of war, the *Reindeer* and the *Avon*.

"Resolved, that as a duty, no less than a pleasure, the Legislature of his native State unanimously agrees to present to Captain Blakely on his return to the United States a superb sword, appropriately adorned, in the name and on the behalf of his fellow citizens.

"Resolved, that the rule requiring all resolutions, the object of which is to draw money out of our treasury, to be read three times in each House, be dispensed with so far as relates to the resolutions respecting Captain Johnston Blakely."

This resolution was concurred in by the House of Commons on December 7th.

During the next year following the reported death of Captain Blakely, the Senate, on December 16, 1815, resolved: "That his Excellency the Governor be requested to forward to Mrs. Blakely the sword which was directed by the last General Assembly to be presented to her husband.

. . . "The Journal of the House of Commons shows that on December 21, 1815, this resolution was read and ordered to lie on the table.

On December 27th, 1816, the Senate again resolved: "That his Excellency the Governor be requested to forward to Mrs. Blakely the sword which was directed by the General Assembly of 1814 to be presented to her husband. . . .

"That Captain Blakely's child be educated at the expense of this State, and that Mrs. Blakely be requested to draw on the Treasurer of this State from time to time for such sums of money as shall be required for the education of the said child."

It was also resolved to dispense with the rule requiring three days. On December 28th, 1816, the House of Commons concurred with the Senate in this resolution.

A resolution of the General Assembly of 1829 stated "That it is inexpedient to continue the annual appropriation made for the education and support of Miss Udney M. Blakely, and that the same be discontinued."

I find that more or less of the foregoing official records are set forth in Marshall Delancey Haywood's sketch of Blakely in *Biographical History of North Carolina*, Vol. I; in Boyd, *History of North Carolina: The Federal Period*, pages 62-63; in K. P. Battle, *A North Carolina*

Hero and His Daughter, North Carolina Booklet, Vol. I, page 9; and in Ashe, *History of North Carolina*, Vol. II.

However, neither in the original records nor in any of the secondary accounts is there any mention of the silver service referred to in Mr. Gaston's letter to you. The Hall of History possesses a medal presented by the United States Congress to Captain Blakely, and also a picture of the silver service which seems to bear the inscription: "In grateful remembrance of the gallantry of Captain Johnston Blakely of the United States Navy, who, during a short cruise in the sloop of war *Wasp* in the year 1814, captured the two British sloops of war *Reindeer* and *Avon*, and was afterwards lost at sea, this plate is presented to his daughter, Udney Maria Blakely, by the State of North Carolina." It is rather strange that none of the historians have referred to this presentation. Evidently an official account of the General Assembly would certainly have been required to authorize this expensive gift. It may be that this act or resolution has been omitted from the public records of the General Assembly, or, of course, it may be included therein and has escaped the eyes of the historians. It would certainly require days of research to comb through all the records in search of this information.

The inscription on the service bears every evidence of authenticity, but I should like to see the matter verified by the public records. If Mr. Gaston or the owner of the service could secure from the engraving or any other source the date of presentation, one could search the public records and also the current newspaper files with some hope of success.

I am sorry that I am unable to furnish any official records concerning the presentation of this service.

If you can secure the date of the presentation of the silver service or some other information that would aid us in making further search here, I should be very glad to have it.

Assuring you of my desire to aid you in obtaining further information about this most interesting matter, believe me,

Faithfully yours,

ANGUS W. McLEAN, *Governor*.

NEW YORK, N. Y., November 23, 1926.

GOVERNOR A. W. McLEAN,
Raleigh, N. C.

MY DEAR GOVERNOR McLEAN:

On Sunday, December 12, we are publishing our special winter resort number and I am anxious to call the *Herald Tribune* readers' attention to the state of North Carolina.

I wonder if you would send me about a two hundred word letter of welcome to tourists for publication in this issue. I should like to have this letter in our office by December 6.

Very truly yours,

ARCHIE SEIXAS,
*Manager, Resort and Travel Department,
New York Herald Tribune.*

BOSTON, MASS., November 26, 1926.

HON. A. W. McLEAN,
Governor of North Carolina.

MY DEAR GOVERNOR McLEAN:

May I tell you how grateful I am for your helpful courtesies to our Mr. Bernard Anderson, and may I confirm his own urgent request that in the preparation of this North Carolina number of ours we may have an article from the governor himself on some phase of North Carolina development that will be interesting to financial and business men generally? I would like to have a picture of yourself to go with the article and any other illustrations that you may suggest. In any event, we wish to be enrolled as among the group of business men who have great expectations for the future of North Carolina.

Yours very sincerely,

FRANK P. BENNETT, JR.

RALEIGH, N. C., December 3, 1926.

MAJ. WM. D. HARRIS,
*Central Bank and Trust Company,
Asheville, N. C.*

DEAR MAJOR HARRIS:

I am at last enclosing the article which you requested to go in the Central Bank and Trust Company's magazine. It was a pleasure to get this up for you.

I am sorry to have missed you when you were in Raleigh last.
With warm regards, I am,

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., December 3, 1926.

MR. ARCHIE SEIXAS,

*Manager, Resort and Travel Department, New York Herald
Tribune,
New York, N. Y.*

MY DEAR MR. SEIXAS:

Your letter of November 23, requesting that I send you about a two hundred word letter of welcome to tourists, for publication in your issue of December 12, has been received.

I have been away a goodly portion of the time since the date of your letter, and that accounts for the apparent neglect in answering.

I am enclosing herewith the letter requested. I did not know to whom to address it, so I am leaving that to be filled in by you.

Wishing you much success in your special winter resort number, and with good wishes, believe me,

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., December 6, 1926.

From the point of view of the tourist, North Carolina is well-nigh unique in the fact that although it has resorts in number, which are scattered from the coast to the mountains, none of them is more than incidentally seasonal.

Around Wilmington and Morehead City, for instance, there have recently been large investments in typical seashore developments whose emphasis is naturally upon summer-time diversions. Yet the climatic conditions and the surroundings are such that both these areas afford advantages of winter sport and residence without a suggestion of the severity of weather associated with these months.

In the mountain areas, where thousands on thousands come annually for summer and autumn vacations in the far-famed "Land of the Sky,"

the tourist has discovered that winter and spring among these hills cause them to lose nothing of charm or comfort.

In the Sand Hill region, which has been developed for resorts on lands once timbered in long-leaf pine forests, there is to be found a peculiarly dry, bracing and equable climate practically the year around.

The tourist seeking a resort in which to divert himself in pleasant surroundings and with the sport of his choice has a range of selection in North Carolina which is as broad as the State itself—some six hundred miles long.

The visitor also finds himself at either of these centers within a few hours' travel from central populations of the East or the Mid-West. He can come by either of three great railroad systems, or if he motors, he can find in North Carolina a highway system which includes 4,500 miles of finished roads, with hard-surfaced through lines north and south and east and west, to carry him between suns wherever he would go. He can see North Carolina in its geographical entirety within a week, or he can find in its variety of recreational, scenic, historical and economic interest enough to engross him indefinitely.

My State, I am glad to say, contains a people who are progressive and busy but highly distinctive. The whites are native-born descendants of English, Scotch, Irish and Germanic strains whose racial amalgam is perhaps nearer the ideal "American" than is true elsewhere on earth. The Negro population is also native-born, at racial peace, happy and aspiring. We are proud of our State and our roads and wholesomely and unaffectedly glad to welcome the people they bring us. Whether it be the wonderful coast and sound country of the East, the high and infinitely varied Appalachians of the West, or the industrial empire of the rolling Piedmont section, North Carolina holds for a first visitor the certainty of pleasant discovery.

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., December 13, 1926.

MR. FRANK P. BENNETT, JR.,
United States Investor,
Boston, Mass.

MY DEAR MR. BENNETT:

I regret very much that I have been prevented from forwarding you the article on North Carolina before this; however, we have been conducting our budget hearings for the past month or more and my time has been so taken up that it has been absolutely impossible for me to be able to do so.

I am also attaching hereto photograph which, after you have finished with it, please return to me at Raleigh.

I hope you will find the article what you desire.

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

ATLANTA, GA., May 12, 1927.

HON. ANGUS McLEAN,
Governor State of North Carolina,
Raleigh, N. C.

DEAR SIR:

The annual banquet of the North Carolina Club of Atlanta will be held May 20, at 7:30 o'clock, and we will appreciate a telegram or letter from you that we may read on that occasion.

I am sure the membership will be delighted, and feel signally honored to have this communication from you, and if you will handle it for me I shall greatly appreciate it.

Very truly yours,

W. A. HORNE, *President.*

[Telegram]

RALEIGH, N. C., May 19, 1927.

MR. W. A. HORNE,
President, The North Carolina Club,
Atlanta, Ga.

It affords me infinite pleasure to extend to the members of the North Carolina Club of Atlanta my friendly salutations on the occasion of their annual banquet. Our people have watched with interest and gratification the fine record of success and constructive service achieved by former North Carolinians in Atlanta all of whom would be heartily welcome if circumstance will permit them to return to our beloved State. I wish all of you many happy returns of the evening.

Faithfully yours,

ANGUS W. McLEAN, *Governor.*

ATLANTA, GA., June 20, 1927.

HON. A. W. McLEAN,
Governor, State of North Carolina,
Raleigh, N. C.

DEAR GOVERNOR McLEAN:

It is a generally accepted truth, I believe, that the progressive spirit of North Carolina has become proverbial. For a number of years, I have traveled over the State and have noted on every hand evidence of well-directed progressiveness. However, I did not fully realize until recently the tremendous growth that has taken place.

Recently, I had occasion to prepare an article on your State for our little publication, the *Tee Pee Flashes*. The writing of this article naturally called for a careful study of statistics dealing with education, agriculture, manufacture, etc., which brought to my attention, in a most striking manner, the extraordinary expansion that North Carolina has enjoyed.

I am sometimes inclined to the thought that there are many people, not only without but within the State, who, like myself, know of North Carolina's growth, yet I doubt that they fully realize the great magnitude of her expansion. If we compare our mind to the intervening years, the contrast is so striking that her growth appears almost magical.

I am sorry that a lack of space did not permit me to write more. There is, of course, much more of interest that could have been said, that I could hardly do more than give a brief high-light sketch of North Carolina.

Thinking that you may find in it something of interest, I attach copy of our June 15 issue of the *Flashes*.

Yours very truly,

J. B. SHORES, *General Agent*.

[Telegram]

RALEIGH, N. C., August 30, 1927.

FRANK A. HAMPTON,
Secretary to Senator Simmons,
Washington, D. C.

Please refer to statement in morning papers concerning alleged ruling of Comptroller General McCarl that government will withhold federal funds for highways and other purposes due Louisiana, Tennessee and North Carolina until these states make reimbursement for amounts claimed by federal government growing out of Indian wars. I have no other information in regard to matter. Please investigate and wire me what the contention of the comptroller general is and all the facts bearing upon the matter so far as North Carolina is concerned.

ANGUS W. McLEAN, *Governor.*

[Telegram]

RALEIGH, N. C., August 30, 1927.

J. F. ESSARY,
Baltimore Sun Bureau,
Washington, D. C.

Replying to your telegram this date. Have no information regarding matter referred to in your telegram except statement in morning's paper. Will investigate at once.

ANGUS W. McLEAN, *Governor.*

ARCADIA, LA., August, 1927.

GOVERNOR McLEAN,
Raleigh, N. C.

DEAR SIR:

Your excellency will, I hope, pardon the liberty of a letter from Louisiana, reminiscent of the Civil War.

In October, 1864, on the W. C. & B. Railroad, while on sick leave from Fort Fisher, I was met and kindly assisted by a lawyer McLean of Lumberton, N. C., then on professional

business in the Richmond court. Since your election as chief executive of your State, I have thought it not amiss to ask if you are a son of that war-time friend and to congratulate you upon your relationship to so considerate a man.

Requesting the delivery of the enclosed to your state librarian, I am,

Respectfully,

W. U. RICHARDSON.

JEFFERSON, N. C., September 5, 1927.

HON. A. W. McLEAN,
Raleigh, N. C.

DEAR GOVERNOR:

I regret very much that I felt under the circumstances that I should resign, but I want you to thoroughly understand that I am your friend and that I do not cherish any bitterness about this situation. I appreciate very much the fact that you imposed confidence enough in me to appoint me in the first instance and I feel very grateful to you for the same. I felt like there should not have been any opposition to me in my own district in view of the fact that I had made a great sacrifice to go on the bench, and I realize your position and that you cannot appoint everybody that you would like to appoint, and I want you to thoroughly understand that I appreciate what you have done for me and that I hold no bitterness about this matter. It really didn't suit me any of the time to go on the bench, because it takes me away from home too much.

I sincerely hope in making your appointment that you will have in mind the qualifications of my successor and appoint some good lawyer to succeed me, as it is due the legal profession that they have competent and able judges.

With best wishes and highest regards, I am,

Yours truly,

T. C. BOWIE.

[Telegram]

RALEIGH, N. C., September 7, 1927.

CAPTAIN PAUL YOUNTS,
*Commander, American Legion,
Department of North Carolina,
Steamship Penland,
Newport News, Virginia.*

I regret the press of official duties which prevents my presence at the exercises attending the departure of the North Carolina Legionnaires for the Paris Convention. On behalf of the people of North Carolina and for myself I send cordial greetings and best wishes. You represent the eighty-six thousand valorous soldiers who bore North Carolina's fighting part in the World War. Your return to the scenes hallowed by your heroic service will do honor to the American Legion, to North Carolina and to your comrades who sleep in the soil of France. It strengthens the bonds of international friendship forged by a comradeship in the great struggle for world peace. The people of North Carolina wish you a happy journey and a safe return to our beloved State.

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., September 8, 1927.

MR. W. U. RICHARDSON,
Arcadia, La.

DEAR MR. RICHARDSON:

Upon my return from my vacation I find your letter, which I am glad to answer.

The lawyer McLean of Lumberton to whom you refer was my great-uncle, Col. Archibald McLean, Sr., who died many years ago. My father, who was his nephew, served throughout the Civil War and was at one time stationed at Fort Fisher.

I appreciate your thoughtfulness in writing to inform me of the interesting incident, which you seem to remember so distinctly and gratefully. Kindness and generosity toward those who served in the cause of the Confederacy has always been a very common trait of our people.

It may be of interest to you to know that our last General Assembly greatly increased the amount appropriated for pensions to Confederate soldiers and also provided \$50,000 for the erection of a monument upon the Battlefield of Gettysburg commemorating the valor of North Carolina soldiers in that historic struggle.

If I can be of any service to you, please do not hesitate to call on me.

Wishing you many years of good health and happiness, believe me,

Faithfully yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., December 7, 1927.

HON. RALPH O. BREWSTER,
Governor of Maine,
Augusta, Maine.

The state of North Carolina appreciates the action of yourself and the Maine organization of veterans in facilitating the return of the flag of the Fifty-fourth North Carolina Infantry. As soon as I can arrange for the committee of North Carolina veterans, I shall advise you definitely in regard to the acceptance of the flag in Washington on December 16. North Carolina has a large collection of its Confederate flags and welcomes heartily the prospect of securing the flag of the Fifty-fourth.

Cordially yours,

ANGUS W. McLEAN, *Governor.*

December, 1927.

HON. A. W. McLEAN,
Raleigh, N. C.

DEAR SIR:

Complaint is made at times that objectionable items are embodied in appropriation bills which compels the president to veto the entire bill, or, in the event of the adjournment of Con-

gress, he is sometimes compelled to sign the bill with the objectionable items therein. The argument is also used that log-rolling methods are employed to secure the insertion of items of doubtful merit in bills. Every item should justify itself.

Yours very truly,

W. W. HASTINGS,
Congressman from Oklahoma.

RALEIGH, N. C., January 1, 1928.

HON. W. W. HASTINGS.

DEAR SIR:

I heartily favor the purposes of your resolution proposing to amend the Constitution of the United States so as to permit the president to disapprove any item of appropriation in any bill passed Congress, without the necessity of vetoing the entire bill.

North Carolina is the only state in the Union in which the governor has no veto power whatever.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

WASHINGTON, D. C., January 5, 1928.

HON. ANGUS W. McLEAN,
Governor of North Carolina,
Raleigh, N. C.

DEAR SIR:

Before Congress convened, I had a bill drawn providing for an appropriation to take over the Battlefield of Bentonville, and to convert the same into a military park. Upon investigation I found out that the entire matter is in the hands of the secretary of war. The committee having charge of these bills will not even consider a bill similar to the one I had drawn.

Major Bulwinkle has been putting forth an effort to have Kings Mountain Battlefield made a military park, but he found out he was up against a rock wall. He interviewed the secretary

of war, who told him the Battle of Kings Mountain was not of sufficient importance to justify anything more than a tablet.

It would give me the very greatest pleasure if I could put through a bill creating a national military park out of the Battlefield of Bentonville, but it looks like we are up against an impossible proposition. However, I will talk with Senator Simmons, and, if there is any chance at all, I will take such action as may be deemed necessary.

Yours very truly,

EDWARD W. POU, *Congressman.*

RALEIGH, N. C., January 27, 1928.

MR. WILLIAM CRAWFORD SMITH,
Wilmington, N. C.

DEAR SIR:

As you say, it is well known to me that my home county of Robeson contains large quantities of wood very well suited for paper manufacturing. It is also no doubt known to you that there are a good many counties throughout North Carolina which are also ideally situated and with large quantities of the finest raw material and suitable water and labor for the economical fabrication of papers.

You are probably aware that North Carolina already has wood pulp and paper mills of the first class as to both size and efficiency and quality of products. I might mention the Champion Fibre Company of Canton, Haywood County, and the Halifax Fibre Company of Roanoke Rapids, Halifax County.

I feel sure that every proper encouragement and welcome would be given to paper mills which desire to locate in this State, not only because we are seeking successful factories, but also because, I feel convinced that they could very profitably to themselves, locate in North Carolina. It is not only a very logical location to make for paper which must be shipped into the State from the outside, but, as you know, this State is ideally situated for distribution as to the trade of the Atlantic states and the Middle Western as well as the Southern states.

We have in the State well established chambers of commerce in practically all of the towns and cities, any one of which, I feel sure, would be glad to give information to Mr. McLean, or others, and we also have a commerce and industry division of our state government, which is prepared to furnish unprejudiced data, water analyses, etc., to inquiring manufacturers.

I hope I have said enough to acquaint you, or Mr. McLean, with the fact that we would not only be glad to correspond with him further on the subject, but would believe that a visit by him to North Carolina would be of considerable mutual advantage and that we would extend to him a hearty welcome.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., February 4, 1928.

DEAR SIR:*

It affords me pleasure to answer promptly your very courteous request for this information by respectfully informing you that before North Carolina was readmitted to the Union after the War Between the States the federal government compelled the insertion in the constitution of the State, section 6, article 1, which provides:

The State shall never assume or pay, or authorize the collection of any debt or obligation, express or implied, incurred in aid of insurrection or rebellion against the United States, or any claim for the loss or emancipation of any slave; nor shall the General Assembly assume or pay, or authorize the collection of any tax to pay, whether directly or indirectly, expressly or implied, any debt or bond incurred, or issued, by authority of the Convention of the year 1868, nor any debt or bond incurred or issued by the Legislature of the year 1868, either at its special session of the year 1868, or at its regular sessions of the years 1868-1869 and 1869-1870, except the bonds issued to fund the interest on the old debt of the State, unless the proposing to pay the same shall have first been submitted to the people and by them ratified by the vote of a majority of all the qualified voters of the State, at a regular election held for the purpose.

The bonds mentioned by you were issued by the state of North Carolina in aid of the prosecution of the war in behalf of

*This was in reply to a question by a man in New Jersey relative to value of some Confederate bonds.

the Confederate States of America, against the United States of America, and, therefore, under the provisions of our constitutional mandate, which is in effect a mandate of the government of the United States, the bonds you mention are worthless and uncollectible.

Faithfully yours,

ANGUS W. McLEAN, *Governor.*

[Telegram]

NEW YORK CITY, February 5, 1928.

ANGUS W. McLEAN,
Raleigh, N. C.

DEAR SIR:

As a remedy for great national menace the failure of an ever increasing percentage of citizens to exercise right of suffrage the *New York Evening Graphic* urges assessment on all voters of poll tax ranging from five to fifty dollars per head as states may elect. This assessment to be automatically canceled when they discharge their duty as citizens by voting. Voters are staying away from the polls more and more every year, indicating interest in affairs of government is on wane. Will you kindly wire us collect your opinion of this plan.

Yours respectfully,

NEW YORK EVENING GRAPHIC.

[Telegram]

RALEIGH, N. C., February 8, 1928.

NEW YORK EVENING GRAPHIC,
New York, N. Y.

I heartily agree that the increasing disregard of the right and duty of suffrage on the part of citizens of the United States is becoming a national menace and that some steps should be taken to remedy the situation. However, I feel that the poll tax proposal you make will not be effective as a remedy nor desirable as a method.

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., February 8, 1928.

MR. FRANK NASH,
Assistant Attorney General,
Raleigh, N. C.

DEAR SIR:

As stated to you, I have had a number of complaints recently from depositors and creditors of banks which have been in the hands of receivers for a number of years, in which the complainants seem to be under the distinct impression that it is my duty as governor to have these matters investigated. I am disappointed to learn that you do not feel that I have any power or authority to do so.

Realizing that there was grave doubt as to whether any of the executive or administrative officers of the State had any authority to have these matters followed up, I requested Mr. I. M. Bailey, attorney for the Corporation Commission, to prepare a bill to be introduced in the last General Assembly authorizing the Corporation Commission to examine into all receiverships of failed banks and giving them full power to take whatever steps deemed necessary to wind up these receiverships.

For some reason, this act failed of passage in the last General Assembly, although the act sponsored by myself and the Corporation Commission giving the Corporation Commission jurisdiction over the liquidation of state banks which failed subsequent to the passage of the act, became a law.

Since this last act was passed by the General Assembly of 1927, the Corporation Commission has assumed control over the liquidation of all state banks which became insolvent after the passage of the act, and will continue to do so in the future.

I would like, however, to have your opinion as to whether or not the commission has any implied authority to intervene with the view of bringing about the settlement of old receivership cases involving state banks, and if so, whether or not the cost of such proceedings as may be necessary to obtain from the contingency and emergency fund in the general appropriation act of 1927.

It seems to me that the matter of closing up these old receiverships is a matter of public interest, and I hope that some lawful

means may be found whereby some administrative official may be authorized to intervene in these cases and take appropriate action.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH N. C., February 8, 1928.

GOVERNOR A. W. McLEAN,
Raleigh, N. C.

DEAR SIR:

The State has a moral interest in looking after these receiverships,* just as it has in all receiverships, but after the receiver is appointed it is essentially a private matter which can be and should be looked after by the depositors and stockholders of the defunct bank. If the judge is located in his own district, he would have opportunity to keep up with such matters and it would be one of his prime duties to see that these receiverships are properly conducted. As it is now, they are almost invariably perfunctory. Reports are presented to the court and orders made almost as a matter of course.

Yours very truly,

FRANK NASH.

COLUMBIA, S. C., February 9, 1928.

GOVERNOR ANGUS W. McLEAN,
Raleigh, N. C.

DEAR SIR:

I agree with you as to the importance of the proper marking of the line between the states, and am bringing this matter to the attention of the South Carolina General Assembly, which is now

*This letter was in answer to a question sent the governor as to authority for ending receiverships of banks that closed prior to passing the law in 1927 giving the Corporation Commission power to end the receiverships.

in session. In the event of any action on their part, I shall be pleased to advise you promptly.

Yours very truly,

J. G. RICHARDS,
Governor of South Carolina.

RALEIGH, N. C., February 9, 1928.

GOVERNOR J. G. RICHARDS,
Columbia, S. C.

DEAR SIR:

Since I wrote you on the fourth, I find that there has been considerable dispute and some trouble between the fishermen of South Carolina and the fishermen of North Carolina as to the location of the dividing line. Your commissioner of fisheries will, no doubt, be able to advise you of the serious disputes that have taken place in the last few months.

In order to prevent unseemly disputes involving the jurisdiction of the two states over the area in dispute until the line can be re-surveyed and re-marked by joint acts of the two states, I suggest that we enter into an agreement whereby the commissioner of fisheries of your State can meet the fisheries commissioner of our State and stake out a tentative dividing line in the disputed territory, this action to be without prejudice to the official action in marking the line to be taken hereafter by the authorities of the two states.

If this meets with your approval, I would be glad if you would advise me of the time and place where the fisheries commissioner of your State will meet Captain John A. Nelson, the fisheries commissioner of this State.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., February 14, 1928.

HON. JOSEPHUS DANIELS,
Editor of the News and Observer,
Raleigh, N. C.

DEAR SIR:

The statement in your issue of the 13th, purporting to give my reasons for failure to appoint a woman as secretary of state, repeated in an editorial in your issue of the 14th, is utterly false and without the slightest foundation in fact. I have never entertained nor expressed the views which the statement attributed to me.

I have made it almost an invariable rule to ignore the campaign of misrepresentation of my official acts which you have systematically carried on since I became governor. I depart from it now, not for the purpose of protest, but to point out your resourcefulness in uttering a falsehood in one issue of your paper and using it as the basis for a condemnatory editorial in the next issue.

The least you can do is to publish this on your editorial page on Wednesday.

Yours truly,

ANGUS W. McLEAN, *Governor.*

[Telegram]

RALEIGH, N. C., February 18, 1928.

MR. HARRY P. GRIER,
Statesville, N. C.

I am deeply shocked and grieved to learn through the newspapers this morning of the death of your splendid young son, Senator Grier. I hasten to offer to you and other members of the family my heartfelt sympathy in your great bereavement. Senator Grier was one of the outstanding men in the last General Assembly and I am sure the State has suffered a severe loss in his passing.

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., February 21, 1928.

CAPTAIN E. L. FAULCONER,
National Guards Publishing Company,
Greensboro, N. C.

DEAR CAPTAIN FAULCONER:

I desire to commend you on your publication of *The National Guards* and add my endorsement to the issue to be published in the interest of Batteries D, E and C, which is to contain a history of the Guilford Grays. My attitude toward the North Carolina National Guard is well known, for on every occasion possible I have given my hearty approval and urged full support of the units in this State.

I feel a very peculiar interest in the National Guard. As governor of the State, I desire to see it kept up to a high standard of numerical strength and general efficiency, because I feel the need of it as an ever ready force to be called upon when local officers are unable to preserve the peace and dignity of the State, and to protect every citizen in the enjoyment of life and liberty. I wish I could make the people of the State understand as fully as I understand what they owe to this splendid organization.

During my period as governor of the State I have had occasion several times to call upon the National Guard to uphold the law against mobs and lawless elements which were ready to nullify the orderly process of the courts, and thus trample under foot the sovereignty of the people. Thinking in terms of the good name and the fame of the State, I am sure that I am correct when I say that the prevention of one lynching is worth all the cost of maintaining the National Guard over a long period of years.

The record of the National Guard in the World War was beyond all praise. The famous Thirtieth Division, to which General Pershing gave full credit for the part it played in breaking the Hindenburg Line, was composed partly of organized National Guard units from North Carolina. It gives me great pleasure that the organization stands today at the very top.

I am unable to express my full appreciation of the National Guard units in the State and I am sure those in Guilford County

are due their full share of credit for helping to maintain the high standard of efficiency of the North Carolina organization.

Sincerely yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., February 22, 1928.

MR. A. J. MAXWELL,
Raleigh, N. C.

DEAR SIR:

The reduction in rates directly affecting the important peach industry in the Sand Hill section is most gratifying. Besides, the principle indirectly involved is even more important.

The main result is to put into effect rates that are fair and equitable that will enable us to put our peach growers upon a parity with the peach growers of other sections in reaching the markets.

I desire to express to you and other members of the commission, as well as the experts who so ably assisted in this and other rate cases recently, my genuine sense of appreciation and unreserved commendation.

I shall be glad to continue to aid your commission in the task it has undertaken of bringing about an elimination of all discriminatory freight rates wherever they exist, involving all classes and commodities to and from North Carolina points.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., February 25, 1928.

MAYOR E. E. CULBRETH,
Raleigh, N. C.

DEAR SIR:

Now that the Supreme Court has rendered its decision, validating the bond issue of the city of Raleigh in aid of the establishment of a state fair, I hope there will be no further

delay in complying with the act, which provides that \$200,000 in cash must be paid to the State as a condition precedent to the setting aside of the 200 acres of land and the carrying into effect of the other provisions of the statute.

I am ready to call a meeting of the board heretofore appointed by me just as soon as the act has been complied with on the part of the city and the North Carolina Agricultural Society.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., February 13, 1928.

TO HIS EXCELLENCY, CALVIN COOLIDGE,
President of the United States,
Washington, N. C.

MY DEAR MR. PRESIDENT:

The people of North Carolina are extremely interested in the work of the Appalachian Forest Experiment Station and appreciate the value of this measure. I have been intensely interested in the forestry work being done, not only under the guidance of the State Department of Conservation and Development, of which I am chairman, but also the good work of the federal government through the national forest administration and the forest experiment stations.

I feel that this measure is essential to the proper conduct of experimental work because it guarantees a continuous and progressive policy which is essential in such work. The provision in section 5 for studies and experiments in the habits of wild life will be of especial benefit to North Carolina at this time when we are just inaugurating a broad policy of game protection and propagation. The studies in forest fire damages provided for in section 2 and of fire weather in section 5 will be of great service to the Forestry Division of the Department of Conservation and Development. The provisions of sections 9 and 10, for coöperative surveys of timber resources and wood-using industries are at this time certainly as important as anything in the bill. We have constant calls for such information and so far the State has by itself been unable to finance an adequate survey of this kind.

I shall greatly appreciate your favorable interest in this measure, as I am persuaded that most of the other states, like North Carolina, are looking to such regulated assistance as this bill is intended to provide.

Very truly yours,

ANGUS W. McLEAN, *Governor.*

WASHINGTON, D. C., February, 1928.

GOVERNOR A. W. McLEAN,
Raleigh, N. C.

DEAR SIR:

Thank you for your letter dated February 13 regarding the McSweeney-McNary Bill. I have been interested to note what you say of this bill and shall give most careful consideration if the bill comes to me for action.

Yours very truly,

CALVIN COOLIDGE, *President.*

RALEIGH, N. C., March 1, 1928.

MR. JOSH HORNE,
The Telegram,
Rocky Mount, N. C.

MY DEAR MR. HORNE:

I want to thank you for the editorial which appeared in your paper of February 16, under the heading "The Morrisonian Touch," which I think a correct estimate and interpretation.

As you state, my provocation was great. I have not, as indicated in my commission, designed to retort to any of the many personal attacks misrepresenting my acts and motives, although in many cases the facts were grossly perverted. I did feel, however, that when this attack came, it was an attack against the Democratic party, of which I, at present, am looked upon as the titular head. I felt that it would be used against me and the party later, if I ignored and failed to refute it at once.

I assure you of my appreciation of this editorial, as well as for the many other indications of your sympathetic coöperation and assistance in the efforts I am making in my administration of the affairs of the State.

With sincere personal wishes, I remain,

Very cordially yours,

ANGUS W. McLEAN, *Governor.*

NEW YORK CITY, March 12, 1928.

HON. ANGUS McLEAN,
Raleigh, N. C.

DEAR GOVERNOR McLEAN:

The *New York Times* has told me that it would consider a feature story, for which I am collecting material, on the subject of the new National Park, now assured by Mr. Rockefeller's recent gift.

Realizing the importance of a statement from you on the significance of the park, and its value to the South in general and to North Carolina and Tennessee in particular, I am writing to ask you if you would be so kind as to write for me an authorized statement of your views on the new appropriation. I should greatly appreciate it if you could oblige me in this way.

Thanking you for your courtesy, and hoping for an early reply.

Very truly yours,

BETTIE J. FELL.

RALEIGH, N. C., March 13, 1928.

DR. BEARDSLEY RUMI,

Director of the Laura Spelman Rockefeller Memorial.

DEAR SIR:

On behalf of the people of North Carolina and myself personally, I desire to extend to you and through you to the Laura Spelman Rockefeller Memorial, sincere thanks for the splendid offer you have made to the people of this State and of Tennessee, in connection with the establishment of the Great Smoky Mountains National Park.

I know of no more useful and constructive way in which the memory of Mrs. Rockefeller can be perpetuated than through the completion of this great project, which will be a permanent and abiding memorial, as well as blessing to millions of people throughout the generations to come.

The action of the memorial gives us a privilege and a challenge which I feel sure will be accepted in the magnanimous spirit in which it was tendered.

Again permit me to assure you of the deep and grateful thanks of an appreciative people.

Very truly yours,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., March 16, 1928.

GOVERNOR JOHN G. RICHARDS,
Columbia, S. C.

DEAR SIR:

I will thank you to advise me as soon as you can the name of the engineer and surveyor selected by you to represent the state of South Carolina. I will have Mr. Syme communicate with him to make preliminary plans for beginning the survey of the state line.

It is understood that North Carolina will pay the expenses of its representatives, as I presume South Carolina will pay the expenses of her representative. In all cases where expenses are jointly incurred, I presume each state will pay half of the amount.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., March 19, 1928.

DR. BEARDSLEY RUMML,

Director Laura Spelman Rockefeller Memorial.

DEAR SIR:

Thank you for your kind and appreciative letter of March 12, with reference to the memorial's participation in the Great Smoky Mountains National Park project.

I am delighted that the matter has come to this successful point, which of course it would never have reached had it not been for the liberal actions previously taken by the states of North Carolina and Tennessee.

I am taking the liberty of presenting your letter to the board of trustees at its next meeting, and I am sure that the board will be grateful to you for this splendid expression.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

WASHINGTON, D. C., March 26, 1928.

GOVERNOR ANGUS W. McLEAN,

Raleigh, N. C.

MY DEAR GOVERNOR McLEAN:

I very much appreciate your cordial invitation to attend the Rhododendron Festival, to be held in the city of Asheville, June 4-9. It would be a pleasure to go for many reasons, particularly because I am especially interested in the project to establish a national park in the Great Smoky Mountains, which you say is to have a place in the celebration. But it will be quite out of the question for me to think of getting away from Washington at that time.

Yours very truly,

CALVIN COOLIDGE,
President of the United States.

RALEIGH, N. C., March 30, 1928.

MISS S. MAUDE JONES,
New York City.

DEAR MISS JONES:

I welcome this opportunity to extend sincere good wishes and cordial greetings to the women in New York City and its vicinity who are natives of North Carolina and other Southern states at their Dixie Dinner. My main regret is that the press of state affairs will not permit me to be present in person to extend the greetings.

North Carolina is proud of her daughters who have achieved success in the business and professional world, as well as the more important occupation of home-building, in other states. This State feels pardonable pride when the names of her daughters are given honorable mention because of unusual or noteworthy achievements, just as she feels a deep satisfaction that her daughters at home are filling the places they occupy with honor and credit to themselves and to their State.

Many of the women remaining in North Carolina are doing great things and are ably upholding the best traditions of our State, which, as you doubtless know, has been making wonderful strides in many lines of endeavor these past few years. We are striving to further advance the State and make it a more desirable place in which to live, so that, in the event that you feel at any time the urge to return to the old home, you will find a desirable and delightful environment.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

CHARLOTTE, N. C., April 26, 1928.

GOVERNOR A. W. McLEAN,
Raleigh, N. C.

MY DEAR GOVERNOR McLEAN:

I have been appointed by the American Hospital Association a committee to interest the citizens of North Carolina in the better observance of "Hospital Day" May 12, which is as you

know the anniversary of the birth of that saintly nurse and beloved humanitarian, Florence Nightingale.

The observance of this day has been endorsed by the president of the United States, the governor-general of Canada, the governors of many states, as well as many of our mayors of our municipalities, and we hope that it will meet with your public endorsement through the press.

President Coolidge has said: "The observance of May 12 as National Hospital Day throughout the country, with the aim of directing public attention to the fine humanitarian effort of these institutions of mercy, is deserving of all coöperation and support."

Our hospitals should hold open house on this day. A spirit of hospitality should prevail—entertaining the people of the community within the walls of the hospital, demonstrating to them the enormous amount of work that the hospital constantly does to protect the community against the ravages of disease.

We think that it will be appropriate for the ministers of the gospel to make suitable talks on hospitals calling their congregations' attention to the observance of the day, also our civic clubs; teachers should advise their pupils to visit hospitals on this day and tell them about the life and work of Florence Nightingale. It is hardly necessary to say that the mayors and city councils of our several cities should set the examples to their citizens by visiting their hospitals in their own communities.

Yours truly,

JAS. R. ALEXANDER.

RALEIGH, N. C., April, 1928.

STATE OF TEXAS,*

Dallas, Texas.

On behalf of the people of North Carolina and myself personally, I welcome this opportunity to extend to the people of the great state of Texas best wishes and hearty congratulations on the occasion of the Texas Independence Day, April 29.

I appreciate all the more this opportunity, because many of the citizens of Texas are native Tar Heels and still more are

*Written for the occasion of the anniversary of Texas Independence Day, April 21, 1928.

children and grandchildren of former residents of this State. I could enumerate names of many North Carolinians who have contributed materially to the great progress and development that has come to the "Empire" of Texas. Not only to them, but to the citizens, native of the Lone Star State, and from other states, I extend cordial greetings and friendly salutations.

I am proud to note that no less a distinguished personage than Will Rogers spoke of North Carolina and Texas in the same breath, by repeating his frequent expression, after visiting each state for two consecutive years, that "North Carolina had made the most progress in the last five years and Texas is next." I repeat this, not because this noted humorist placed North Carolina first, but because he placed this State and Texas so close together. We like the idea of the company in which he places us.

Your history, your traditions, your experiences—all are romance of the truer type and furnish an intensely interesting and fascinating story. Your present high position in the galaxy of states reflects the sturdiness and solidity of the pioneers who settled your state and the high type of citizenry that has brought it to its very remarkable state of development and prosperity.

I join in spirit in your celebration and extend cordial good wishes for the anniversary of the day on which you achieved your independence.

Yours truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., May 8, 1928.

DR. JAMES R. ALEXANDER,
Professional Building,
Charlotte, N. C.

DEAR DOCTOR ALEXANDER:

Entirely appropriate and fitting, to my mind, is the annual observance of National Hospital Day, on which occasion the residents of the various communities of the United States are invited to visit their hospitals and observe the work that is being done in them for the sick and the afflicted.

Still more fitting, I believe, is the custom of having this observance on May 12, the anniversary of the birth of that angel of mercy and chief of all nurses, Florence Nightingale, whose ministrations to the sick and wounded during the Crimean War caused her life to be used as a symbol of nursing service to those physically dependent upon others for their needs.

I hope that our people will take advantage of the opportunities the hospitals offer on this day and visit them, not only to see what the hospitals and the hospital staffs are doing, but also to drink again from that source of friendliness and brotherly love that is nowhere so abundant and so pure as in the presence of sickness and suffering. Probably in no place is the brotherhood of man more fully demonstrated than in our hospitals. A visit to these institutions is a benediction and an inspiration. It touches those springs of love and sympathy which are too often frozen at the source in this modern day of material valuation and worldly mindedness.

It is a pleasure, as well as a privilege, to add my approval to the plan and express the hope that it will be fruitful in its purpose.

With assurances of my sympathy and best wishes in the observance of "Hospital Day," believe me,

Faithfully yours,

ANGUS W. McLEAN, *Governor.*

[Telegram]

RALEIGH, N. C., May 19, 1928.

MR. T. B. HIGDON,
*President, North Carolina Society,
Atlanta, Ga.*

Please convey to the former residents of North Carolina, now living in Atlanta, my sincere salutations and good wishes, both personally and as governor of this State. It is appropriate that you gather on the anniversary of the signing of the Mecklenburg Declaration of Independence. Your list of directors contains names of men high in governmental, legal, religious, educational and other fields and we are proud of these and other North Carolinians who are helping to build up the great city of Atlanta.

You are doubtless familiar with the great progress your home state is making in all lines of endeavor and we hope that some day you may find it desirable to return to your native soil to live. Meantime, I extend cordial good wishes for continued success and prosperity for all Atlanta sons and daughters of North Carolina.

ANGUS W. McLEAN, *Governor.*

ATLANTA, GA., May 22, 1928.

HON. ANGUS W. McLEAN,
Governor of North Carolina,
Raleigh, N. C.

DEAR GOVERNOR McLEAN:

We received your telegram to the North Carolina Society with keenest appreciation both of the sentiment it expressed and of your taking the trouble to communicate with us. Our only regret was that you were not present at our dinner to deliver your message in person.

All the members of the society entertain a very high opinion of the present executive of the Old North State and we are glad to know from him officially that the door is not closed against us when we may decide to return back home, as some of us undoubtedly will do.

Again thanking you in the name of the society, I remain,

Yours very truly,

T. B. HIGDON.

RALEIGH, N. C., May 11, 1928.

To the Confederate Veterans:

On behalf of the citizens of North Carolina and particularly the people of the city of Charlotte, as well as for myself personally, I wish to extend to you a cordial and sincere invitation to hold your 1929 annual reunion in the city of Charlotte. This invitation is extended, because of my inability to be present in person, through Rev. Albert Sidney Johnston, D.D., chairman of the Historical Commission of the Sons of Confederate Veterans.

The people of North Carolina will welcome the opportunity to entertain the diminishing "thin gray line" on the occasion of their next reunion.

North Carolina veterans, their sons and daughters, and the people of the State generally join heartily in this invitation. Genuine hospitality will not be lacking and I am sure that the people of Charlotte, as well as the people of the entire State, will join hands in making the stay of the veterans pleasant and profitable.

As an evidence of the increasing interest and solicitude our people have for the Confederate veterans, I point to the action of the North Carolina General Assembly of 1927, which increased the pension fund from \$1,000,000 to \$1,400,000. Our veterans who are totally disabled from being blind, maimed or paralyzed receive \$420 annually, payable monthly. All others receive \$1 a day, while widows of veterans and Negro servants who accompanied their masters to war are provided for as liberally.

This same General Assembly, I may add, appropriated \$50,000 to be expended in the erection of a suitable monument on the battlefield at Gettysburg to the valor and bravery of the North Carolina soldiers who took part in that memorable conflict.

Many of you doubtless visited North Carolina during the great struggle and later. It is our desire that you visit us again or for the first time and see for yourselves how this State has taken a commanding position in industrial, agricultural and educational development.

With assurances of my sincere good wishes for a happy reunion this year and the wish that you will come to Charlotte next year.

Sincerely,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., May 15, 1928.

MR. IGNACE JAN PADEREWSKI,
New York City.

DEAR SIR:

To you*, native of Poland and citizen of the world, I wish to extend hearty felicitations and sincere good wishes on this, the occasion of the tenth anniversary of the independence of your homeland.

I have watched with deep interest your career in the two seemingly contradictory capacities of artist of the first magnitude and statesmen of high rank.

It has been an inspiration to me and to millions of people of the entire world to follow your efforts and activities in the interest of the independence of your native land and later as its leading citizen and representative, as well as to realize the firm hold you have on the heart-strings of the people of the world, through your unsurpassed musical genius.

I welcome this opportunity to express my appreciation of the invaluable contribution you have made to mankind in general as an artist, a patriot and a philanthropist, and to hope that you will be permitted to witness the passing of other decades added to the period of independence of the land you love and of the people who love you.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., May 25, 1928.

MR. THOMAS A. EDISON,
Hotel Astor,
New York City.

DEAR SIR:

The world will never realize and can never fully appreciate the magnitude, importance and value of the contributions you have

*Letter to Ignace Jan Paderewski having been incorporated in a bound volume of letters from notable people of the earth, at a testimonial dinner given under the auspices of the Kosciuszko Foundation in his honor at the Hotel Commodore in New York City, May 16, 1928.

made to the comfort, convenience and happiness of the human race.

Your experiments and developments in recording and transmitting sound and in producing and controlling light, particularly, have brought about an era of information and illumination that might otherwise have waited for years, even centuries, for realization.

The media you have provided are invaluable in bringing the people of this and other nations closer together, thus serving to eliminate misunderstanding and conflict between people and nations and, in like measure, substituting understanding and mutual interests in a very remarkable and desirable degree.

Your numerous inventions have touched and will touch the lives of untold millions and place you without peer as a benefactor of the human race. The hundreds of monuments you have erected to yourself during a very inspiring lifetime will continue to bless humanity as long as civilization itself continues.

I am particularly pleased at this evidence of recognition of your great benefactions while you are still living to receive the plaudits of an appreciative people. I welcome the opportunity to give feeble expression of my appreciation of the privilege of living during the period of your most remarkable achievements and to wish for you many more years in which to prolong and multiply your services and contributions to mankind.

Yours truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., June 6, 1928.

HON. FRANK B. KELLOGG,
Secretary of State,
Washington, D. C.

DEAR SIR:

Rest assured that your request and that of the Mexican ambassador for permission to Aviator Carranza to fly over North Carolina is fully and freely granted. Please convey to the Mexican ambassador also the assurance that the Mexican aviator will receive every possible assistance and available

facilities from the people in any section of North Carolina in which he might find it necessary or expedient to make a landing.

Please convey to the Mexican ambassador, the Hon. Manuel C. Tollez, my most hearty good wishes and hope for the success of the projected flight of his countryman.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., June 7, 1928.

DEAR FRIENDS:

I have been informed in letters from friends that a number of precinct meetings instructed their delegates to endorse me for the presidential nomination. I have also been advised in a number of letters and telephone conversations that some of my friends are contemplating having my name presented for consideration at the county conventions Saturday.

I am not now and have not been at any time either a voluntary or receptive candidate for the Democratic nomination for the presidency. While I appreciate the friendly motives which prompted you and other friends to present my name for consideration, I must say very emphatically that I cannot, under any circumstances, permit my name to be considered. I shall appreciate it if you will see that my name is not presented to your convention on Saturday, next, or at the state convention on the Tuesday following.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., JUNE 15, 1928.

COL. DON E. SCOTT,
North Carolina National Guard,
Raleigh, N. C.

DEAR COLONEL SCOTT:

I have a very deep feeling of satisfaction and security in the thought that North Carolina can always depend upon her

National Guard to maintain order and to safeguard the orderly processes of the courts when extraordinary conditions arise.

I desire to extend my sincere thanks to you and to the men under your command for the fine service rendered during the Larry Newsome trial in Pittsboro Monday.

I look upon you as an officer and a citizen in whom the people of the State have cause for a feeling of just pride. You have never, during the several years of your military and civil activity, failed to prove yourself equal to any emergency.

On behalf of the people of the state of North Carolina, and myself personally, let me thank you and the fine National Guardsmen serving under you for their valuable service.

Sincerely,

ANGUS W. McLEAN, *Governor.*

GRAHAM, N. C., June 20, 1928.

HON. ANGUS W. McLEAN,
Governor of North Carolina,
Raleigh, N. C.

DEAR SIR:

I wish to express to you my sincere thanks for your letter of the fifteenth in which you thanked the soldiers under my command while on duty at Pittsboro.

Your kind thoughts of us are extremely appreciated. We do wish at all times to conduct ourselves in such a manner as to win the praise and support of the good people of our State. I am indeed glad that you feel that your guardsmen can be depended upon. We shall exert every effort to live up to your high expectations.

Please again accept my thanks for your kind expression.

Yours very truly,

DON E. SCOTT,
Colonel National Guard.

ROCKY MOUNT, N. C., June 21, 1928.

GOVERNOR A. W. McLEAN,
Raleigh, N. C.

DEAR GOVERNOR McLEAN:

For the purpose of upholding the county government law as was passed in 1927, and in some measure to answer the very unfair attack made on same by Judge Grady, I wish to give you advantage, first, of my experience for six years as county commissioner of Nash under the old law; and second, my experience as a member of the Better County Government Commission, working with Dr. Brooks, Dr. Branson, and others, for the main purpose of placing the counties of North Carolina on a business-like basis, as they should be and should have been, because most of the county affairs and finances will equal to and, in fact, is far greater than any corporation or organization within the respective counties.

Under the old law, which required the commissioners to advertise property for the sale of taxes, where same had not been paid, on the first Monday in April and the sale to take place on the first Monday in May, allowed 20 per cent interest (and said interest to run until the taxes were paid) on such property which was redeemed and (by the way, a law which had been on the statute books long enough for the ordinary layman to be entirely familiar with, not to say a word of a judge of the Superior Court of North Carolina, Judge Grady claiming that the new law worked a hardship on taxpayers). Under this old law there was no provision for an enforcement, the result was, (and I am speaking from actual experience) that many taxpayers and some able to pay would allow their property to be sold year after year for taxes, knowing that they were not going to be forced to redeem same, and knowing all the time that the county was going to bid it in. This method was unfair to the taxpayer; unfair to the county; and unfair to the sheriff. While it was allowed as a credit on the settlement of the sheriff, at the same time, the county received nothing whatever from this settlement, then or at any future time, the result being a large amount of property carried over from year to year by the county with no limit and a raise of tax rates in order to meet the expenses of the county,

which should have been met by the legitimate collection of taxes which were justly due the county.

I fail to see how Judge Grady can expect all business concerns to pay their taxes promptly and meet all other obligations promptly, and then allow landowners to wait twelve months after taxes are due. In other words, under the old law and under the new law, taxes are due on the first of October and, as stated under the old law, if not paid will be advertised on the first Monday in April and sold on the first Monday in May, thereby giving the taxpayer an opportunity to pay, for instance, his 1927 taxes three months in the year 1927, and four months of 1928, with a discount of one per cent if paid in October; one-half of one per cent if paid in November; December and January at par; February one-half of one per cent penalty; March one per cent penalty, and which discounts and penalties were intended to be in the new law and was so recommended by the Better County Government Commission.

Under the new law, after a careful study and consideration by the commission, the counties have something definite to go on and a law which can be enforced, thereby making it impossible for the same piece of property to be sold over and over again each year for taxes. Under the new law, taxes are due in October, if not paid by the first Monday in May, which, in reality gives the taxpayer a month longer than under the old law, they are advertised and sale takes place on the first Monday in June. If a taxpayer is not able to pay his taxes by the first Monday in June for taxes for the preceding year, it would be foolish to allow them to go over until the following fall and thereby have two years' taxes to pay, rather than one year, and the taxpayer who would be allowed to do this would get himself hopelessly tangled as to the payment of his taxes.

The new law requires that the county, in case the county buys the property in for taxes, shall foreclose the property under the terms of a deed of trust, the taxpayer having every possible legal notice of such foreclosure, within eighteen months from the date of the tax certificate, and the county shall begin at the end of fourteen months as to foreclosing under this tax certificate, interest at the rate of 20 per cent from date of tax sale for the first twelve months to be allowed (as under the old

law there was no limit as to time), and after the first year 10 per cent until paid or until final judgment of confirmation is rendered. An individual buying property in for taxes and receiving a tax certificate for same, who does not institute proceedings within eighteen months from date of first tax certificate, shall only draw 6 per cent after eighteen months. This is done for the purpose of making an individual foreclose this property under the terms of a deed of trust which he has bought in for taxes, rather than hold it year after year and allow him to draw 20 per cent on his investment.

These certificates of sales by the counties are allowed as a credit to the sheriff in his settlement, and they are then delivered to the county accountant or auditor for collection, the county getting the benefit of such collections, thereby holding down the tax rate, and are kept separate and apart from all other taxes and from all other collections made by the sheriff, or the regular tax collector. No interest can be remitted by the county or any agent thereof, to any person, firm, or corporation, meaning that all purchasers and all taxpayers are fed out of the same spoon. All rights to foreclose just as you do a deed of trust under these tax certificates are forfeited after the expiration of three years.

So you see you have on one side an old law, allowing property to be sold for taxes, but absolutely no way to bring the sale to a close which would be to an advantage to the taxpayer or the county, and allowing individuals to purchase property for taxes, holding same for an indefinite time, drawing 20 per cent interest on the amount such property is bid for, until it could be possible for the interest to accumulate until the taxes plus accumulated interest would equal the value of such property, while, on the other hand, a new law fair, just, and adequate to meet the end of justice both to the county and the taxpayer.

It allows one month longer in which to pay taxes, and while the purchasers of the tax certificates are entitled to 20 per cent, if the rate was less taxpayers would not redeem. That rate of interest can only be drawn for the first twelve months and after then 10 per cent until paid, with the provision that if proceedings are not instituted within eighteen months from date of the first tax certificate the amount will only draw 6 per cent after the said eighteen months, and with a further provision that all rights to

foreclose a tax certificate under the terms of a deed of trust are forfeited after the expiration of three years from the date of the tax certificate.

The new law is by far an advantage over the old law to the taxpayer, and it is a great pity that the leading people in the State, and especially those holding judicial offices, cannot see it this way and encourage the people to obey the law, rather than, by an act of the public servants of North Carolina, encourage the people to break the law. Of all the people, judges should do everything in their power to have the people uphold the law.

I am in entire sympathy with the burden of taxation which is now being carried by the land owners of the State, and in my capacity, as a member of the Board of Equalization, I have endeavored for the fourth district to shift as much as possible, the burden from the farm land to town and city property, on the other hand, there is absolutely no reason why, when taxes are due, that all taxpayers should not be required to pay their taxes on the same basis and principle as all other individuals, firms, and corporations are required to do. It is just simply a question, that the taxpayers have not been required to obey the law which has already been in force for years and years, and having had their own way so long it is hard for them to get accustomed to a businesslike collection of taxes for the counties in the State. To prove this, here is an illustration which I ran into soon after going on the board of commissioners of Nash.

I made a statement that Nash County taxes would be collected in accordance with law; that all taxes not paid on the first Monday in April (at that time we were working under the old law) would be advertised for sale and sold on the first Monday in May. That statement was made in a talk before a local club. The next day I was approached by a property owner who owned property both in Nash and Edgecombe counties (Rocky Mount being in both counties) with the statement that it would be impossible for him to pay his taxes on his Nash County property by the first Monday in April for the preceding year. I asked him if he would not have to pay his taxes in Edgecombe County on or before that date and his answer was that he would because Edgecombe authorities would sell his property if he did not. My answer to his was, that that was all Nash County was

going to do. In other words, follow the law. The result was, his taxes were paid on time.

The remedy and the answer to Judge Grady is—have all the county authorities, (including Wake) with the assistance of the judges of the State, to enforce the new law which is fair, just and liberal to all of the taxpayers, as well as to the counties.

Sincerely,

FRANK P. SPRUILL.

RALEIGH, N. C., June 23, 1928.

MR. J. A. TAYLOR,
Wilmington, N. C.

DEAR SIR:

I have your letter of the fifteenth.

I am glad you feel that the soundness of the principle of penalizing those who failed to pay back taxes was established in the statement recently issued by me.

I agree with you that in the case mentioned in your letter a hardship is imposed upon the small landowner referred to. It appears from your letter that in the county mentioned there is more than \$100,000 due in back taxes for the years 1924-25-26-27, and that the county commissioners are insisting upon the payment of the penalty of 20 per cent for each year. You state, regarding the particular case in which you are interested, that the 1924 tax was \$56 and that by the addition of the 20 per cent penalty each year this amount has been increased to approximately \$90, and that taxes for the succeeding years have been increased proportionately.

Under the old law, prior to the new county government act of 1927, lands could be sold for taxes on the first Monday in May of each year and any individual who purchased same at the tax sale would be entitled to a deed for the land, after the expiration of twelve months from the time he received his certificate. If he did not call for the deed, the certificate would bear 20 per cent interest each year it remained unpaid. That, of course, would impose a penalty of 60 per cent if unpaid for three years, eighty per cent if for four years, and one hundred per cent if it

remained unpaid for five years. In many counties, these tax certificates remained unpaid indefinitely, whether they were in the hands of individuals or in the hands of the county commissioners. The custom in many counties has been to go through the form of selling land for taxes, and then allowing the matter to drop until the taxpayer voluntarily paid the taxes. When the taxpayer came to pay the taxes, he would have to pay a penalty of 20 per cent for each year, if his land had not been sold in the meantime, and the individual purchaser given a deed.

In some counties, I find the tax certificates have been uncollected for a period of seven, eight, and, in some cases, nine or ten years.

This situation has had a very bad effect, not only upon the taxpayers, but upon the counties. It is a manifest injustice to allow taxes to accumulate over a long period, piling up penalties at the rate of 20 per cent per year, so that when the taxpayer comes to sell his land or give a mortgage upon it he has to pay the back taxes and the 20 per cent penalty for each year. Many land banks and other concerns loaning money on lands have found, after the land has been appraised and the loan approved, that back taxes and penalties had accumulated to such an extent that the loan could not be closed because of large tax liens. The landowner, in such instances could not complete his loan after having incurred considerable expense for appraisal, etc. This had worked a great hardship on many taxpayers in the State and had prevented them from getting loans that they would otherwise have been entitled to. These are only some of the inconveniences to the delinquent taxpayers.

The old practice of allowing taxes to be uncollected, lands to be sold and the certificates of sale remain uncollected over a period of years has worked a great injustice to the great body of taxpayers who pay their taxes within the period of the law. All taxes should be uniform and bear equally upon all taxpayers. This condition cannot be effected unless the time of payment and all other terms are uniform. If a certain number of taxpayers are favored by the sheriff or tax collector and the taxes allowed to go unpaid, a serious injustice is done the taxpayers who pay their taxes promptly. When the county authorities come to make up the revenues of county and city governments the next

year the tax rate has to be increased to make up for the deficit caused by the failure to collect the taxes due in previous years. It was to meet these conditions that I advocated the passage of the new county laws relating to tax sales.

These new laws have been approved by the press and perhaps 99 per cent of the people of the State. They are fairer to all of the taxpayers, both those who are sometimes delinquent and those who pay promptly, than the old laws, for the following reason: Under the new law, if the taxpayer fails to pay his taxes upon land or personal property by the first day of May after they become due on the first day on the previous October, the tax collector or sheriff must advertise the lands to be sold on the first Monday in June. When the lands are sold for taxes, the purchaser at the sale, whether it be an individual or county, receives a certificate for the amount. If the taxpayer fails to redeem this certificate by paying the taxes within eighteen months, the purchaser, if said purchaser is an individual, is *not entitled to a deed*, but he must foreclose the certificate, by bringing suit in the Superior Court, making the taxpayer, the mortgagee and all other lien holding parties defendants. When the purchaser receives judgment of foreclosure the taxpayer can, and generally does, get further time to pay.

Under the new law it is mandatory upon the county authorities to foreclose these certificates. The penalties which the owner of the certificate is entitled to recover is 20 per cent for the first twelve months and 10 per cent annually for the remaining period, and if suit is not brought within three years from the date of the sale, the right to foreclose is barred by the statute of limitations. It is impossible for the taxes and penalties to accumulate on these land sales over an indefinite period, as was the case under the old law.

I believe any fair-minded man is bound to conclude that the new law is fairer, not only to the delinquent taxpayer, but to the great body of taxpayers who pay their taxes promptly, and to the counties.

You ask me whether or not, in the case mentioned by you, the county commissioners have the right to assess the 20 per cent per annum penalty for the years 1924-1925-1926 and 1927.

After discussing the matter with Assistant Attorney General Nash, I have to answer this in the affirmative. That is to say, under the old law the commissioners have the right to assess the 20 per cent penalty for each year for which the taxes have been delinquent. I am informed, however, that in many cases the county authorities are allowing taxpayers to settle for their delinquent taxes upon old sales by paying the penalties prescribed under the new law. It seems to me that this would be equitable and if I were a county commissioner I would be inclined to do this, since, by allowing the delinquent taxes to remain uncollected over a period of years, I would feel that I had done the taxpayer an injustice. However, that is a matter for the court in each case, and I do not feel that I have a right to suggest what course should be followed.

It may be of interest to you to know that it is only in a few counties in the State that these tax certificates have not been collected within a reasonable time.

I sincerely hope that the state and local officials will cooperate in trying to relieve the unfortunate conditions which have existed in these few counties. Once the matter is cleaned up and the new county laws lived up to, the fiscal troubles of the counties will disappear. If they are not lived up to, conditions will grow worse and sooner or later the fiscal affairs of many counties will become in such confused condition that their credit will be seriously impaired and it will be difficult for the county government to function.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

WASHINGTON, D. C., June, 1928.

HON. ANGUS W. McLEAN,
Governor of North Carolina,
Raleigh, N. C.

DEAR SIR:

It has been a pleasure to learn of the most effective help which you rendered in support of this measure at critical stages in its

progress and I want to express to you my own personal appreciation and that of the department for this effort.

I regard the passage of this act* one of the most important forward steps in national forestry legislation.

The extent of public interest throughout the entire country in general is indicated by the fact that the bill was taken up and passed in a single session of Congress, that as finally approved it contains every provision of the original draft, and that practically the only additions are those suggested by the Department of Agriculture. The department hopes that the stimulus which this act will give to the development of its own forest research will have a similar effect upon forest research by all other agencies in the United States.

Yours very truly,

J. W. JARDINE,
Secretary of Agriculture.

RALEIGH, N. C., July 9, 1928.

MR. O. A. GLOVER,
Sheriff Wilson County,
Wilson, N. C.

DEAR SIR:

I am very much pleased to see in the morning papers that, when you made your settlement of tax collections with the Wilson County board of commissioners last week for 1927 taxes, out of more than \$700,000 charged against you, you had collected and turned over to the commissioners all except about one-fourth of one per cent of the entire amount. I note also that over a period of five years you have collected about 99.75 per cent of the gross amount of taxes due in your county.

This record is so fine that I feel you are entitled to the plaudits, not only of the people of Wilson County, who are directly interested, but of all of the people of North Carolina who are or should be deeply interested in efficient results shown in the administration of county government.

It would be a fine thing if all of the counties in North Carolina could show such good results.

*This was the McSwenny-McNary act.

The remedy for the local tax burden does not lie in the collection of taxes due from some of the taxpayers and neglecting to collect from others. The real remedy lies in the method you have pursued of collecting the taxes due from all taxpayers alike.

As I stated in an article appearing in the papers this morning, there are many counties in which the taxes are too high, but the real remedy is to reduce the tax rate as they apply to all taxpayers, not in requiring some to pay promptly and permitting others to escape payment.

Again I congratulate you on your fine record in collecting taxes in your county. I hope your example will encourage sheriffs and tax collectors in other counties of North Carolina to do likewise.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

RALEIGH, N. C., July 12, 1928.

MR. W. T. LEE,
Chairman Corporation Commission,
Raleigh, N. C.

DEAR SIR:

I assured the commission that I would do everything in my power to aid in the plans which they outlined in the enclosed report, and further assured them that I would endeavor to provide whatever additional funds that may be necessary beyond the regular appropriations to your commission to present the State's case and to carry out the recommendations made by the commission in its written report.

Under the provisions of section 8, chapter 266, Public Laws of 1925, I approved recommendations made by the Transportation Advisory Commission and set out in the enclosed report, and call your attention to the provisions of said section making it your duty to institute and prosecute, by and with the advice of the Transportation Advisory Commission, such act so recommended and approved by me.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

WILSON, N. C., July 17, 1928.

GOVERNOR A. W. McLEAN,
Raleigh, N. C.

DEAR GOVERNOR McLEAN:

I want you to know that I deeply and sincerely appreciate your expressions for the efforts manifested through this office towards the collection of taxes for our county.

I feel that it would be egotistical for me to claim full credit for this record, in as much as our taxpayers as a whole are prompt in the settlement of their taxes, and are therefore entitled to equal credit for their hearty coöperation along this line.

Yours truly,

O. A. GLOVER.

RALEIGH, N. C., September 26, 1928.

THE HONORABLE, THE SECRETARY OF THE NAVY,
Washington, D. C.

DEAR SIR:

Complying with your telegraphic request and particularly the request contained in the letter from the acting secretary of the navy, dated September 5, 1928, I have shipped to the naval base, Hampton Roads, Virginia, the silver service which the General Assembly of North Carolina provided for the armored cruiser *North Carolina*, christened on the 3d of July, 1908, in North Carolina waters.

According to the agreement made between the Navy Department and the Caswell Nash Chapter, Daughters of the American Revolution, at the time this silver service was loaned to the State in 1925, it was distinctly provided that the silver service should be returned to the Navy Department upon demand of the secretary of the navy. Recently when the acting secretary of the navy requested the silver service be shipped to Hampton Roads for the use of the new cruiser *Raleigh*, I was out of the State on my vacation and there was some delay in complying with the request, but last week the silver service was shipped according to instructions.

I hope it will not be considered out of place for me to acquaint you with the fact that there is well defined sentiment in North Carolina that this silver service should be returned to the State for the reason that the original purpose for which the General Assembly of North Carolina provided it has failed, especially in view of the fact that the United States ship *North Carolina* to which the silver service was given by the State was destroyed by the federal government and no other ship bearing the name *North Carolina* provided in its place. In this connection, I quote below from a letter received by me from Col. Fred A. Olds, one of our most distinguished citizens, who is collector for the Hall of History of North Carolina:

In the early days of these United States it was the plan of the Navy to name one "Capital Ship," that is a "Ship-of-the-Line," for each of the "Old Thirteen" states. So the ship-of-the-line *North Carolina* came into being. Years passed and there came what the people called the "New Navy," when steel vessels replaced the "wooden walls" of olden times. The Navy Department announced the laying-down of the armored cruiser *North Carolina* and October 6, 1906, Governor Robert B. Glenn and staff and family were present at its christening, at the Newport News Ship-yard. The legislature at its session in 1907 appropriated \$5,000 for a silver service to the vessel bearing the name of the State. In 1908, on the third of July, this service was presented to the *North Carolina*, in the open sea at Cape Lookout, near Beaufort, North Carolina. The occasion was made a notable one, a thousand guests being present. In the absence of Governor Glenn the address of presentation was made by Lieutenant-Governor Francis D. Winston, in the presence of all the visitors on the vessel's deck. Many notable men and women were present, among them Chief Justice Walter Clark of the Supreme Court. The affair was very notable in that it was the only case where a gift had been made to a vessel in the open sea. After this ceremony there was another, the presentation to Capt. Marshall for the ship of a superb North Carolina state flag, by Mrs. Van Landingham of Charlotte, the state regent, on behalf of the North Carolina Daughters of the American Revolution.

Time passed, the World War came on and in 1914 it was the fortune of the *North Carolina* and the *Tennessee*, sister-ships to carry to Europe many millions of money in gold, to aid citizens of the United States, caught there in the stirring out-break of the war, and also to aid in other ways in getting our citizens back to their own country.

In 1920 the Navy Department changed the name of the *North Carolina* to the *Charlotte*. A new *North Carolina*, this time a battleship, had been laid down, however, and was nearly completed when the

“Four Power Pact” was agreed on and the splendid vessel was sunk in the ocean “without a trace.” So North Carolina was left without a vessel bearing her name.

The legislature made the fine gift specifically to the *North Carolina* with intense pride that so fine a ship, costing \$7,500,000, and of 14,000 tons, bore proudly the name of this State. It is not for me to say when, if ever, there will be another *North Carolina* and it depresses me to think that a State which gave to the Navy its first real head, in the Revolution, Joseph Hewes of Edenton, should be so placed.

It is now proposed, if I am correctly informed, that the cruiser *Raleigh* is to be assigned the silver service given to the State’s namesake. This *Raleigh* is the successor to the first *Raleigh* to which in 1894 the women of North Carolina presented a silver punch bowl and 36 silver cups, this presentation being at Southport, at the mouth of the Cape Fear River. This service is now stored in some warehouse at some one of the navy-yards.

With no vessel *North Carolina* in existence it seems to me that until there is one the service given as described ought to be placed in the custody of the State which gave it. For the past two or three years, since it was brought to Raleigh, it has nobly graced the governor’s mansion, admired by many thousands of people from this State, the other states, and not a few from other lands.

You will observe that Colonel Olds suggests that it would be more appropriate to deliver to the new cruiser *Raleigh* the silver service given by citizens of North Carolina to the old cruiser *Raleigh* in 1894, which service Colonel Olds thinks is stored in a warehouse at one of the navy yards. I should like to have you advise me whether or not Colonel Olds’ information as to this silver service is correct and what, if any, answer you have to make to his suggestions.

Faithfully yours,

A. W. McLEAN, *Governor*.

RALEIGH, N. C., October 2, 1928.

MR. A. R. NEWSOME,
Secretary, Historical Commission,
Raleigh, N. C.

DEAR MR. NEWSOME:

I am very much interested in seeing introduced into our public schools a more comprehensive course of instruction about North Carolina—its people and its resources.

For this purpose, I have called a conference of representative people to meet in the hall of the House of Representatives in Raleigh on Monday, October 8, at 10:00 a.m. I am enclosing a partial list of those invited.

I am also enclosing a very brief statement of what I conceive to be the basic need in this field. What can be done to improve this situation? What materials should be provided? What improvement in textbooks should be made? How may the different departments of the state government cooperate in this undertaking?

I hope you will find time to consider these questions before the conference, and that you will come prepared to enter upon the discussion of the whole matter under consideration.

In case you should find it inconvenient to be present at this meeting, I hope you will designate someone to represent you at this conference.

Very truly yours,

A. W. McLEAN, *Governor.*

[ENCLOSURE]

North Carolina is not known even to its own citizenship. A casual conversation with people who are otherwise highly intelligent will reveal the truth of this statement. This condition grows out of the fact that somehow our schools and colleges have failed to leave our young people with an enthusiastic interest in our historical development and its relations to the present, or with a bouyant confidence in our social and economic future. This is a situation which in my opinion should be remedied as speedily as possible.

The common welfare demands that our children in the public schools become better acquainted with the State. Such knowledge would increase their respect for our institutions. It would clarify their comprehension of the struggles and sacrifices through which we have passed. It would give them a clearer vision of our aspirations for the future. Out of it would come a greater love for the State. On this basis would rest a more loyal support of the great enterprises in which we are now engaged and those other undertakings upon which we must enter in the future. If we are to meet the future with intelligence and courage, we must know the implications of the past.

Ours is a history rich in stories of the deeds of heroism and patriotic service. It is a fascinating chronicle of a fine and sustained endeavor of a sturdy and determined people to grow and to achieve. It bears a

most intimate relation to the longer story of national development. The knowledge of our history should be intimate and accurate. No greater source of inspiration for our youth could be found.

The public schools have made a considerable effort to acquaint our children with these facts. Adequate source material has been unavailable. Much of the material in use is unsuited for this purpose.

Along with the historical background should go a study of the natural resources of the State and their development through the construction of railroads, hard surfaced roads, and other means of transportation. The location of power plants, the building of manufacturing establishments, and the improvements in farming should be considered. The economic growth of the State is closely linked with the social, intellectual, and moral development of the people. These relations should be analyzed and clarified.

In order that the public schools may perform the duties that naturally fall upon them in relation to all these matters, it is necessary that they be supplied with an abundance of usable materials and with teachers who are thoroughly saturated with a knowledge of them.

On the teacher training institutions devolve the duty of preparing such teachers. On the administrative officers of the public schools falls the duty of seeing that this enterprise is carried out.

In consideration of all these facts and of the needs of the schools, I am calling a conference of both textbook commissions, of the heads and representatives of all the state institutions of higher learning, of representatives from the Department of Public Instruction and the Historical Commission, and certain administrative officers of the public schools to meet with the State Board of Education to devise ways and means to meet this urgent situation. I should be glad if you would give as much consideration as possible to this question before the meeting, and come prepared to make suggestions and to enter freely into the discussion.

There are many topics that should be discussed in this conference.

What should North Carolina do to promote the study of state history and to provide suitable materials in available form for this study?

At present, no considerable attention is given to the study of state history in the high schools. Should there be a definite program in our high schools for this purpose? What materials should be included in this course? Is there at present such material in available form?

In the elementary schools, a textbook is used, but there is wide complaint against this book on account of the fact that its arrangement makes it a very difficult subject to teach and comparatively few teachers are able to arouse interest and enthusiasm where this book is the basis of the work. A very great improvement should be made in the elementary textbook. In addition to this, a series of history charts should be prepared and made available for use. These charts should, of course, be greater in number and more detailed than the best charts now in use in connection with the study of United States history.

Furthermore, the economic development in the State should be considered in connection with the historical development. This brings us into the natural resources of the State and their relation to its development. In other words, a child graduating from our high schools should have a broader comprehension of the State as a whole; of its history and traditions; of its institutions and aspirations; of its economic and social setting; and a clear vision of its future possibilities.

I have determined, therefore, to call a conference, to be held in the hall of the House of Representatives, at the Capitol, in Raleigh, at 10:00 o'clock forenoon on Monday, October 8, for the purpose of determining, first, whether or not an effort should be made to supply the need which I have mentioned and if so, the ways and means of speedily accomplishing the purpose. I am inviting the following to attend the conference:

1. State Board of Education.
2. The Elementary Textbook Commission—
 - Mr. A. E. Akers, chairman, superintendent of Schools Halifax County, Roanoke Rapids, N. C.
 - Mr. R. G. Fitzgerald, superintendent of schools Pitt County, Greenville, N. C.
 - Mr. C. C. Haworth, superintendent of Burlington City Schools, Burlington, N. C.
 - Mr. B. L. Smith, superintendent of Spindale School, Spindale, N. C.
 - Miss Anne Holdford, rural supervisor of Wake County, Raleigh, N. C.
 - Miss Ruth Gunter, rural supervisor of Lee County, Sanford, N. C.
 - Miss Ethel McNairy, primary supervisor of City Schools, Statesville, N. C.
3. The High School Textbook Committee—
 - Mr. Ray Armstrong, superintendent Goldsboro City Schools, Goldsboro, N. C.
 - Mr. Leon R. Meadows, East Carolina Teachers College, Greenville, N. C.
 - Mr. Clyde A. Erwin, superintendent Rutherford County Schools, Rutherfordton, N. C.
 - Mr. J. Watson Moore, principal Winston-Salem High School, Winston-Salem, N. C.
 - Miss Kate Finley, principal Rockingham High School, Rockingham, N. C.
4. Presidents of the state institutions and representatives selected by them—
 - a. University—President H. W. Chase, Chapel Hill, N. C.
 - b. State College—President E. C. Brooks, Raleigh, N. C.
 - c. North Carolina College for Women—President J. I. Foust, Greensboro, N. C.
 - d. East Carolina Teachers College—President R. H. Wright, Greenville, N. C.

- e. Appalachian State Normal School—President B. B. Dougherty, Boone, N. C.
 - f. Cullowhee State Normal School—President H. T. Hunter, Cullowhee, N. C.
5. The secretary of the Historical Commission.
 6. The director of the Department of Conservation and Development.
 7. Representatives from the State Department of Public Instruction.
 8. County superintendents—
 - Mr. B. C. Siske, superintendent Duplin County Schools, Kenansville, N. C.
 - Mr. M. E. Yount, superintendent Alamance County Schools, Graham, N. C.
 - Mr. S. G. Hasty, superintendent Davidson County Schools, Lexington, N. C.
 9. City superintendents—
 - Mr. G. B. Phillips, Salisbury, N. C.
 - Mr. R. H. Latham, Winston-Salem, N. C.
 - Mr. O. A. Hamilton, Wilmington, N. C.

Please notify Dr. A. T. Allen, State Superintendent of Public Instruction, at Raleigh, if you can attend.*

*Responding to the above call from the governor, a number of representative people met in the Hall of the House of Representatives on October 8 and discussed ways and means to provide for a more thorough knowledge of North Carolina and its people through an enriched curricula in the public schools. After considerable deliberation in which every phase of the subject was discussed, the conference authorized Governor McLean to appoint a sub-committee to give a more thorough study to this whole question and to report back to the conference not later than the 15th of December. Governor McLean announces the personnel of this committee as follows:

A. T. Allen, state superintendent of public instruction.

Miss Sallie Joyner Davis, East Carolina Teachers College.

Miss Anne Holdford, Raleigh, N. C.

Superintendent Clyde A. Erwin, Rutherfordton, N. C.

Miss Meta Liles, Carthage, N. C.

Mr. Park Mathewson, State Department of Conservation and Development.

Dr. W. C. Jackson, North Carolina College for Women.

The work of this committee in general terms was to perform, as best it could, the following duties:

1. To ascertain and list, as far as possible, what is now being done by the public schools, and otherwise, to acquaint the people of the State with "The Story of North Carolina and Its People," including its rich background in history, the nature and character of the people as affected by its climate and geographical situation, and the utilization which the people have made of the natural resources at their disposal.

2. To ascertain and report upon the question of whether or not, in the opinion of the committee, there is need for an enrichment of the curricula in the elementary and high schools to provide for more thorough instruction in all the phases of this subject.

3. To suggest, in case the committee finds it feasible, a plan of procedure under which teaching materials in greater abundance may be provided, and to suggest the nature and type of work that should be done in both the elementary and high schools in order that the people of the State may become cognizant of its natural resources, its economic, commercial, and industrial development, and its social and educational status.

RALEIGH, N. C., December 3, 1928.

THE HONORABLE, THE SECRETARY OF STATE,
Washington, D. C.

SIR:

The governor of North Carolina presents his compliments to the Honorable, the Secretary of State of the United States, and has the honor to request that he will present, through the usual diplomatic channels, to the Royal Italian government, the following communication:

The Commission on the Reproduction of the Canova Statue of Washington, a duly constituted agency of the state of North Carolina, respectfully requests the good offices of the Royal Italian government in obtaining permission to have reproduced from the original model, now in the Canova Museum at Possagno, Italy, the Canova Statue of Washington originally made for the state of North Carolina in 1820, and to that end submits the following brief history of the statue:

Canova's Statue is one of, if not the most famous, statues of Washington in existence. The order for the statue was given in 1816. Canova was selected as the sculptor, upon recommendation of Thomas Jefferson who wrote that "no artist in Europe would place himself in line with him, and for thirty years within my knowledge he has been considered by all Europeans as without rival." The statue was completed in 1820, and brought to the United States in a war vessel of the United States Navy, especially assigned to that purpose.

Thomas Appleton, United States consul at Leghorn, through whom negotiations with Canova had been conducted, wrote about the statue to the governor of North Carolina as follows:

It is from the hands of the finest artist the world has produced, since the period of Nero, the Emperor, and the important events in the life of our hero, which are represented in basso relievos on the sides of the pedestal, are wrought with a far superior hand to the relievos, either on the column of Trajan or on the triumphal arch of Constantine, for sculpture had declined for more than a century before architecture had risen to that perfection, which leaves only the power to admire without the genius to imitate. The pedestal was sculptured by Mr. Raimon de Trentanove, a young man of only six and twenty years, the first scholar of Canova, and strongly recommended to me by the latter as

the most capable in Rome. His genius is of a sublime cast, and will most assuredly rise at least to the greatness of his master.

The statue was conveyed from Italy to Boston in the United States ship *Columbus*, thence to Wilmington, N. C., by water, thence up the Cape Fear River to Fayetteville, N. C., and then over land to Raleigh, where it was set up in the rotunda of the State House and unveiled December 24, 1821. Lafayette, in his visit to America in 1825, made a trip to Raleigh to inspect the statue. There is a picture of him in company with Miss Haywood viewing the work. The original was destroyed when the State House was burned in 1831, but the plaster model made by Canova himself has been preserved, and in 1908 a replica of it was made and presented to the state of North Carolina by the Italian government.

In 1844, at the instance of Judge Gaston, a committee was appointed, of which Judge Gaston was chairman, to have the statue reproduced. At that time the existence of the original plaster model was unknown, and the artist, Ball Hughes, employed by the commission, had only the torso and the head to work from. Hughes took the head to New York, and it there disappeared, and from 1844 until 1908 the matter of reproduction was permitted to rest, for the loss of the head had removed all hopes on the part of our people of ever having the statue reproduced. It was in 1908 when Bellamy Storer, American ambassador to Austria, discovered the original plaster model at Possagno in the Canova Museum, and informed Professor Connor, secretary of the North Carolina Historical Commission, of its existence, that our people revived hope of again seeing in marble the famous statue made for them in the early part of the nineteenth century.

Interest in the subject was particularly revived in 1921 when Virginia presented a copy of its famous statue of Washington by Houdon to the British Empire, and it was set up on Trafalgar Square. The historian Ashe wrote a public letter at that time, calling attention to the fact that North Carolina's statue of Washington was infinitely superior as a work of art to the Virginia's statue of the Father of Our Country.

The General Assembly of North Carolina thereupon, in 1923, appointed a commission, consisting of R. O. Everett, R. D. W.

Connor and Walter Woodson, to investigate and report to the General Assembly the advisability of having the statue reproduced. The committee recommended the reproduction of the statue, and asked that an appropriation be made for that purpose. The General Assembly of 1925 failed to make an appropriation, but appointed a commission, consisting of R. O. Everett, R. D. W. Connor, A. W. McLean, W. N. Everett and Walter Woodson, to have the statue reproduced, if sufficient private funds could be raised for that purpose, and to place it at some suitable place on the State's property in the city of Raleigh. At the 1927 session, the General Assembly continued the commission and appointed as an additional member Miss Martha Andrews, of the city of Raleigh, and instructed the commission to report its proceedings at the 1929 session.

It is further desired that the proper representatives of the Royal Italian government, if it is not incompatible with its custom and practice, furnish the names and addresses of several reputable Italian sculptors with whom the duly authorized representatives of the state of North Carolina may negotiate for the purpose of making a contract for the reproduction of said statue. In this connection, it is suggested that no commitment can be made unless and until authority is granted by the General Assembly of North Carolina to enter into such a contract, and that the present request is made for the purpose of submitting the proposal to the General Assembly of North Carolina, which convenes on the 9th day of January, 1929.

Thanking you in anticipation of your courteous attention to this matter, and with the assurances of my most distinguished consideration, I have the honor to remain,

Faithfully yours,

ANGUS W. McLEAN, *Governor.*

[Telegram]

RALEIGH, N. C., 1928.

GOVERNOR JOHN H. TRUMBULL,
Hartford, Conn.

DEAR SIR:

Now that the motion of Connecticut for leave to institute suit against North Carolina has been disposed of by the voluntary

action of the state of Connecticut in the Supreme Court of the United States, I desire to express to you the deep sense of appreciation which I feel and which I am sure the people of North Carolina generally feel toward you and the other officials of the state of Connecticut for the fine spirit of comity and sense of justice evinced by you. The special tax bonds, of which those given to the state of Connecticut are a part, were issued by an illegally constituted legislature controlled by certain carpet-baggers of the reconstruction regime, who procured these bonds issued by fraud and bribery, against the will and over the protest of the people of North Carolina when they were so helpless that their voice could not be effectively heard. For the reasons appearing in the record, the people of North Carolina have never felt and do not now feel that there is any moral or legal obligation resting upon them on account of these so-called bonds. It is most heartening to our people to know that as soon as you were informed of the true character of these old claims you refused to proceed further in an effort to collect them. To my mind your action demonstrates in a very conclusive way that the friendly feelings which have existed between the people of the two states from the time they were struggling colonies fighting for common independence, is still alive. With warm personal regards and assuring you of my most distinguished consideration, believe me,

Faithfully yours,

ANGUS W. McLEAN, *Governor.*

[Telegram]

WASHINGTON, D. C.

GOVERNOR ANGUS W. McLEAN:

I have learned that you will attend the Jackson Day dinner here on the twelfth, and, as you will be in Washington, and as you have been recommended by a number of your friends as a presidential possibility, I am writing to ask if you will speak at one of our sessions either on the ninth or tenth.

MRS. JESSE W. NICHOLSON.

[Telegram]

RALEIGH, N. C.

MRS. JESSE W. NICHOLSON,
Mayflower Hotel,
Washington, D. C.

Regret exceedingly that important engagements already made make it absolutely impossible for me to be in Washington on either ninth or tenth and, therefore, am forced to decline your kind invitation.

ANGUS W. McLEAN.

HON. ANGUS W. McLEAN,
Governor of North Carolina,
Raleigh, N. C.

DEAR SIR:

We are to little boy's and we go to Sunday School every Sunday and are good boys. And we have prayed every knight for our dady and for the Good Lord to send him home to us for we havn't got any mama. She gone and we havn't seen her in a long long time. So, Mr. Govnor help the good lord to answer our prayer. Your to little boy friends.

RALEIGH, N. C.

MY DEAR BOYS:

I was glad to get your letter of June 19, and to learn that you are going to Sunday School every Sunday and that you are good little boys.

I regret that I cannot send your father home to you now. It would not be best for either you or him. Perhaps conditions will change and he will be able to see you before very long. I have investigated the case fully and find that although you are separated from your father and mother, you are being well cared for by your grandparents, who are giving you every attention and protection which you could possibly expect under the unfortunate circumstances. I hope you will continue to be good little boys and will grow up to be honest, sober and useful citizens. I want

to assure you that I feel a deep interest in your welfare and that I appreciate very much your writing me.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

MR. NATHAN STRAUS,
New York City.

DEAR SIR:

I take great pleasure in extending to you my personal and official good wishes and congratulations on the occasion of the eightieth anniversary of your birth.

Despite the fact that you are a foreigner by the mere accident of birth, you adopted the United States as your own country and have made a record of service during your long and useful life that will serve always as an inspiration, not only to the people of America, but to the people of every civilized nation in the world.

It is with pleasure that I realize part of your life, as a youth, was spent in the South, in a sister state, and I even dare to hope that some of the inspiration that has placed you at the top of the ladder in several lines of endeavor was received during that period of your life and as a result of your surroundings and environment.

I consider it a laudable and worthy ambition for any man to desire to accumulate a large fortune, but it is a far greater achievement for that man, when he has realized his ambition, to devote that fortune to worthy causes. I think I can safely say that I know of no individual who has as consistently and as constantly devoted so much of his means toward relieving want and suffering among the poor and to the betterment of the people of the world. Your benefactions place you in the front rank of philanthropists.

For this and for the many other gifts and benefits you have bestowed on humanity as well as for your own personal satisfaction, I sincerely hope that you may live to enjoy many other such anniversaries and reap the reward of gratification I know you must feel at watching the results of your contributions to mankind.

Yours very truly,

ANGUS W. McLEAN, *Governor.*

[Telegram]

B. J. LEWIS,
The New York Evening Post,
New York, N. Y.

North Carolina has not expended its millions in developing a 6,200-mile state highway system from a selfish standpoint, but in order to promote interstate travel as well as to benefit its own citizens. The tourist always finds a cordial welcome within our borders, whether his destination is some point within North Carolina or farther south.

As governor of the State, I count it both a privilege and a pleasure to extend, through the columns of the *New York Evening Post*, an invitation to tourists to visit North Carolina during the approaching winter season. Entering the State, they have at their option several routes, each of which leads into a prosperous section. Coming into North Carolina by way of Danville, Virginia, they will find themselves in a manufacturing center of which there is no better in the Republic. Entering over the road south leading in from Richmond, they will pass through Raleigh, our capital city, and, farther south, will find refreshment in the mild climate of the Sand Hill section, in which are located Southern Pines and Pinehurst, winter resorts of world-wide fame. If they choose to enter still farther east from the tidewater Virginia section, they will pass through rich, agricultural Eastern North Carolina, where are some of the finest farms in America.

Entering North Carolina from any direction, the tourist will find a good road and a country which, I believe, he will be loath to leave. In addition to our trans-state routes, we have intra-state routes, connecting each of the one hundred county seats, along which any visitor will find things to interest him. No visitor should miss the mountain section of North Carolina, with its splendid roads and inspiring scenery.

A welcome awaits all who come.

ANGUS W. McLEAN, *Governor.*

SENATOR P. H. WILLIAMS,
Elizabeth City, N. C.

MY DEAR SENATOR:

Following our conference of Saturday afternoon, I have given the matter we discussed most serious thought and I am confirmed in the belief that you can be of greater service to me, during the remainder of my administration, and to the state of North Carolina by accepting the position of assistant director of the budget, which I have been trying to prevail upon you to accept for some time past.

I appreciate more than I can express your very unselfish and disinterested promise that you would yield to my request to continue your connection with the Budget Bureau and to give your whole time to it in the future, if I thought it to the best interests of the State that you do so. You were active in support of the executive budget act when it was pending in the General Assembly of 1925; you have been a member of the Advisory Budget Commission since it was established and you have contributed in large measure to the successful direction of the executive budget system these past three years.

In my opinion the executive budget system is the most effective measure enacted during my term. Under it several million dollars have been saved to the taxpayers and I believe it will bring even greater results in the future. Your service as vice-chairman of the Advisory Budget Commission has enabled you to obtain greater knowledge in regard to the practical workings of the system than perhaps any other member of the General Assembly. The work is not entirely perfected and there remains, of course, considerable work to be done in order that it may continue to accomplish the best results.

As you know, I have urged you constantly since the adjournment of the last General Assembly to adopt the suggestion I made of giving your whole time to the work of the Budget Bureau. I earnestly believe you can be of greater service in that capacity than any other. I feel sure that the budget system is a firmly established policy of the State and while a great deal has been accomplished already much more can be accomplished in following up the work which I have in mind and which we have discussed from time to time.

I have gone over the matter fully with Mr. Burke, who has so ably assisted me in the work since it was undertaken and he concurs fully in the view that your assistance in the past has been very valuable and that it can be of even more value if you should give your full time to it, as both of us have been so anxious for you to do. Mr. Burke will, of course, give his whole time to the work as he has done in the past, but the work is increasing at such a rate that it is simply impossible for him to continue to perform all the work without the assistance of someone who is as familiar with it as you are.

By giving your whole time to the work, we will be able to do a great deal in connection with auditing and accounting, which has heretofore been done by independent auditors. By taking on these extra duties and readjusting the work according to plans which we have discussed, no additional expense will be imposed upon the State on account of securing your whole time services.

In conclusion let me again thank you for the fine spirit of public service manifested by you in agreeing to assume this work and to say that I am very happy in the thought that the State is to have the benefit of your fine business experience and ripe judgment in the conduct of its affairs.

I hope you will be able to be here on Wednesday, the 15th, to assume your duties.

Again thanking you for your generous support and confidence, believe me,

Faithfully yours,

ANGUS W. McLEAN,
Governor and ex-Officio Director of the Budget.

GOVERNOR ANGUS W. McLEAN,
Raleigh, N. C.

DEAR SIR:

Your wire regarding Pier 1 at Morehead City, Norfolk Southern, is not contemplating granting anyone authority to make use of any of the Atlantic and North Carolina property incompatible with the terms of lease of that property or which will prevent this company from performing its public duties, and I can assure you

that the interest of the Atlantic and North Carolina will at all times be protected by us.

If the matter comes before me for consideration, will advise you before taking any action.

Yours very truly,

GEORGE R. ROYALL.

MR. GOVERNOR.

DEAR SIR:

I never wrote to a Gov. before, so if I don't do this right, please excuse me.

About Jan 1, 1865, I got orders from Jefferson Davis, our pres. thro Gen R. E. Lee, to take 300 picked men of the 2d L. Brig. (Hays Brig.) and go to the Yadkin River, a stream dividing North Carolina from South Carolina, and guard a railroad bridge over this river, build intrenchments, etc. When I got there I found about 100 home guards, (old men) and a company of N. C. Artillery under the command of a young man whose name I can't remember, but think it was Taylor.

Well! We pitched in, fortified the place in shape, and then took it easy till the enemy should show up. My men (I was a Lieut. Col.) were well armed with enfields, and the home guards with pretty much anything they could shoot. The battery consisted of 4 smooth-bore 12 pounders, iron, 1 brass wr pounder Howitzer and one Parrotts gun rifle, and the only one that would carry a shot across the river.

About the middle of May, one morning, a large body of Calvary and Artillery turned up. I'd say about 5,000. After a while they pitched in with 32 lb. Parrott. All the shells went far over our head. Capt. ——— worked his little parrott. In the afternoon they quit. So did we. And the next day we expected would be our finish.

The next morning at sun-up we were ready for the battle, but lo! not a man was visible. Our side of the river was at least 20 feet higher than the S. C. side, which was flat. We crossed over to see what the matter was. In a fence corner was stacked some boxes of hardtak, 4 hams, 2 large sides of bacon, about 100 lbs of ground coffee mixed with sugar, ready to cook, some desiccated vegetable soup, ec, ec. Over this pile of goodies was the following, written with charcoal on a box cover:

“Help your self Johnny. Don’t you know Gen. Lee surrendered 3 weeks ago.”

Then we howled with laughter. Some of the men actually rolled on the ground. Then we took our luxuries over on our side of the river and had a feast, and drank gallons of coffee, the first in three years.

Later men and officers commenced to come who said that the war was over and everybody was going home. We had about 400 men, no one hurt. We suppose the enemy was Stoneman, and he was having a little fun with the “johnny Rebs.” If they had wanted to, they could have smashed the bridge into splinters, and they evidently did not attempt to injure any of us, but we were in dead earnest, and worked our little old Parrott for all it was worth.

Now we claim this was the last battle east of the Mississippi. It never appeared in any history that I know of. All of the men I had in this terrific fight are now dead, and hence this to you.

If there is any way you could find out, or I could find if any yet live in North Carolina who took part in this—the very last battle. Out of 500, there may yet be a man or two in the good Old North State that took part in it—the Captain of the Artillery, for instance, or some of his men. I am writing some memoirs and would like to know. If you could help me in this, I’d be very much obliged.

And now I’ve bothered you enough.

S. M. DAVIS, (87 yrs.)

Lieut Col. 5th Reg. Hays, La., Brig, A. N. Va.

3639 Alexis Place,
Normal Heights,
San Diego, California.

P.S. Nearest town to this bridge was Chesterfield, S. C., about 10 miles south.

HON. A. W. McLEAN,
Raleigh, N. C.

MY DEAR GOVERNOR McLEAN:

Dr. Faison brought me a few days ago a letter addressed by you to the different superintendents of the institutions of this

State, in which you urged that in the closing of June no money be spent except when same was absolutely essential to the proper maintenance of the institution.

As chairman of the board of directors of the State Hospital, near Goldsboro, I stated to Dr. Faison that I thought you were entirely right; that the policy which some institutions were following, of trying to spend the last nickel of the appropriation before same expired, whether they needed the articles purchased or not, was all wrong, and I hoped that the steward of the hospital here would only purchase things essential to the proper maintenance of the institution.

I think we will have fifteen or twenty thousand dollars of unexpended balance on the appropriation which expires June 30. I am glad indeed to know that by close economy we have been able to save this much money to the State.

The last legislature made an appropriation of twenty thousand dollars for the erection of a mule barn for this institution. We are having this building erected by employing an efficient superintendent, and buying the material for same ourselves, and I think we will erect this building for about fifteen or sixteen thousand dollars, which will be seven or eight thousand cheaper than a barn erected at Caswell Training School three years ago. The barn we are erecting is forty feet longer, but not finished quite so nicely, in the shape of pressed brick, which I do not think should be used on a mule barn.

With kind regards, I am,

Yours very truly,

NATHAN O'BERRY.

REPORT OF THE OFFICE OF THE COMMISSIONER OF PARDONS

1925-1929

To *Hon. A. W. McLean,*

Governor of the State of North Carolina.

The office of the commissioner of pardons was created by act of the General Assembly of 1925.

In accordance with the provisions of this act, I herewith submit a report of the work of the office of the commissioner of pardons from January 1, 1925, to January 1, 1929.

The number of applications for executive clemency which have been heard and investigated is indicated by the following table:

Paroles granted.....	811
Pardons granted.....	26
Reprieves granted.....	45
Commutations granted.....	77
Temporary paroles granted.....	89
Applications formally declined.....	1,125
Applications acted upon unfavorably because of incomplete records and for various other reasons.....	1,800
Applications pending.....	500
Revocations (paroles granted by Governor McLean)...	39
Revocations (paroles granted by former governors)...	39
Commitments.....	16
Orders.....	11
Electrocutions.....	25
Total number of applications.....	4,603

In recommending a prisoner for a parole this office endeavors to take into consideration the following facts: First, any new evidence which has developed since the trial and conviction of the prisoner. Second, the prisoner's reputation prior to his conviction. Third, the record the prisoner has made during his confinement. Fourth, whether or not the prisoner has employment awaiting him upon his release and the environment in which he will be placed.

These facts are ascertained by a careful investigation in each case by the commissioner of pardons and when necessary a visit by the commissioner of pardons to the scene of the crime.

All paroles are granted upon condition that the parole may be revoked at any time and for any reason satisfactory to the governor or any succeeding governor in office. All prisoners are paroled under the supervision of the welfare officer of the county in which such prisoner was convicted. The prisoner is required to keep in close touch with the welfare officer and report to his office at certain intervals and give proof of good behavior and good citizenship. The welfare officer in turn gives a report to this office concerning each prisoner paroled under his or her supervi-

sion. In this manner the office of the commissioner of pardons has been enabled to keep in close touch with all paroled prisoners.

In recommending a parole to the governor the commissioner of pardons in addition to the investigation as above outlined takes into consideration the recommendation of the presiding judge and the prosecuting solicitor. Of the eight hundred and eleven paroles granted, ninety-five per cent of these paroles were granted with the approval and recommendation of the trial judge and the prosecuting solicitor.

We have found that the parole system has been successful to the extent that of the eight hundred and eleven paroles granted under this administration it has been necessary to revoke only thirty-nine. The fact that the prisoner is required to report to a welfare officer and show good behavior and the further fact that the prisoner realizes that his parole may be revoked at any time should he violate the conditions of his parole has a restraining influence over the paroled prisoner to the extent that it has been necessary to revoke very few paroles. We find as a further fact that the majority of paroles that it has been necessary to revoke are those who have been paroled from the county road forces and this office feels that this fact is brought about as a result of the inability of the commissioner of pardons to be brought in close touch with the prisoner prior to the granting of his parole. When a state prisoner is paroled the commissioner of pardons is enabled to talk to the prisoner prior to the granting of his parole and thus has a better understanding as to the type of man who is being paroled. Likewise, in recommending a parole for a state prisoner more care can be taken in finding employment for the prisoner prior to his release.

In addition to investigating applications for paroles and exercising supervision over paroled prisoners this office has endeavored to obtain employment for all ex-prisoners after they have been paroled or completed the service of their prison sentence. A small handbook is presented to each prisoner as he leaves the State's prison which contains the names of the civic club committee, representing fifty counties of the State who have volunteered to assist ex-prisoners in obtaining employment and becoming good citizens. The handbook carries instructions as

to its use together with advice to ex-prisoners as to their future conduct.

The volunteer civic club committees have been of great assistance to all ex-prisoners. In the majority of cases ex-prisoners are able to obtain employment upon their release. However, in some instances ex-prisoners are unable to obtain employment and this office is of the opinion that should these prisoners drift around without employment they would soon again revert to their past life of crime. A recent report from fifteen of the fifty civic clubs reveals the fact that more than twenty-five ex-prisoners have been assisted in obtaining employment. In every instance in which ex-prisoners have been given employment through the aid of the civic club committees, with only one exception, they have proven worthy of the trust and confidence placed in them. We have no record of the revocation of a parole being required in any instance in which a paroled prisoner has been assisted in obtaining employment through the help of the civic club committees.

In addition to the work of the civic clubs in assisting ex-prisoners this office has frequently sent out a questionnaire to a number of ex-prisoners for the purpose of obtaining information as to whether or not they have employment and in cases where the returned questionnaire shows that the prisoner is without employment this office has endeavored to locate employment for him.

In addition to hearings and investigations that have been conducted the commissioner of pardons has at frequent intervals made a personal visit to the fifteen state prison camps and talked to each prisoner separately in order to ascertain whether or not there were any cases worthy of executive clemency in which the prisoner through ignorance of proper procedure or inability to employ an attorney was unable to present his petition for executive clemency. In those cases which the commissioner of pardons found worthy of executive clemency the matter was immediately presented to the governor and acted upon.

In all cases of reprieves granted it is noted by a careful check of the records in this office that in practically every case the prisoner has been required to begin the service of his sentence at the expiration of such reprieve.

Commutations are granted in cases in which the judge who passed sentence on the prisoner, after mature deliberation feels that the prisoner's sentence is too long or for other reasons is of the opinion that the prisoner should be relieved of some part of his sentence and requests this office to remedy the severity of the sentence.

Probably the most unusual feature about this report is the number of temporary paroles granted prisoners. In practically all cases in which a temporary parole has been granted a prisoner it has been for the purpose of allowing the prisoner to attend the bedside of near kin who are dangerously ill or to attend the funeral of the members of his family. A doctor's certificate is required before granting a temporary parole for a prisoner to attend the bedside of a near relative who is dangerously ill. A careful check is kept to see that these prisoners return at the expiration of their temporary parole. In most instances prisoners who have been granted temporary paroles have been allowed to return to their homes without bond and without guard and without a single exception all prisoners have returned voluntarily within the time of their temporary paroles. This office has refused to grant temporary paroles to any prisoner whose prison record is such that it can be assumed that he would be dangerous to the public if released. Temporary paroles have not been granted except in cases of illness or death and in no cases for business or personal reasons.

The applications formally declined are those applications which have been formally filed in this office with every phase of the case presented and all necessary data, but, which, after investigation and consideration by the commissioner of pardons did not have sufficient merit to warrant the granting of executive clemency.

Applications acted upon unfavorably because of incomplete records and for various other reasons are those applications which are presented without sufficient information upon which to act and which are held in this office for a sufficient length of time to enable the applicant to supply the necessary information.

The number of applications pending are those cases in which further information has been requested of the applicant and sufficient time has not elapsed for the compliance of such request.

A revocation of a parole is brought about by the failure of the paroled prisoner to report to the welfare officer or as the result of information received in this office that the prisoner is proving unfaithful to the trust placed in him and is violating the conditions of his parole. Before revoking a parole, however, this office endeavors to make a careful investigation as to whether or not the paroled prisoner has violated the conditions of his parole. Fifty per cent of the revocations of paroles are not those granted under this administration but are the revocations of paroles granted by former governors.

Commitments and orders referred to in the above table are commitments and orders which have been signed by the governor for the purpose of transferring youthful prisoners from the State's prison and county chain gang camps to institutions and industrial schools for boys, in order that such youthful offender may be taken out of the environment of hardened criminals and placed under the supervision of a state institution which may be able to educate and redeem the youthful offender to good citizenship.

It is well to note the number of electrocutions are somewhat larger as the result of the number of capital cases pending at the time the present administration came into office. A number of reprieves were granted under the former administration to prisoners awaiting capital punishment, by reason of the rush of business at the close of the former administration and it therefore became necessary for this administration to investigate and pass on the applications for commutations from electrocution to life imprisonment.

Respectfully submitted,

EDWIN B. BRIDGES,
Commissioner of Pardons.

APPLICATION FOR PARDON OF ALVIN MANSEL

The prisoner Alvin Mansel was convicted of rape at the November term 1925 Superior Court of Buncombe County, Judge A. M. Stack presiding, and sentenced to death. An appeal was taken to the Supreme Court and that court has recently affirmed the judgment of the Superior Court.

The prisoner is a Negro boy and was at the time the alleged offense was committed about seventeen years of age and weighed between one hundred and one hundred and twenty-five pounds. Mrs. Cartee, the prosecutrix, is a married woman about thirty-five years of age, no children, and her husband at the time the alleged offense was committed was engaged in carpenter work on a house about one mile distant from the place of the crime.

Mrs. Cartee had been engaged for some time in the business of selling flowers to the nearby cottages, hospitals and sanitarium. On the morning the offense was committed she had made the rounds at the Fairview Sanitarium, a hospital for the treatment of tubercular patients on Sunset Mountain near the city of Asheville. She claims to have finished her sale at the sanitarium and was on her way to her home at the time she claims she was assaulted. She did not fix the exact time of the alleged assault, but she claims to have left the sanitarium about eight o'clock. She stated that at a bend in the road about a mile and one-quarter from the hospital a Negro approached her and passed on by, then turned back and immediately assaulted her. She says that soon after she was assaulted she went to the house of Mr. C. P. Ryman, about a quarter of a mile distant; that she knew Mr. Ryman and the members of his family, having formerly been a caretaker of his premises. About fifteen minutes after she arrived at Ryman's house she gave a detailed statement of how the crime was committed to Mr. Ryman in the presence of J. R. Brooks and Deputy Sheriff Merrill. On being asked by Mr. Ryman to describe her assailant she said "that the Negro was about thirty-five years old, was a rather large yellow Negro with a blue shirt, yellow trousers and a felt hat." Whereupon Mr. Ryman asked her if she had ever seen her assailant before and she stated, "No, he is a stranger." Messrs. Ryman and Brooks say that she was perfectly rational at the time this statement was made. Deputy Sheriff Merrill was present at the time she made these statements to Messrs. Ryman and Brooks and made a written memorandum now in my possession. For some reason the State did not put upon the witness stand either Ryman, Brooks or Merrill, although Ryman and Merrill were subpoenaed as witnesses for the State. In the afternoon of the same day the prosecutrix described her assailant to the sheriff of

Buncombe County as follows: "He was a colored man who had on a rather light pair of pants, they were not overall goods, nor fine goods, just a pair of work pants." Late in the afternoon of the day of the assault the prisoner, Alvin Mansel, who had been employed at Fairview Sanitarium for several weeks was arrested and brought before the prosecutrix, whereupon she stated that he was her assailant. At that time Mansel was a young Negro boy about seventeen years of age, five feet, four inches in height, weighed between one hundred and one hundred and twenty-five pounds and at that time of very dark complexion, and now after nine months of close confinement in prison may be described as of a dark chocolate color.

After reading the very full stenographic notes of the evidence I am unable to find any other material evidence offered by the State in corroboration of the prosecutrix.

The prisoner, immediately after he was charged with the crime, was taken from Asheville and confined in the Charlotte, N. C., jail and was brought back to Buncombe County for trial on the morning the court convened. The prisoner was unable to employ counsel and the court assigned A. Hall Johnson, Esq., to appear for the prisoner in the late afternoon of the day prior to the beginning of the trial and after arraignment of the prisoner and the drawing of the venire. Mr. Johnson was assisted in the trial by Samuel Craig, Esq., from the home of the prisoner in South Carolina, who volunteered to assist on account of his acquaintance with the prisoner from his childhood up.

At the beginning of the trial counsel for the prisoner made a motion for a continuance in order to enable them to make investigation and examine the material witnesses. This motion was, in the discretion of the court, declined. Upon the trial the prisoner denied the crime and stated that he was at the Fairview Sanitarium at the time the offense was committed and offered the testimony of Mrs. Mears, house superintendent of the sanitarium; Mrs. Astrid Pearson, a trained nurse; Robert Hamilton, an employee; Miss Ida Turner, a trained nurse, and others, tending to corroborate his statement that he was at the sanitarium at the time the offense was committed and remained there until about three o'clock that day. The evidence also disclosed the fact that he left the sanitarium by permission of the super-

intendent about three o'clock on the day the offense was committed; that prior to that time he had been there constantly engaged in the performance of his duties and that he returned to the sanitarium about five o'clock in the afternoon and was then arrested.

The jury was composed generally of men of high character and more than ordinary intelligence. After considerable deliberation the jury returned a verdict of guilty.

A very careful examination of all the evidence produced upon the trial, including the depositions, convinces me that the jury had evidence upon which they could predicate a verdict of guilty. In this connection, however, I may say that the apparent unnatural conduct of the prosecutrix at and about the time the offense was committed, her contradictory statements in her description of the prisoner at various times and other facts and circumstances might very well have raised a reasonable doubt in the minds of the jury as to the guilt of the prisoner.

It is clear that the counsel for the prisoner had insufficient time to make a thorough examination into the evidence and to learn the names and whereabouts of all the witnesses whose testimony might benefit the prisoner. Neither did the court nor the counsel for the prisoner have any knowledge that there were persons other than those who had been subpoenaed who could give evidence throwing light upon the case.

New evidence not presented at the trial and which could not under the circumstances have been presented at the trial has been presented to me as ground for the exercise of executive clemency. This evidence in substance is as follows:

1. Mr. Ryman, whose testimony has heretofore been referred to and who was summoned by the State, was not examined by the State, but was examined by counsel for the prisoner, in an affidavit filed with me says: that he did not give all the facts in detail within his knowledge when examined at the trial because he was asked very few questions and he did not at that time know the importance of the evidence and had no opportunity to discuss the matter in detail with prisoner's counsel at the time he was examined. In his affidavit filed with me he gives in detail all the facts and circumstances, particularly the statements made to him by the prosecutrix immediately after the offense was com-

mitted and the further statement that Mr. J. R. Brooks, a gentleman of high character, was present and heard Mrs. Cartee's statement. I do not deem it necessary to quote all of Mr. Ryman's statement here, but the affidavit is on file and it is sufficient to say that it discloses a state of facts which in many particulars strongly contradicts the statement of the prosecutrix the effect of which is much stronger than the testimony which she gave upon the trial.

2. The affidavit of Mr. J. R. Brooks, who was with Mr. Ryman at the time the prosecutrix made the statement which is before me, in every respect corroborates Ryman's statement and many material facts contradict the statement of the prosecutrix. Mr. Brooks was not subpoenaed as a witness at the trial and his evidence therefore is entirely new evidence.

Diligent inquiry as to the character and reliability of Messrs. Ryman and Brooks discloses the fact that they are not only men of the highest character but of unusual intelligence. It may be said here that both of them, after being cognizant of all the facts unqualifiedly recommended commutation of the prisoner's sentence, although they assert that they are in favor of capital punishment in cases of this kind were evidence as to the guilt of the prisoner is conclusive.

3. The memorandum which Deputy Sheriff Merrill took down at the time of the conversation with the prosecutrix in the presence of Ryman and Brooks in all material respects corroborates Ryman and Brooks. It is worthy of note here that the State did not use the testimony of Merrill or the memorandum at the trial.

4. Drs. Arthur T. Pritchard and J. G. Anderson, who made the examination of the prosecutrix soon after her arrival at the French Broad Hospital where she was treated, and to whom the prosecutrix described her assailant, strongly contradict the testimony which she gave upon the stand. Both of these physicians were well acquainted with the prosecutrix. Neither of these gentlemen was subpoenaed nor examined at the trial and the facts within their knowledge were not known to the counsel for the prisoner. Both of them in addition to their statement of the facts in their knowledge have strongly urged the commutation of the sentence of the prisoner for the reason

that they believe that there is too much doubt about his guilt to allow the death penalty to be inflicted. Doctors Pritchard and Anderson are of the highest standing both professionally and personally.

5. There has been presented to me also affidavits of F. C. Blake, a patient at Fairview Sanitarium at the time the offense was committed, who saw both the prisoner and the prosecutrix at the sanitarium on the morning the crime was committed; Mrs. Lucy Leyer, a patient at the same institution who saw the prosecutrix at the sanitarium that morning; the affidavit of Miss Georgia Kyle, another patient at the sanitarium, who saw the prosecutrix there that morning; the affidavit of Miss Minnie Smith, a nurse at the sanitarium, who says that she saw the prosecutrix at the sanitarium that morning; the affidavit of A. Lin Davis, who was a patient at the sanitarium and was well acquainted with the prosecutrix, who saw the prosecutrix at the sanitarium that morning; the affidavit of Miss Emma Godfrey, who was a patient at the sanitarium, and who saw the prosecutrix that morning, and the affidavit of Miss Eula Gilbert, a patient at the sanitarium, and saw the prosecutrix there that morning. None of these parties were examined at the trial, nor were they subpoenaed for the reason that no one seems to have known at that time that they had any information bearing upon the case. Their affidavits tend strongly to contradict the prosecutrix as to the time she says she left the sanitarium and to corroborate the alibi of the defendant.

6. Six of the jurors who tried the case requested me to commute the sentence of the prisoner to life imprisonment as follows:

The members of the jury who convicted Alvin Mansel are writing you that evidence which was not presented to the jury and which was not known was available has been presented to us and it is such as to raise a reasonable doubt in our minds as to his guilt. We believe a commutation of his sentence pending future developments looking to the establishment of his innocence would be satisfactory to a majority of our people and that such action on your part would better serve the ends of justice.

The attorney for the prisoner advises that he has been unable to find the other six jurors and they have made no representations to me.

7. About 4,000 of the best citizens, both men and women, in Asheville and Buncombe County, have either written me or

signed petitions asking me for the death penalty not to be inflicted in this case because of the doubt which they feel as to the guilt of the prisoner. Among these are the following:

Rev. C. H. Daniels, Rev. G. H. Caldwell, Rev. N. M. Martin, F. D. Johnson, Y. M. C. A. secretary; Rev. P. K. Farnella, Bishop J. M. Horner, Dr. R. F. Campbell, Rector Clarence Stewart McClellan, F. R. Johnson, Dr. P. R. Terry, Dr. Edward King, Dr. R. C. Scott, Dr. M. S. Browning, Mrs. Curtis Bynum, V. S. Lusk, F. Glenn Young, deputy clerk of the court; E. S. Rickman, deputy clerk of the court; Rabbi Jacobson, James Hay, Jr., Chas. A. Webb, John L. Martin, Judge Thos. A. Jones, Mrs. James M. Gudger, Jr., James H. Cain, Col. Robert Bingham, Rev. P. M. Gresham, Dr. W. P. Herbert, Postmaster Dan W. Hill, Henry Ledford, T. B. Galloway, Carl Hyatt, judge of the juvenile court; Thos. F. Davidson, J. E. Rankin, Mrs. Haywood Parker, M. C. Smith, J. D. Gillespie, county treasurer; O. S. Stewart, clerk of the Superior Court; Alford S. Barnard, attorney; Harry L. Nettles, member of the legislature; Chas. K. Robinson, Plato D. Ebbs, member of the legislature; Chas. French Toms, Jr., George W. McCoy, Philip C. Cocke, Zeb F. Curtis, J. G. Merrimon, attorney; T. W. Bird, ex-commander of the American Legion; Judge T. J. Maulden, judge of the Thirteenth Circuit Court of South Carolina; Haywood Parker, Dr. J. R. Aiken, Thos. J. Rickman, attorney; Judge Cameron F. McRae, Theodore Harris. While I do not feel that mere public sentiment as expressed in the letters and petitions should control me in this or any other case, yet, on account of the spontaneous and overwhelming character of the appeals for clemency which have come to me from so large a number of the best citizenry of Buncombe County I have felt that this, taken with the other material matters in the case, have imposed upon me the duty of a thorough investigation.

8. Sanford W. Brown, Esq., an attorney who assisted the solicitor in the prosecution, has made a strong appeal to me for clemency which I quote as follows:

The evidence in this case, in my opinion, was far from convincing. We, as the prosecution, had very little more than the direct testimony of the attacked woman, while the defense had disinterested white people accounting for the little Negro's acts before the crime was committed, at the time of it, and afterwards. If their testimony is to be believed, it was impossible for the little Negro to have committed

the act of which he was accused, by reason of the fact that he did not have time to do all that he was accused of. I was very doubtful about the case when it went to the jury, but my work was done, and done to the best of my ability.

9. The prisoner had only lived in Asheville about three weeks where he had been employed at the Fairview Sanitarium and where he had made a good impression upon every one with whom he came in contact. The most prominent officials and citizens of his home town, Pickens, S. C., have given him a most excellent reputation, saying that he has been employed as a child nurse and companion of children of prominent white families from his childhood, and he produced evidence from all the families by whom he had been employed to the effect that he had never been guilty of any misconduct of any kind and that his attitude towards women and children had been most respectful and deferential. I have also been impressed in going over the case with the deep seated interest which the white citizens of Asheville and Buncombe County have taken in this case. The appeals to me have not been made by members of the prisoner's own race but by disinterested intelligent white men and women of the highest character and standing. It is inconceivable that all of these citizens should speak with one voice in appealing to me for clemency if it were not for the fact that they earnestly believe the infliction of the death penalty would be a grave injustice under the circumstances of the case.

This case has given me more concern than any official duty I have had to perform since I became governor. I believe firmly in the necessity for capital punishment and particularly in cases of rape, but I do not believe in the infliction of capital punishment even in the case of rape unless it appears that the prisoner upon all the evidence disclosed up to the very moment of the execution of the judgment is guilty beyond a reasonable doubt. That is not only the correct principle of law but it is the only principle that satisfies the inner conscience. My task has been more difficult by the reason of the facts and circumstances which led up to the trial and conviction of the prisoner. I can think of no act more serious than the commission of the crime of rape except the taking of the life of an innocent person either with or without due process of law.

The commissioner of pardons and myself have felt so deeply our responsibility in this case that we determined in the very beginning that no stone should be left unturned in an effort to get at the real truth of the matter not only from the evidence submitted at the trial but upon any material evidence that might be discovered since the trial. For this reason a most thorough investigation of the case has continued for a period of several months. The commissioner of pardons at my request went to Asheville and made a thorough examination of the facts and circumstances submitted at the trial as well as the new evidence which has been recently reduced to writing and submitted in the form of affidavits. Every fact and circumstance that would tend to throw light upon the case have been thoroughly investigated. I have conferred personally and at length with the solicitor who tried the case and with the counsel for the prisoner. At my request the commissioner of pardons has conferred fully with the trial judge. The judge and solicitor have made no definite recommendations, putting their failure to do so upon the ground that they tried the case upon the evidence produced at the trial and that they necessarily could not consider the new evidence which has been produced since that time.

Referring to this phase of the case Judge Stack says in substance: that he feels that the matter under the present conditions is one for the governor to pass upon in the light of the new evidence submitted and that the action of the governor, whatever it may be, will meet with his entire approval.

I have received no protest except one from a newspaper man who heard only the evidence presented at the trial.

If no evidence was submitted to me except that which was presented on the trial I do not feel that I would consider for a moment extending executive clemency because I believe that the jury might have rendered a verdict of either guilty or not guilty as they may have viewed the evidence. The case presented to me is a very different case from that presented to the jury. The new evidence which I have referred to, as six of the jurors say, might have caused them to have returned a different verdict if they had had the benefit of it. On the other hand it may be said that with all the evidence presented a jury might have been justified in returning a verdict of guilty, particularly if they had

believed the testimony of the prosecutrix given on the trial and disregarded all the testimony which tended to contradict her and and to corroborate the defendant in establishing his alibi.

In the consideration of applications for executive clemency in criminal cases the governor occupies a very peculiar position. Under the law and the practice of the courts in civil actions a new trial can be granted by the Supreme Court upon the ground of material evidence discovered after the trial in the lower court. In criminal cases the same rule does not apply. The Supreme Court cannot grant a new trial in a criminal case on newly discovered evidence no matter how strong. There is no recourse, therefore, to the prisoner if he desires to present newly discovered evidence in his own defense but to appeal to the governor. It is not for me to say whether the rule is logical and humane or not. I will say, however, that if I had the power to do so I would dispose of the application before me in this case by ordering a new trial upon all of the evidence including that presented at the trial and that which has been discovered since. Not being able to do that I must assume final responsibility.

After the most diligent and painstaking consideration of all the facts and circumstances presented to me I have concluded that upon all the evidence presented, particularly newly discovered evidence, that the jury might have rendered a verdict of not guilty if the newly discovered evidence had been submitted to them; for that reason I do not believe that the cause of justice would be promoted or that crimes such as the one in this case will be prevented by the infliction of the death penalty. Therefore, I have determined to commute the sentence of the prisoner from death to life imprisonment. It has been urged upon me by some that there should be a full pardon and that any other course than that would be inconsistent. I cannot take that view of the case. If a mistake should be made in this case and the death penalty inflicted upon an innocent man the opportunity to correct the error in the future will have passed. On the other hand, if the death penalty is not inflicted and the prisoner is confined in the State's prison the real truth may be disclosed in the future and exact justice done. It must be remembered in this connection that the absolute discharge of a man who might be guilty of the crime charged would also be serious. In the final analysis I have not determined that the prisoner is not guilty of anything, but

have determined that there is too much doubt in the case as now presented to me to permit the death penalty to be inflicted.

The sentence of death pronounced upon the prisoner is therefore commuted to imprisonment in the State's prison for the term of his natural life.

This, the eighth day of July, 1926.

A. W. McLEAN, *Governor.*

HARDY WIGGINS AND MERRITT MILLER

To the Superintendent of the State's Prison:

The prisoners in this case were convicted of first degree murder at the March term 1916 Superior Court of Graham County. A third man was convicted at the same time of a lesser offense. Hardy Wiggins and Merritt Miller were sentenced to be electrocuted while their co-defendant was sentenced to ninety years in the state penitentiary. They were later commuted to life imprisonment. The prison records show that they have made model prisoners and have served nine years and two months exclusive of good time and the time they spent in jail prior to their conviction.

Williams, the co-defendant of the prisoners, developed tuberculosis and after being removed to the prison hospital was informed that he could not recover. The deceased Williams stated to J. R. Collie that if he had to die as he had been told by the prison physician he would, he desired to make a statement. The deceased stated a few hours before his death to Capt. J. R. Collie as follows: "Captain, these boys, Miller and Wiggins, had no more to do with that killing than you did." The prisoner Williams died during the night that this statement was made and before a sworn statement could be obtained from him. Captain Collie, a man in whom the greatest confidence can be placed, states that the deceased Williams told him as a part of his dying declaration that he himself had killed Phillips and described the manner of the killing.

The parole of the prisoners has been strongly recommended heretofore by the sheriff of Graham County and a large number of leading citizens of the county who are familiar with the facts.

Believing that the dying declaration of the deceased Williams, in such manner as would have made it competent as evidence,

together with information developed in a very careful investigation, raises too great a doubt as to the prisoners' guilt to allow them to remain longer in prison, I hereby parole them into the custody of J. R. Moody, superintendent of public welfare of Graham County, for the remainder of their terms, upon condition that they remain obedient to the laws of North Carolina and engage in gainful employment.

I reserve the right to revoke these paroles at will and for any reason satisfactory to myself.

This, thirtieth day of April, 1925.

A. W. McLEAN, *Governor.*

H HOYLE SINK,

Commissioner of Pardons.

CLYDE NORMAN AND MERRITT EVERETT

To the Superintendent of the State's Prison:

The above named prisoners, Clyde Norman and Merritt Everett, were convicted at the June term 1927 Superior Court of Scotland County, of assault with intent to commit rape and sentenced to serve from five to seven years in the State's prison.

I am now in receipt of a letter from the trial judge, Hon. Jas. L. Webb, who is one of the ablest and most conscientious judges on the bench, setting forth the fact that he desires to recommend the parole of these prisoners. He writes as follows: "It was a right ugly case, but after being informed as to the character of the young girls and their reputation since that time, I am inclined to think that these young men have been sufficiently punished and I feel that they might be saved by having a parole at this time."

The trial solicitor, Hon. Donald Phillips, who has proven himself to be very careful and conscientious in making recommendations, has written a very strong letter in behalf of these prisoners and states among other things: "Today a number of the best citizens of Scotland County came to see me, and from what they tell me, and from the letters of a great number of the best people of my county, I am convinced that these men have been sufficiently punished for what they have done. Therefore, from the letter of Judge Webb, the judge who tried them, from what I can learn of the character of the prosecuting witnesses, and from

the general opinion of the high citizenship of my home county, I hereby recommend to your Excellency, if it meets with your approval, that these men be paroled for the remainder of their terms, or during good behavior."

I have before me a petition signed by the twelve jurors who heard this case recommending that the prisoners be paroled at this time. They state in their petition among other things: "However, facts which have come to the knowledge of the jury since the trial are such as to now convince us that there is a very serious doubt of the guilt of these boys, and if the case were to be tried at this time and in the light of facts now known to us we seriously doubt that they would be convicted of this offense."

I have before me hundreds of other requests signed by the most conscientious and law abiding citizens that these prisoners be shown executive clemency at this time, in view of the facts and circumstances which have been brought to light since the time of the trial. These requests include the names of such prominent citizens as Thos. J. Dunn, D. G. Downing, H. E. Stacey, Angus Blue, J. Walter Jones, W. G. Shaw, W. M. McKenzie, D. K. McRae, Dr. W. G. Buie, Dan Shaw, John P. Shaw, F. C. McCormick, L. B. Prince, R. E. Lee, H. H. Covington, Mrs. D. W. McCall, A. J. Gibson, J. H. Jones, J. D. Jones, Sr., C. E. Muse, Thos. J. Gill, Jr., county auditor; Geo. T. Goodwin, T. C. Everett, trial justice Scotland County Criminal Court; Fairly Monroe, county commissioner; A. H. Jones, mayor of the town of Laurinburg; Dr. Peter McLean, T. T. Covington, C. B. Pate, John F. McNair, Jr., D. C. McNeil, Jr., E. L. McNair, and hundreds of other prominent and law abiding citizens of Scotland and Robeson counties.

The prison record of the defendants is excellent.

The commissioner of pardons has made a very thorough and painstaking investigation of this case and has presented to me affidavits from many of the officers of Scotland and surrounding counties setting forth the fact that the general reputation and character of the prosecuting witnesses before and since this trial has not been good and the further fact that their testimony should not have been relied upon.

After considering the evidence presented at the trial I feel that the jury was justified in convicting the defendants. However, an entirely different state of facts has developed since the

trial and it is upon this state of facts that I am inclined to grant the prisoners executive clemency. The evidence is now overwhelming that the prosecuting witnesses were women of bad character. This evidence was not available at the time of the trial. In the light of the new evidence which has developed I am satisfied that the jury would not now convict the defendants of the offense for which they were convicted, but possibly would have convicted them of immoral and disorderly conduct. From the facts now appearing these defendants and also the prosecuting witnesses were all guilty of immoral and disorderly conduct, reprehensible in the extreme, which conduct was calculated to injure the fair name of Scotland County. For this lesser offense the defendants have been punished by confinement in the State's prison for fifteen months.

Taking all these facts and circumstances into consideration, together with the many recommendations I have received, I concur with Judge Webb that the punishment of the prisoners, for the offense they actually committed, is sufficient and that they should be given another chance. The effect of a parole is to put the prisoners on probation, and if at any time I have knowledge that they have been guilty of any misconduct or have used intoxicating liquors, I have and will exercise the right to revoke their parole.

Wherefore, I hereby parole the prisoners, Clyde Norman and Merritt Everett, for the remainder of their terms, under the supervision of L. M. Peele, superintendent of public welfare of Scotland County, upon the express conditions that they be of good behavior, engage in gainful employment and, at all times, refrain from drinking intoxicating beverages.

I reserve the right to revoke this parole, at will, for any cause satisfactory to myself or my successor in office and without evidence.

This the — day of September, 1928.

A. W. McLEAN, *Governor.*

EDWIN B. BRIDGES,
Commissioner of Pardons.

BUDGET REPORTS



MEMORANDUM NO. 8

RALEIGH, N. C., April 27, 1925.

To the Heads of All Departments and Agencies of the State:

The General Assembly of 1925 enacted an appropriation act and a revenue act for the next biennium, with certain other acts imposing definite duties upon you, and upon the director of the budget. The director of the budget feels that it is essential that you should have, at as early a date as possible, an analysis of the revenue act and the appropriation act, together with other laws enacted by the General Assembly, governing the disbursement of appropriations.

The director of the budget therefore attaches to this communication, an analysis of the appropriation act, as it affects each of the departments, institutions, commissions and boards of the State, together with a statement of the prospective revenues for the next biennium, as estimated and compiled from information received from the revenue departments by the finance committees of the Senate and House when these laws were under consideration.

As shown by the tabulated statements the total appropriations for the fiscal year 1925-26 were fixed at \$12,983,678 and the revenue and other income for same year was estimated at \$12,245,340, which, if correct, creates a prospective debit balance for the year of \$738,338.

The total appropriations for the fiscal year 1926-27 were fixed at \$13,374,206 and revenue and income were estimated at \$12,245,340, leaving a prospective debit balance for the year of \$1,128,866.

To provide against the creation of an actual deficiency at the close of these fiscal years, the General Assembly provided in the appropriation act of 1925 the following method of making the total revenues meet the total appropriations for the next biennium and thus balancing the budget.

Appropriation Act 1925—Sections 7-8-9:

Sub-sec. 40. That section 16, of chapter 262 of the Public Laws, Session 1907, and chapter 125 of the Public Laws, Extra Session 1924, be and the same are hereby repealed.

Sec. 7. That if any appropriation, or any part thereof, is used or expended for any purpose other than the purpose specified in this act, or in the act making such appropriation, then, at the request of the director of the budget, a suit shall be instituted in the name of the State by the attorney-general in Wake County for the purpose of recovering from each superintendent, director or trustee who voted for such diversion, or aided and abetted in the same, the amount so diverted, with six per cent (6%) interest thereon from the date of such diversion together with the costs of such action and all expenses and costs incurred by the State in prosecuting such action, including any attorneys' fees, to be fixed by the judge trying the action, and the director of the budget is authorized to notify the state auditor and the state treasurer not to issue any warrant for, or to pay any warrant for the expenditure of the unexpended balance of such appropriation until the replacement of the funds so diverted, together with interest and costs and allowances as above provided, and upon the complete replacement of the same, such notice shall be given to the auditor and state treasurer of such replacement, to the end that the use of such appropriation may be resumed, as set out in the appropriating act, and in such cases the statute or statutes causing the lapse of unexpended balances, the appropriation for maintenance shall be suspended in the meantime as to any appropriation made to such institution or institutions.

Sec. 8. The appropriations provided for in this act are hereby declared to be made pro rata and in proportion to the funds collected for the payment thereof, and the director of the budget shall have, and he is hereby given the full power and authority and direction at least once each calendar month during the fiscal period covered by this act, to examine and survey the progress of the collection of the funds for the payments of such appropriations, and to determine the amounts that will and can be properly allocated to each respective appropriation during the next calendar month, and the said director of the budget, by and with the consent of the governor and council of state, shall have authority to authorize and direct the state treasurer to borrow in the name of the State in anticipation of the collection of taxes, such sums as may be necessary to make the payments on such appropriations as even as possible and to preserve the best interest of the State in the conduct of the various state departments, institutions, bureaus and agencies of the state of North Carolina during the said fiscal year, and such determination as to the amount necessary to be so borrowed by the director of the budget shall be final and undisputable. Upon the giving of such notice to the treasurer, he shall have no authority to pay said appropriations in excess of such notice. The purpose and policy of this provision are to provide and insure that there shall be no overdraft or deficit growing out of appropriations for maintenance as herein provided, and the director of the budget is requested and directed so to administer this act as to prevent the same.

Sec. 9. That the discretion as to the manner of paying annual appropriations prescribed in Section 7863 of the Consolidated Statutes is hereby vested in the director of the budget.

In order to balance the budget for the fiscal year beginning July 1, 1925, in accordance with the appropriation act of 1925, the director of the budget will, on or about, the 15th of May (at which time the major revenues will have been collected), in conjunction with the revenue departments of the State, make an estimate of the prospective revenues for the next fiscal year. There will be deducted from the total appropriations the sum of \$2,513,160 for fixed charges such as sinking funds, interest, and bond redemptions.* The balance will represent the prospective amount of the total appropriations for current maintenance that will be subject to the application of the pro rata deduction rule.

When this balance is established the director of the budget will immediately fix the tentative pro rata amount available to each department, institution, commission and board of the State, included in the appropriation act and give notice thereof, so that the various departments and agencies will be governed thereby. On, or about the first of July, when all of the information is in, there will be established, as of July 1, 1925, the basic appropriation available for each department, institution, commission and board for the next fiscal year, which may be thereafter increased or decreased as the monthly revenues for the fiscal year 1925-26 show an increase or decrease over the basic estimates as of July 1, 1925.

The above method will now be applied to the present estimates, in order that you will (1) have a clear understanding of the method to be employed in fixing the appropriations as of July 1, 1925, for the next fiscal year, and (2) not be delayed in filing your budget requests in accordance with law, on June first of this year:

(a) The total appropriations for the fiscal year 1925-26 of \$12,983,678 less total interest, sinking funds and bond redemptions of \$2,513,160, equal \$10,470,518.

(b) Total estimated revenue for fiscal year 1925-26, \$12,245,340, less total interest, sinking funds and bond redemptions of \$2,513,160 leaves \$9,732,180 as the net amount available for pro rata distribution.

*There will be certain minor deductions from these calculations, such as judiciary and legislative expense which cannot be decreased on account of constitutional provisions.

(c) The total revenue available, \$9,732,180, divided by total balance of appropriations of \$10,470,518, equals 92.948 per cent of the total appropriations under the appropriation act of 1925, which would be available as of July 1, 1925. In a word it is the total amount of the appropriations less 7.052 per cent pro rata deduction that would be available for the fiscal year 1925-26, subject to increase or decrease by revenue returns during the period.

It is hoped that the revenue receipts will so increase that the pro rata deduction may be less.

Your attention is expressly called to the following provision in the executive budget act of 1925:

Sec. 2. The several institutions of the State to which appropriations are made for either permanent improvements or for maintenance shall, before any of such appropriations, whether for permanent improvements or for maintenance are available and paid to them or any of them, budget their requirements and present the same to the director of the budget on or before the first day of June, one thousand nine hundred and twenty-five and each biennium thereafter. There shall be a separate budget presented for permanent improvements and for maintenance. Each of said budgets shall contain the requirements of said institutions for the succeeding two years. In the preparation of such budget each institution shall follow as nearly as may be the itemized requests which were submitted by such institution to the Budget Commission, the Advisory Budget Commission or the director of the budget immediately prior to the passage of the act of the General Assembly making such appropriation and upon which the appropriation was calculated and made. The forms, except when modified and changed by order of the director of the budget, shall be the forms used in presenting the requests.

Sec. 3. All buildings and other permanent improvements, which shall be erected, constructed, shall be erected, constructed and carried on and the money spent therefor in strict accordance with the budget requests of such institution filed with the director of the budget. The expenditure of appropriations for maintenance shall be in strict accordance with the budget requests of such institution. It shall be the duty of the director of the budget to see that all money appropriated for either permanent improvements or maintenance shall be expended in strict accordance with the budget of each institution, and the appropriation made by the General Assembly for such purpose. If the director of the budget shall ascertain that any institution has used any of the moneys appropriated to it for any purpose other than that for which it was appropriated and budgeted, as herein required, and in strict accordance with the terms of this act, the director of the budget shall have the power and he is hereby authorized to notify such institution that no further sums from any appropriation made to it will be available to such

institution until and after the persons responsible for the diversion of the said funds shall have made the same good, and the director of the budget shall have the power and he is hereby authorized to notify the auditor of the State not to issue any further warrants to such institution for any unexpended appropriation and the auditor is hereby prohibited from issuing any further warrants until he shall have been otherwise directed by the director of the budget.

Sec. 4. Any trustee, director, manager, building committee or other officer or person connected with any institution to which an appropriation is made, who shall expend any appropriation for any purpose other than that for which the money was appropriated and budgeted or who shall consent thereto, shall be liable to the state of North Carolina for such sum so spent and the sum so spent, together with interest and costs shall be recoverable in an action to be instituted by the attorney-general for the use of the state of North Carolina, which action may be instituted in the Superior Court of Wake County.

Sec. 5. It is the intent and purpose of this act that all institutions to which appropriations for permanent improvements and maintenance are made, shall submit to the director of the budget their requests for the payment of such appropriations in the form of a budget, following the requests made by such institutions for such appropriation, to the end that the director of the budget may be advised as to whether or not the moneys are being used for purposes other than that for which they were appropriated.

There will be transmitted shortly to each institution, department, commission and other agency blank forms for budgeting, so that each may make a budget of appropriations, for the next two years, in harmony with the budget requests made by each to the General Assembly of 1925, for permanent improvements and maintenance, upon which the appropriations for the next biennium for both maintenance and permanent improvements were made by the General Assembly, and so that these budget reports may be completed and in the office of the director of the budget by the first of June, pursuant to the above act. When filing the several budget estimates on June 1, please carefully analyze the needs of each month on the basis of former monthly requirements, so that instead of calling for one-twelfth each month, the year will be so divided that you receive the proper allotment during the low as well as the peak months. Let a copy of your monthly needs, analyzed, be attached to your budget request of June 1, 1925.

The director of the budget deems it his duty to point out to the directing heads of departments and other agencies that the condition of the treasury requires the strictest economy for the remaining months of this fiscal year. With the increasing burden of taxation, which is laid on the people of this State for all state purposes, and the inadequacy of present revenues to meet actual disbursements, there is imposed a special responsibility to carefully examine and direct every disbursement.

I desire to point out that the office of director or trustee of a state institution is a high position of public trust and service and carries with it the imperative duty to give whatever of time and work is necessary to direct and supervise with the same degree of care the expenditures of state funds that a prudent man would exercise in his own affairs. It is a responsibility that cannot be shifted to the executive officers of the institutions. Mismanagement or wasteful expenditures at a single institution affects the entire financial structure of the State and adds to the burden of the taxpayers.

The director of the budget has every confidence that you will accept these responsibilities in that high spirit of public service that has generally marked the conduct of public officials of this State, when their responsibilities were definitely pointed out to them.

The director of the budget requests that a determined effort be made to apply sensible business thrift and economy in all state affairs and pledges his determined aid and coöperation to accomplish this purpose.

ANGUS W. McLEAN,
Director of the Budget.

DISTRIBUTION OF APPROPRIATIONS (LAWS 1925) FOR MAINTENANCE, AND FIXED CHARGES SUCH AS INTEREST, AMORTIZATION OF DEBIT BALANCE AND BONDS AGAINST EDUCATIONAL INSTITUTIONS AND PUBLIC SCHOOLS

	FISCAL YEAR 1925-1926			Total Bonds Allocated
	Appropriations for Maintenance	Sinking Funds and Interest	1925-1926 Bonds to Be Issued	
I. EDUCATIONAL INSTITUTIONS:				
University of North Carolina.....	\$ 750,000	\$ 211,587.50	\$ 800,000	\$ 4,540,000
N. C. College for Women, Greensboro.....	400,000	137,250.00	700,000	2,925,000
A. & E. College, Raleigh.....	380,000	133,937.50	600,000	2,875,000
Agricultural Extension.....	175,000			
East Carolina Teachers College.....	150,000	84,318.75	250,000	1,840,000
All Negro Normals.....	104,000	38,840.00	120,000	826,000
A. & T. Negro College.....	62,500	30,231.25	40,000	652,500
Cullowhee Normal.....	50,000	34,120.00	90,000	733,000
Blind School, Raleigh.....	142,500	30,527.50	50,000	656,000
Board of Education.....		22,500.00		500,000
Appalachian Training School.....	50,000	21,000.00	90,000	455,000
Agricultural Building.....		13,968.75		300,000
Bonds covering old state deficit.....		6,000.00		150,000
Slater Negro Normal.....	44,000	8,001.25	173,000	173,000
Cherokee Indian Normal School.....	25,000	6,898.75	80,000	147,000
Deaf School, Morganton.....	130,162	4,951.25	5,000	108,000
1925 improvement bonds.....		35,730.00	794,000	794,000
Sinking funds.....		211,754.00		
Interest on debit balance and short borrowings.....		251,000.00		
Annual sinking fund and interest.....		\$ 1,282,616.50	\$ 3,619,000	\$ 17,674,500
Annual maintenance.....	\$ 2,463,162	2,463,162.00		
Total annual state charge.....	\$ 3,745,778.50			
1925 educational institution bonds.....	3,619,000.00			
Total educational institution bonds.....	17,674,500.00			
Share of debit balance (accumulated).....	2,453,000.00			

	<i>Maintenance</i>	<i>Interest</i>	<i>Appropriation Bonds</i>	<i>Total Bonds</i>
II. PUBLIC SCHOOLS:				
Equalization fund.....	\$ 1,500,000			
Vocational education.....	150,000			
Teachers' training fund.....	75,000			
Rural high schools.....	110,000			
County farm-life schools.....	25,000			
Rural libraries.....	3,750			
Division Negro education.....	15,000			
Division school inspection.....	20,000			
Division school organization and civics.....	20,000			
Division teacher training.....	17,500			
Division certification and finance.....	25,000			
Division of publications.....	4,000			
Superintendent public instruction.....	20,000			
State Board Vocational Education.....	15,000			
Interest on debit balance and short borrowings.....		\$ 206,000.00		
Annual sinking fund and interest.....		\$ 206,000.00		
Annual maintenance.....	\$ 2,000,250			
Total annual state charge.....		2,000,250.00		
Share debit balance (accumulated).....		\$ 2,206,250.00		
Annual charge for educational institutions.....		1,445,000.00		
Annual charge for public schools.....		3,745,778.00		
		2,203,250.00		
Total state educational maintenance—annual.....		\$ 5,952,028.00		
Total bonds educational institutions.....		17,674,500.00		
1925 bond appropriations.....		3,619,000.00		
Education's share of debit balance (accumulated).....		3,899,000.00		

DISTRIBUTION OF APPROPRIATIONS (LAWS 1925) FOR MAINTENANCE, AND FIXED CHARGES
SUCH AS INTEREST, AMORTIZATION, DEBIT BALANCE AND BONDS AGAINST
CHARITABLE AND CORRECTIONAL INSTITUTIONS AND PENSIONS

	FISCAL YEAR 1925-1926			Total Bonds Allocated
	Appropriations for Maintenance	Sinking Funds and Interest	Appropriations Bonds	
III. CHARITABLE INSTITUTIONS AND OTHER AID:				
Hospital, Raleigh.....	\$ 471,300	\$ 78,301.64	\$ 123,000	\$ 1,698,666
Hospital, Morganton.....	450,000	57,427.89	133,000	1,264,666
Hospital, Goldsboro.....	267,300	47,892.89	75,000	1,054,668
Hospital, Orthopedic.....	70,000	6,215.00	6,500	131,500
Hospital, Tuberculosis.....	145,000	42,173.75	137,000	906,000
Extension Bureau.....	20,000			
Oxford Orphanage.....	30,000			
Colored Orphanage.....	20,000			
Blind students, Raleigh.....	2,000			
Indigent deaf, etc.....	12,000			
Fireman's relief.....	2,500			
Mothers' aid.....	30,000			
State Board Welfare.....	30,000			
State Board Health.....	409,644			
1925 improvement bonds.....		8,865.00	197,500	197,500
Sinking fund.....		62,274.00		
Interest on debit balance and short borrowings.....		200,000.00		
Annual sinking fund and interest.....		\$ 503,150.17	\$ 672,000	\$ 5,253,000
Annual maintenance.....	\$ 1,959,744			
Annual maintenance.....		1,959,744.00		
Annual maintenance charitable institutions.....		\$ 2,462,894.17		
1925 charitable bonds, principal.....		672,000.00		
Permanent charitable institutions, bonds.....		5,253,000.00		
Share of debit balance (accumulated).....		1,385,000.00		

	FISCAL YEAR 1925-1926		Total
	Sinking Funds	1925-1926	Bonds
	and	Appropriations	Allocated
	Interest	Bonds	
Appropriations	Maintenance		
for			
IV. CORRECTIONAL INSTITUTIONS:			
Samarcand.....	\$ 107,500	\$ 14,000	\$ 986,500
Caswell Training School.....	175,000	69,000	944,000
Stonewall, Jackson.....	140,000	35,000	360,000
State's prison.....	550,000	489,500	539,000
Fugitives from justice.....	5,000		
Morrison Training School.....	11,000		75,000
East Carolina Industrial School.....	12,500	10,000	35,000
1925 improvement bonds.....		140,000	140,000
Sinking fund.....			
Interest on debit balance and short borrowings.....			
Total sinking fund and interest on loans.....	\$ 275,432.30	\$ 757,500	\$ 3,079,500
Total maintenance.....	\$ 951,000		
Annual maintenance charge.....	\$ 1,226,432.30		
1925 correctional institutions bonds.....	757,500.00		
Total correctional institutions bonds.....	3,079,500.00		
Share of debit balance (accumulated).....	803,000.00		
V. PENSIONS AND OTHER AID:			
Pensions.....	\$ 1,003,000		
Museums, memorial, etc.....	1,050		
Soldiers Home, Raleigh.....	61,000	\$ 26,500	\$ 35,000
Woman's Home, Fayetteville.....	10,000		26,500
Interest on debit balance and short borrowings.....			
Annual sinking fund and interest on loans.....	\$ 112,915.00	\$ 26,500	\$ 61,500
Annual maintenance.....	\$ 1,075,050.00		
Annual maintenance charge.....	\$ 1,187,965.00		
1925 improvement bonds.....	26,500.00		
Permanent pensions bonds.....	61,500.00		
Share of debit balance (accumulated).....	778,000.00		

DISTRIBUTION OF APPROPRIATIONS (LAWS 1925) FOR MAINTENANCE, AND FIXED CHARGES
 SUCH AS INTEREST, AMORTIZATION, DEBIT BALANCE AND BONDS AGAINST
 ALL OTHER DEPARTMENTS INCLUDING \$7,712,197.00
 OUTSTANDING MISCELLANEOUS BONDS

	FISCAL YEAR 1925-1926			Total Bonds Allocated
	Appropriations for Maintenance	Sinking Funds Amortization Interest	1925-1926 Appropriations Bonds	
VI. ALL OTHER DEPARTMENTS:				
Legislative.....	(None)	\$ 1,600		\$ 40,000
Judiciary.....	313,750			
Executive offices.....	21,200			
Pardon Commission.....	6,200			
Secretary of State.....	22,500			
State Auditor.....	50,000			
State Treasurer.....	36,000			
Attorney General.....	10,850			
Adjutant General.....	6,500			
National Guard.....	125,000			
Emergency and contingency.....	230,000			
Buildings and grounds.....	103,500			
Geological and Economic Survey.....	57,000			
Historical Commission.....	25,000			
Insurance.....	55,212			
Insurance Department.....	35,000			
Labor and Printing.....	32,000			
Revenue Department.....	160,000			
Library Commission.....	25,000			
State Library.....	12,500			
Non-administrative boards.....	2,600			
Public printing.....	150,000			
Miscellaneous appropriations.....	55,000			
Corporation Commission.....	51,000			
State aid and subsidies.....	15,500			
		\$ 15,250	\$ 50,000	\$ 375,000

	FISCAL YEAR 1925-1926		Total Bonds Allocated
	Appropriations for Maintenance	Sinking Funds Amortization Interest	
Sinking fund.....		500	
Interest on debit balance and short borrowings.....		164,500	
Annual sinking fund and interest.....	\$	181,850	\$ 50,000
Annual maintenance.....	\$	1,621,312	\$ 415,000
State annual charge.....	\$	1,803,162	
1925 improvement bonds.....		50,000	
Total improvement bonds.....		415,000	
Share of debit balance (accumulated).....		1,205,000	
	No Sinking Fund Provisions		Interest
VII. MISCELLANEOUS BONDS:			
Refunded "Pre-Civil War Bonds" for all state purposes 4%.....		\$	137,200
Refunded railroad bonds 5%.....			136,000
General fund.....			5,109
State deficit (estimated).....			22,312
Central heating plant.....			1,600
Storage warehouse.....			2,250
Fire apparatus.....			1,600
South Dakota bonds.....			10,000
Educational, charitable and other purposes.....			12,000
Fisheries.....			23,125
Annual interest charge.....		\$	351,196
Share of debit balance.....			231,000
			7,712,197

CONSOLIDATED STATEMENT SHOWING DISTRIBUTION OF APPROPRIATIONS (LAWS 1925)
 FOR MAINTENANCE, INTEREST, AMORTIZATION, DEBIT BALANCE AND
 SERVICE OF BONDS AGAINST EDUCATIONAL INSTITUTIONS,
 PUBLIC SCHOOLS, CHARITABLE AND CORRECTIONAL
 INSTITUTIONS, AND PENSIONS

FISCAL YEAR 1925-1926
 (Recapitulation)

TOTAL FOR MAINTENANCE AND FIXED CHARGES:	
I Educational, institutions.....	\$ 3,745,778.50
II Educational, public schools.....	2,206,250.00
III Charitable.....	2,462,894.17
IV Correctional.....	1,226,432.30
V Pension and Aid.....	1,187,965.00
VI Other departments.....	1,803,162.00
VII Outstanding miscellaneous bonds.....	351,196.00
Appropriations fiscal year 1925-1926.....	\$12,983,678.00
Estimated Revenues, 1925-1926.....	12,245,340.00
Prospective debt balance, fiscal year 1925-1926.....	\$ 738,338.00

FISCAL YEAR 1926-1927

Total appropriations, fiscal year 1926-1927.....	\$13,374,206.00
Estimated revenues, fiscal year 1926-1927.....	12,245,340.00
Prospective debit balance, fiscal year 1926-1927.....	1,128,866.00
Prospective debit balance for biennium.....	\$1,867,204.00

The deficiencies of \$738,338 for 1925-1926 and \$1,128,866 for 1926-1927 are set forth above to show the exact problem before us.

NOTE—The available data in respect to the distribution of some of the old bonds is not very definite, but the distribution shown in the above table is believed to be approximately correct.

FINANCIAL REPORT

1926-1927

The period from July 1, 1925, to June 30, 1927, comprises the biennial period for which the General Assembly of 1925 levied taxes and made appropriations for the conduct of the state government. This fiscal period comprises two fiscal years: first, the fiscal year beginning July 1, 1925, and ending June 30, 1926, and the second fiscal year beginning July 1, 1926, and ending June 30, 1927.

The executive budget act and other statutes definitely provide that the fiscal year shall begin on July 1 and end on June 30, following. The tabulated statements 1, 2, 3 and 4, submitted herewith, summarize the fiscal operations of the State for the period in such a way that the public may understand them.

EXPLANATION OF STATEMENT NO. I

The net revenue collections for the fiscal year beginning July 1, 1925, and ending June 30, 1926, amounted to \$12,972,184, and for the fiscal year beginning July 1, 1926, and ending June 30, 1927, to \$13,241,000; and the aggregate revenue collections for the biennium (1925-27) were \$26,213,184. For the fiscal year ended June 30, 1926, the total expenditures out of legislative appropriations amounted to \$11,702,360, and for the fiscal year ended June 30, 1927, \$13,107,241, or an aggregate of \$24,809,601 for the biennium. These operations reflect a credit balance in cash for the fiscal year ended June 30, 1926, of \$1,269,824, and for the fiscal year ended June 30, 1927, of \$133,759, or a total credit balance in cash for the biennium of \$1,403,583. About the first of May, 1927, the Budget Bureau made a tentative estimate, based upon the collections to that date and estimated revenues for the remainder of the year, which showed an estimated balance at the end of the biennium of \$1,700,000. The actual results, however, showed that this credit balance failed by about \$300,000 of being realized. This failure was due largely to the reduction in the collection of the Schedule B taxes during the month of June, 1927. In the May, 1927, estimate Schedule B license taxes were estimated at \$1,395,000 for the fiscal year,

whereas only \$1,159,467 was collected from this source, thus reducing the total by \$235,533. Schedule D income taxes were estimated in May, 1927, at \$6,271,000, but actual collections were only \$6,202,805, reflecting a reduction of \$68,195. Expenditures out of the appropriations included in the May estimate were \$58,652 less than the *actual* expenditures made by the various departments, institutions and agencies for the period. It will be seen that the *revenue receipts* actually realized fell short and the actual *appropriations* expended slightly increased over the amount estimated, and this accounts for the reduction in the actual credit balance shown on June 30, 1927.

EXPLANATION OF STATEMENT No. 2

Statement No. 2 shows the budget operations of the general fund for each fiscal year of the biennium ending June 30, 1927. The General Assembly of 1925 authorized appropriations for the fiscal year ended June 30, 1926, of \$12,983,978, and for the fiscal year ended June 30, 1927, of \$13,477,407, or a total for the biennium of \$26,461,385. That General Assembly based its appropriations upon total revenues, estimated for the biennium, of \$24,851,376. It will be seen, therefore, that the legislative appropriations exceeded the estimate of revenues for the biennium by \$1,610,000.

In June, 1925, the prospect of a revenue deficiency for the first year caused the director of the budget to exercise the power given him by the General Assembly of subjecting the appropriations to the horizontal reduction of 5 per cent. This reduction amounted in the aggregate to \$351,488, and with other savings and economies effected, resulted in actual expenditures of only \$11,702,360, out of the total appropriations authorized by the General Assembly for the first year of the biennium. This resulted in a credit balance in cash on July 1, 1926, of \$1,269,824.

The expansion in the State's service, particularly for the charitable, correctional and educational institutions, made it impossible to operate the departments and institutions for the fiscal year ended June 30, 1927, upon the same basis as they were operated during the preceding year. On account of the increased revenue collections, the director of the budget was not authorized under the law to make any reduction in the appropriations for the

second year of the biennium. Many extra expenditures were necessary during the second year of the biennium; among these may be mentioned the expenditures for the General Assembly of 1927, amounting to \$132,100, the increase in expenses of the judiciary of \$9,600, an increase in expenditure for mothers' aid, for public printing (due largely to the extra printing incident to the General Assembly and the Supreme Court), and the biennial reports of the departments. The educational institutions expended for the last year practically all of the appropriations authorized by the General Assembly for that year; their total expenditures amounting to \$2,291,875 out of an appropriation of \$2,298,000. The charitable and correctional institutions actually expended for the second year of the biennium \$2,634,000 out of an appropriation of \$2,779,000. The educational institutions expended in the second year of the biennium \$260,000 more than for the first year of the biennium. The charitable and correctional institutions expended in the second year of the biennium \$263,000 more than for the first year of the biennium. For debt service the total expenditures for the first year of the biennium amounted to \$2,593,275, as compared with \$3,193,484 the second year, thus reflecting an increase of \$600,000 in this item alone. This increase was due to increased interest requirements and sinking fund on the permanent improvement bonds authorized by the General Assembly of 1925 for charitable and educational institutions; and also another item for the payment of bond interest amounting to \$304,212, which had been running six months in arrears for many years. While the interest had been paid promptly on the State's obligations, in previous years, interest due July 1 was not actually paid at the close of business on June 30, but after the opening of a new year on July 1. This practice has now been changed and interest due July 1 is paid out of cash on hand at midnight of June 30, at the end of each fiscal year and such payments included in the expenditures for the closing fiscal year, instead of being paid out of expenditures of the new fiscal year. This new method of payment also covered principal payments on educational and correctional institutions bonds in the amount of \$100,000 which have now been paid at the close of business on June 30. It will be seen, therefore, that during the fiscal year beginning July 1, 1926, and ending June

30, 1927, there was actually paid from the general fund in cash \$200,000 on the principal of educational and correctional institutions bonds and eighteen months interest on a considerable part of the general fund bonds. The method thus adopted of bringing principal and interest payments up to current basis is in accordance with the best business practice. As heretofore stated, the General Assembly of 1925 authorized appropriations for the biennium of \$1,610,000 in excess of the estimated revenues for the biennium. The actual collection of revenue for the biennium, however, amounted to \$1,361,808 more than the original estimates.

If all the appropriations authorized by the General Assembly of 1925 had been expended there would have been a deficiency of \$248,201, notwithstanding the large increase in revenues actually collected over the estimates. These discrepancies could not have been brought into line and the fiscal operations worked out so as not only to produce a balanced budget but an actual surplus in cash at the end of the biennium of \$1,403,583, but for the machinery set up by the executive budget act, which enabled the director of the budget to constantly supervise and control the expenditures.

The increase in revenues actually collected over the estimates as originally made by the Revenue Department in June 1925 was due to the following:

(a) Income tax collections were estimated at \$5,833,300 for each fiscal year, or \$11,660,000 for the biennium. The actual collections were slightly in excess of \$12,250,000 for the biennium, or an increase of approximately \$590,000 for the biennium. This increase was due almost entirely to the improvement in business for the last half of the business year upon the profits of which income taxes were assessed.

(b) Inheritance taxes were originally estimated at \$1,500,000. The actual collections, however, were \$1,680,000, or an increase of \$180,000 for the biennium.

(c) Insurance taxes were estimated originally at \$1,100,000 for each year, or \$2,200,000 for the biennium. The actual receipts, however, were \$2,670,000, or increase of \$470,000 for the biennium. This increase was due to an unexpected improvement in the insurance business in the State, particularly life insurance.

(d) The receipts from the office of the secretary of state were originally estimated at \$350,000 for the biennium, whereas the actual collections were \$395,000, or increase of \$45,000 for the biennium. This increase was due entirely to the unexpected collection of fees for the charter of a large corporation.

(e) There was also a considerable increase in the amount received for interest on treasurer's bank balances, due in large measure to the operations of the daily deposit act, one of the measures enacted by the General Assembly of 1925. The interest on bank balances was originally estimated to yield \$400,000, whereas the actual yield was \$604,000, or an increase of \$304,000 for the biennium. Under the operations of the daily deposit act all revenue collecting agencies of the State must deposit all funds collected to the credit of the state treasurer in some bank designated by him, at the close of each business day. Under this method a much larger amount of money is made instantly available to carry on the fiscal operations of the State and at the same time increases the balance on deposit in the name of the state treasurer upon which interest is collected.

EXPLANATION OF STATEMENT No. 3

Statement No. 3 gives general fund revenues for the two fiscal years of the biennium by sources and is intended to inform the taxpayers as to the particular sources of taxation tapped for the purpose of providing money for the operation of state government. Most of the increases and decreases in the various sources of revenue appearing in Statement No. 3 have been covered in explanations heretofore given. It will be noted that cash receipts from the State's prison for the fiscal year ended June 30, 1926, were \$428,516, as compared with \$380,000 for the fiscal year ended June 30, 1927. The reduction is fully accounted for by the fact that at the close of business on June 30, 1926, all cotton produced for the preceding year had been sold, whereas on June 30, 1927, the State's prison had on hand about fifteen hundred bales of cotton produced in 1926, which had not been converted into cash.

EXPLANATION OF STATEMENT NO. 4

Many of the items in Statement No. 4 have been carried in the explanations heretofore given, but it seemed advisable to give the taxpayers in Statement No. 4 the expenditures for the biennium by major departments or functions of the government for each year of the biennium.

Before the executive budget act became effective it had been the practice of many of the state departments and institutions to allow the expenditures for the last month of the fiscal year to overlap and be entered as expenditures for the first month of the new fiscal year. Under the new plan, made possible by the executive budget system, all state departments, institutions and other agencies are required to provide for complete liquidation of all liabilities for the entire year including the last month of the fiscal year, and this has been done for the biennium just ended.

The outstanding achievements resulting from the operation of the executive budget act and other fiscal measures enacted by the General Assembly of 1925 were to bring the various departments, institutions and agencies of the state government under central supervision. I believe the results of the first fiscal period, the biennium ended June 30, 1927, fully justifies the measures enacted.

In addition to bringing about reductions in expenditures, wherever possible, operations for the first biennium not only produced a balanced budget but reflected a surplus of \$1,403,583 in cash. Under the appropriation act of 1927 this surplus is carried over as a cash balance to meet in part the largely increased appropriations made by the General Assembly of 1927, for the new biennium beginning July 1, 1927, and ending June 30, 1929.

For all practical purposes it is returning this surplus to the state treasury for the future relief of the taxpayers.

The General Assembly of 1927 found it necessary to increase appropriations for the various charitable, correctional and educational institutions of the State, for debt service, for the elementary and high schools in the counties, and for pensions to the Confederate soldiers. It is reasonably certain that these increased appropriations, particularly for the public schools and for Confederate soldiers, would have been impossible except for

the cash surplus brought over from the biennium just closed. It must be remembered in this connection, that the appropriations made by the State in the new biennium for county schools and Confederate pensioners in the various counties amount in the aggregate to over \$4,000,000 in excess of appropriations made for the same purposes in the biennium just closed. The effect of these appropriations is undoubtedly to relieve in a substantial way the tax burdens upon land and personal property in the counties.

Sweeping reforms have been brought about in fiscal procedure and in methods of conducting the State's business. The purchase of supplies for the various departments and institutions has been systematized. This, in practice, puts the State's buying on a firm and careful basis.

The requisition purchase order system fixes the actual responsibility on some one in each department, institution or agency for all supplies ordered, for the prices paid, and for other information essential to good business.

A comprehensive system of estimating and reporting has been established and developed which keeps all agencies informed not only as to their requirements but also as to the execution of all purchase orders. All important operations are matters of current record, analysis and interpretation. The effect is to keep the budget bureau informed of all items of income and outlay in each of the departments, institutions and agencies, and at the same time, to keep the departments, institutions and agencies themselves adequately informed as to their expenditures. Business management has been improved in such physical operations as fire prevention, water supply, and other similar activities, by the supervision established under the executive budget system.

While the two years of the biennium just closed have shown satisfactory results, it is believed that the next biennium will show even more satisfactory results so far as the coördination of effort and outlay and general business administration is concerned. The central idea in the new system was to introduce business methods and good management in all of the departments, institutions and agencies of the state government. To a large extent this has succeeded, and all that remains is for a gradual development of the many and various improved methods of

administration which have been inaugurated, keeping always in mind the fact that the Budget Bureau in the governor's office is an executive agency created by the General Assembly for the purpose of carrying out the legislative will as expressed in the revenue and appropriation acts.

Immediately after the close of the first fiscal year of the biennium, a complete inventory of all the property of the State was made and described in considerable detail. With some adjustments, to be made immediately after the beginning of the new biennium, it is intended that a complete record and inventory of all the permanent improvements of the state government and various institutional activities will be available.

One of the principal benefits of the budget system is to impress upon those who are responsible for the conduct of the various departments, institutions and agencies of the State the fact that all branches of the state government must be conducted as one great business unit, of which the various departments, institutions and agencies form a part, each with certain functions and duties to be performed in the interest of the people of the State.

I cannot conclude this brief reference to the budget operations for the completed biennium without again expressing my sincere thanks to the heads and subordinate employees of the various departments, institutions and agencies of the State. With two or three notable exceptions they have worked with me in a fine spirit of accommodation and coöperation.

BUDGET FOR THE NEW BIENNIUM

We are now completing the work of setting up the budget for the new biennium beginning July 1, 1927, as authorized by the General Assembly of 1927. Within a few days I hope to give a brief outline of the budget plan for the new biennium.

STATEMENT No. I

A CONDENSED STATEMENT OF THE OPERATIONS OF THE
GENERAL FUND FOR THE FISCAL YEARS 1925-1926
AND 1926-1927, COMPRISING THE BIENNIUM
1925-1927, ENDING JUNE 30, 1927

GENERAL FUND REVENUES:	<i>Fiscal Year</i> 1925-1926	<i>Fiscal Year</i> 1926-1927	<i>The Biennium</i> 1925-1927
Gross revenue collections.....	\$13,050,780	\$13,417,719	\$26,468,499
Less: Revenue refunds.....	78,596	176,719	255,315
Net revenue collections.....	\$12,972,184	\$13,241,000	\$26,213,184
EXPENDITURES:			
Expended out of appropriation.....	11,702,360	13,107,241	24,809,601
CREDIT BALANCE:			
Fiscal year 1925-1926.....	\$ 1,269,824		
Fiscal year 1926-1927.....		\$ 133,759	
For the biennium 1925-1927 at June 30, 1927.			\$ 1,403,583

STATEMENT No. 2

A STATEMENT SHOWING THE BUDGET OF THE GENERAL FUND
AS SET UP AND AS WORKED OUT FOR THE FISCAL YEARS
1925-1926 AND 1926-1927 AND COMPRISING THE
BIENNIUM 1925-1927, ENDED JUNE 30, 1927

<i>The Operations from Appropriations and Revenues to Final Result Explained</i>	<i>Fiscal Year</i> 1925-1926	<i>Fiscal Year</i> 1926-1927	<i>The Biennium</i> 1925-1927
Legislative appropriations.....	\$12,983,987	\$13,477,407	\$26,461,385
Original estimates of revenues.....	12,425,688	12,425,688	24,851,376
Appropriations exceeded original estimates of revenues, leaving revenues short of meeting the appropriations.....	\$ 558,290	\$ 1,051,719	\$ 1,610,009
Legislative appropriations.....	\$12,983,987	\$13,477,407	\$26,461,385
Revenues actually collected.....	12,972,184	13,241,000	26,213,184
Appropriations exceeded actual collections, actual collections less than the appro- priations authorized.....	\$ 11,794	\$ 236,407	\$ 248,201
Legislative appropriations.....	\$12,983,987	\$13,477,407	\$26,461,385
Actually expended out of appropriations.....	11,702,360	13,107,241	24,809,601
Savings by expending less than appropri- ations authorized.....	\$ 1,281,618	\$ 370,166	\$ 1,651,784
Savings on expenditures.....	\$ 1,281,618	\$ 370,166	\$ 1,651,784
Less: Actual collections less than appropriations	11,794	236,407	248,201
Make up the credit balance.....	\$ 1,269,824	\$ 133,759	\$ 1,403,583

STATEMENT No. 3

A STATEMENT OF GENERAL FUND REVENUES FOR THE FISCAL
YEARS 1925-1926 AND 1926-1927, ENDED JUNE 30, 1927

	<i>Fiscal Year</i> 1925-1926	<i>Fiscal Year</i> 1926-1927
DEPARTMENT OF REVENUE:		
Income—domestic corporations	\$ 2,262,515	\$ 2,282,340
Income—foreign corporations	2,063,526	2,228,508
Income—individuals	1,728,716	1,698,457
Total income.....	\$ 6,054,757	\$ 6,209,305
Inheritance.....	843,459	824,541
Business licenses—Schedule B.....	1,193,662	1,159,467
Franchise taxes—Schedule C.....	1,625,717	1,713,841
Bad check penalty.....		786
Unadjusted refunds.....	3,000	6,500
Total revenue department (direct).....	\$ 9,714,595	\$ 9,901,440
INSURANCE DEPARTMENT:		
Tax on premiums.....	\$ 1,110,831	\$ 1,234,265
Licenses—companies and agents.....	120,192	129,665
Fees.....	15,455	14,743
Building and loan tax.....	20,192	32,316
Total insurance department.....	\$ 1,266,670	\$ 1,410,989
CORPORATION COMMISSION:		
Bus tax.....	\$ 142,435	\$ 167,243
Total department of revenue.....	\$11,123,700	\$11,479,672
SECRETARY OF STATE:		
Sale of books.....	\$ 14,124	
Fees and seals.....	262,314	
Total secretary of state (direct).....	\$ 276,438	\$ 118,720
EXECUTIVE OFFICE:		
Fees and seals.....	19,495	14,680
Total secretary of state.....	\$ 295,933	\$ 133,400
STATE TREASURER:		
Department of agriculture:		
Gasoline inspection.....	\$ 500,000	\$ 500,000
Oil inspection.....	60,000	70,000
Corporation commission:		
Blue sky law fees.....	16,280	6,450
Insurance department:		
Incendiary fire fund.....	13,460	80,045
State's prison earnings.....	428,516	380,000
Dividends on railroad stock.....	254,345	254,345
Interest on deposits.....	274,634	329,217
Miscellaneous.....	5,316	7,871
Total state treasurer.....	\$ 1,552,551	\$ 1,627,928
Total revenues of the general fund.....	\$12,972,184	\$13,241,000

STATEMENT No. 4

A STATEMENT, CLASSIFIED BY GENERAL DIVISIONS, OF THE
 APPROPRIATION EXPENDITURES OF THE GENERAL
 FUND FOR THE FISCAL YEARS 1925-1926 AND
 1926-1927, ENDED JUNE 30, 1927

	THE BIENNIUM 1925-1927	
	<i>Fiscal Year</i> 1925-1926	<i>Fiscal Year</i> 1926-1927
Legislative.....	\$	\$ 132,100
Judiciary.....	312,142	321,748
Executive and administrative departments.....	1,211,191	1,259,604
Mothers' aid (with counties).....	23,968	31,200
Equalizing fund, public education.....	1,500,000	1,500,000
Other state aid, public education.....	346,511	363,744
Health work (state aid to counties).....	88,269	93,104
Insurance on state property.....	72,125	54,250
Public printing.....	121,790	177,748
Miscellaneous.....	69,821	51,351
Educational institutions.....	2,029,978	2,291,875
Charitable and correctional institutions.....	2,370,383	2,633,905
Pensions.....	1,003,207	1,003,128
Special payments.....		
Total expenditures other than debt service.....	\$ 9,109,085	\$ 9,913,757
Debt service (bond interest and redemptions).....	2,593,275	3,193,484
Total expenditures (under appropriations).....	<u>\$11,702,360</u>	<u>\$13,107,241</u>

REMARKS OF GOVERNOR ANGUS W. McLEAN, AS DIRECTOR OF THE BUDGET, AT THE SEMIANNUAL MEETING OF THE GOVERNOR AND MEMBERS OF THE ADVISORY BUDGET COMMISSION WITH HEADS OF THE STATE'S CHARITABLE, CORRECTIONAL AND EDUCATIONAL INSTITUTIONS IN THE REVENUE BUILDING AT RALEIGH, N. C., ON DECEMBER 3, 1928, AT 11 O'CLOCK, A.M.

A SUMMARY

This is the regular semiannual meeting of the heads of the State's educational, charitable and correctional institutions with the governor, as director of the budget, and the Advisory Budget Commission, inaugurated last year for the purpose of establishing and maintaining closer relations between the institutions and the Budget Bureau.

Legislative appropriations are made on the basis of maximum amounts to be allowed institutions, departments and agencies over a biennium and the legislature makes it the duty of the governor, with the advise and approval of the Advisory Budget Commission, to supervise the expenditures so appropriated, making them conform to the needs. The appropriations are made largely on the basis of expected population (students or inmates) of the institutions and the actual needs must be adjusted to variations from the anticipated population.

At the January meeting at the beginning of this year, we suggested that the institutions set up a reserve fund from the appropriations, in order that (1) there might be no deficit in the funds of the respective institutions, and (2) that there might be no general deficit in the funds appropriated for all of the institutions. The institutions did remarkably well in following that suggestion and all had a reserve at the end of the fiscal year. We find that a cash surplus of \$1,700,000 was saved in expenditures, as compared with the appropriations.

This surplus was the result, in part, of failure of some of the institutions to realize the full estimated population during the period. Also, we did not spend as much as was estimated would be necessary for interest on short time notes, in anticipation of revenue, because we had cash to use as needed. In addition, the revenue from the interest on daily cash balances was almost twice as much as was expected, amounting to \$556,000, when the estimates were placed at \$250,000. This income is the result of the daily deposit act of 1925, which requires interest be paid by the banks designated as state depositories on the daily balances and requires that all state funds collected be deposited in such designated banks daily. Previously little or no income was realized from such source. Estimates allowed \$150,000 to be paid in interest on short time borrowing in anticipation of taxes, whereas, it was not necessary to spend a cent for interest in this manner during the fiscal year ended June 30, 1928.

We are now approaching the beginning of the third quarter of the present fiscal year and it is now necessary to allocate the amounts to be spent by the institutions for the quarter beginning January 1, 1929.

We have just passed through a year that has been marked by

depression in agriculture and in the textile industry, particularly. We do not know how much of the revenues estimated by the General Assembly for this year, to be collected during the first two and a half months of the next year, will be realized. It seems certain that there will be a decrease in the amount to be collected on incomes, as business during the past eleven months has not been as prosperous as was hoped. It is also possible that there will be a falling off in the taxes to be collected from other sources.

We are now and have been for some time engaged in making up the budget for the biennium 1929-31, beginning next July 1. We must prepare for the new governor and turn over to him by December 15 a tentative budget for that period. In making up that budget we have been enabled to follow a different course in the hearings this year. Two years ago we had little information in the Budget Bureau as to the conditions and needs of the departments and institutions. As a result, the hearings have to be long drawn out, lasting for four weeks and three days, working a hardship on the heads of the institutions, as well as on members of the Advisory Budget Commission.

This year, however, the Budget Bureau had much information, collected during the past two years, and by the use of a questionnaire was able to get practically all of the information it needed; thus when the institutions desired to be heard, the hearings requiring a minimum of time.

My successor, Governor-elect Gardner, may modify the budget estimates we are making, or he may write an entirely new set of recommendations to the General Assembly. Moreover, after the budget message goes before the General Assembly, that body may adopt or modify it, or may discard it altogether, for the General Assembly is the supreme and final body, as representatives of the citizenship of the State.

Some of you may be disappointed at the recommendations we shall make. We are not recommending, in any instance, all that you can use, but we do think we are recommending sufficient amounts to meet actual needs for carrying on the work of your institutions. We are not recommending great increases over the amounts of previous years, because we do not feel that it is an opportune time for increasing taxes. We must, in considering the needs of our institutions, take in consideration the condition of

industry in our State, as compared with the conditions existing in other states. We are in competition with other states in industry. Industries are coming south and, unfortunately, too many of them are going to other states. It is natural that rayon plants, for instance, should come to North Carolina, yet many of the larger ones are going to Virginia and other states; only two, one at Burlington and one at Asheville, have come to this State.

The tax burden naturally enters into any consideration of conditions that exist in a given state when a large firm is looking for a location. The question of taxes on industry is a delicate one. We need more revenue to expand and enlarge our institutions. If we improve them, we must have the revenue. Yet, if we impose too much of a tax burden on industry we kill the goose that lays the golden egg. Our hope is to increase the number and the size of our industrial plants and thus increase the incomes of our citizens, thus placing them in condition so they can pay more in taxes.

I do not think our state taxes are too high, but we must consider the problem in connection with the entire tax structure. I do believe that taxes are too high in some of our counties and other units, so much so that industry is dodging some counties and sections and even moving from one county to another to avoid what they consider too much of a tax burden.

I had hoped that the Tax Commission would have its report ready so the Advisory Budget Commission might study it in connection with making its recommendations to the General Assembly. That has been impossible, due to unforeseen and unavoidable conditions. That report will be ready for the General Assembly and that body, with the information before it, may find it advisable and desirable to readjust the entire tax system, as a result of the findings of that body. That commission has been seeking to find out if some classes or groups in our State are being unduly taxed and its report may show the way for more taxes, so that our progress may not be retarded.

It is not a popular thing to hold down the appropriations to our growing institutions, but we must consider all interests of our citizenship and the future development of our State and her institutions. You, as heads of the State's institutions, should be especially interested in the future of the State, since the future of

your institutions is wrapped up in the State's future. I desire to commend you on the results of your activities in holding down expenditures up to this time. Also, I want you to economize on the last two quarters of the fiscal year. Institutions are inclined, I realize, to use all of the appropriations available for a given period, but I know also that you are interested in the coming years, and it is the future that should interest all of us most.

In order to keep up our present rate of progress and at the same time give the amounts in the equalization fund that seems essential for our public school system, we shall need, on July 1, 1929, a cash balance out of the appropriations of \$2,587,000. It is our purpose not to take this amount away, but to give it back for the new biennium. If we do not have that balance, we will have to levy taxes to make it up. If we increase taxes, we are likely to hear from it. Local taxes are already too high, I feel, although most of them are for schools. It is a big burden, I realize, to provide public schools. We have increased the equalizing fund, in order to relieve the counties and tax districts, from \$1,250,000 to \$3,250,000 during the past four years, and it now looks like this amount must again be increased for the next biennium. Communities are dependent on the public schools for their citizenship and it is essential and a part of self-preservation for the higher educational institutions to coöperate with them in providing and improving the public schools.

We are trying to avoid any great increase in taxes and hope to be able to get out without it for the next two years. If we can save the \$2,587,000 out of the total appropriations and available funds of \$17,686,000 for this fiscal year, leaving \$15,099,000 to expend, it will mean that \$574,000 must be saved from all divisions other than institutions and \$234,320 from the institutions, making a total of \$809,000. This amount is approximately four and one-half per cent of the appropriations, although conditions in some of the institutions might permit greater savings, while in others the amount might be less, depending on the actual population, as compared with the estimates used. If the educational institutions save \$61,000 out of the \$2,843,000 appropriated for this year, and the charitable and correctional institutions save \$173,000 of the \$2,080,000 appropriated, the savings asked for can be realized.

If it is necessary for the institutions to spend up to the full amount of the appropriations, the director of the budget and Advisory Budget Commission will permit it, for we have no desire or inclination to handicap any institution. However, we must realize that business conditions are not the best and there is much unemployment. Farmers and some forms of industry are not making money, although there is seeming prosperity in other industries. These are conditions which we must face and accept as real in determining what we want to spend.

I want, here and now, since this will probably be the last time we shall gather in one of these conferences, to express my sincere appreciation for the fine spirit of coöperation that has been shown by the heads of the State's institutions with the Budget Bureau. The Budget Bureau is working more smoothly now than when it started. The departments and institutions realize now that it is not trying to throttle them, but to promote their interests, as well as those of the State as a whole. The Budget Bureau is primarily a coördinating agency and is seeking to create of the many departments and institutions one great unit, working in harmony and within its income, and on a balanced budget, as it has failed to do at times in the past.

Formerly expending more than the income did not make so much difference, but now we must keep on an even keel. The state debt is so large that any failure to watch our step might endanger our entire credit system.

I feel that we have as heads of our institutions as fine a body of men and women as can be found anywhere, with probably one or two notable exceptions, which would seem inevitable. I want to thank you for the help you have given in trying to put the state on a firm financial basis. It has been a trying task at times, but has been worth the effort. We must not, I feel, base our idea of progress too much on the amount of money we spend, although I think it has been in a measure justified in the past in establishing confidence of the people of the State.

Reports come to me that our schools are costing too much. I do not know about that. I have been able to learn very little about our school system during my term of office, because of the scattered condition of the authority and because of no central authority. I feel that Dr. Allen has done remarkably well with

a difficult job. We have a much easier job in the institutions for higher education. We have centralized authority in the Budget Bureau and, while it is proper for the head of each institution to think primarily of his own institution, it is also necessary for him to think in terms of the State as a whole.

The Budget Bureau is not perfect yet, but is operating smoother and will continue to become more efficient as time passes. It is safe to say that the Budget Bureau has created more confidence of the people of the State in the State as a whole and that confidence extends to each of the institutions as a result of the Budget Bureau supervision. The citizens do not criticise the operations of the institutions to any appreciable extent, for they know that the institutions are now being operated on a business basis.

Just here I wish to say that members of the Advisory Budget Commission have spent much time and ability in the work of the commission, without pay, other than enough to barely pay their expenses. I owe each of the members a lasting debt of gratitude, for the present results could not have been attained without their advise and counsel.

Reverting to the charge sometimes made that this administration is too economical, I desire to say that I have no objection to spending money for proper causes, but I do believe in sensible and constructive economy.

We have, at this time, \$17,000,000 or \$18,000,000 in bonds authorized by the last General Assembly which have not been sold because the market has not been right for it. We have put as many bonds on the market during the past four years as the market will absorb and it is inadvisable to flood the market with these additional bonds. We have sold short time notes for the funds actually needed and are holding the bonds until the market becomes more satisfactory and will absorb them properly.

Our interest rate is now on a 4 per cent basis, and has been for the past two years. If all of our highway bonds had been sold on that basis, it would save the State \$37,000,000, and if all of our bonds for permanent improvements had been sold on the 4 per cent basis, we would save \$40,000,000 or possibly \$50,000,000 in interest during the life of the bonds. Previously our financial structure was not sufficient to justify the 4 per cent rate and our desire to rush our highway construction program caused our bonds

to be placed on the market more rapidly than it would absorb them at that rate.

Now, however, that we are definitely on a 4 per cent basis, we cannot afford to offer bonds for sale at a higher rate of interest and we hope to be able to keep the interest at that rate in the future. If bonds are issued and sold at a higher rate, it would be forcing them on a glutted market which would not properly absorb them. Moreover, all of the bonds previously sold at 4 per cent would again appear on the market and there would be no secondary market to absorb them. The result would be that North Carolina bonds would be sold or offered for sale at less than par, which would be a very unfortunate condition for our financial structure and might cripple us for years to come.

The institutions are asking for approximately \$11,000,000 for permanent improvements for the next two years. The Advisory Budget Commission agrees with me that we should not recommend that amount. Some suggest that the next General Assembly should not authorize a single dollar in bonds. However, we see the pressing needs in a few instances and are going to recommend reasonable amounts. Many of you will be disappointed that you will not have our recommendation for the full amounts asked, but you must bear in mind that you, as heads of the state institutions, have a special interest in seeing that the State's credit structure is kept firm and sound.

THE BUDGET REPORT

HON. O. MAX GARDNER,
Governor-elect of North Carolina:

The governor as ex officio director of the budget, the assistant director and the members of the Advisory Budget Commission whose names are hereto subscribed, herewith submit to you the report required and provided for in the executive budget act, Chapter 89, P. L. 1925.

THE BUDGET

The budget act, sponsored in a primary campaign by the governor, and passed by the 1925 General Assembly, is one of the

outstanding achievements of this administration. It has been in operation three and one-half years and has accomplished splendid results. For many years the best and most efficiently organized commercial and industrial organizations have employed the budget method for planning their future activities and developments and for control of their expenditures. But until recently, social and political organizations were rather slow to recognize the efficiency of a budget and to realize its value and apply its methods to their affairs. It was thought and sometimes freely expressed that economic laws did not and could not apply to these organizations. We have come to realize, however, that economic law controls every phase of business venture, and that its violation is equally disastrous in commercial, industrial, social, or political organizations, and now all the states as well as the federal government are operating on a budget in some of its varied forms.

An architect gathers the varied purposes for a contemplated building; relates and unifies them for efficiency and draws a picture of his building to show how it will appear when completed. He then makes plans and specifications that will effectuate the object in his picture and serve the purposes in mind. The builder under the supervision of this architect constructs the building, and the picture in mind and on paper becomes a living reality. This is a budget. A budget is nothing more or less than a picture of a business structure in contemplation, setting out the purpose to be served and the plans and specifications for its construction. The Budget Bureau, with the governor as its *ex officio* director, or as executive head of the government as expressed in the constitution, is the planning and supervising architect to accomplish the picture. No careful or intelligent builder of a home, a church, a store, a warehouse, a factory, or any kind of social, civic or commercial structure would begin to build without having in mind the completed project and the plans for accomplishing the same. If one should commit such gross error and build just as the emotions moved, the completed structure would be a monstrosity and serve no useful purpose except as a monument to ignorance. Just so in the construction of a business, a social or political organization.

The budget act has to its credit splendid achievements, which one has only to study to conceive and admire. The picture has been made each biennium, the plans set and carried to conclusion, the activities related, unified and duplications eliminated as far as possible. Developments which are orderly and constructive instead of speculative have controlled every movement, and progress has been made along all lines and commensurate with the financial ability of the State. One has only to take a look backwards and measure the progress in this respect, the last three and one-half years, to realize the value of this administrative policy.

When the Budget Bureau was created by the legislature, very little information concerning the operations of the institutions, departments and agencies of the State was available. In order for the bureau to get a picture of the State's activities in the various institutions, departments and agencies, it was necessary that it secure detailed information from each of the departments, institutions or agencies. With a view of getting this information, these institutions, departments and agencies were required to give minute detailed reports upon all their activities and especially upon all of their expenditures. In many instances these requests for information probably seemed unnecessary and arbitrary. However, when these minute detailed reports from all of the institutions, departments and agencies had been received and the information contained therein had been compiled, the bureau was able to get a complete picture of all of the activities of the State as carried on through these agencies. This picture not only showed what each of these agencies was doing, but also showed its relation to the entire activities on the part of the state government. In addition to the detailed reports requested from these institutions or agencies, the governor and Advisory Budget Commission made visits to all of the institutions supported or aided by the State, and in conferences with the managing officers of said institutions, made full and complete investigation of the detailed operations of the institutions. These reports by the institutions are still required periodically and the visits by the governor or assistant director of the budget in connection with the members of the Advisory Budget Commission to the institutions has been continued to date, and the information thus

gathered is added from time to time to the information already compiled by the bureau. All of this information is now on file in the office of the Budget Bureau, where it may be examined by any person interested therein, and members of the General Assembly are especially requested to investigate the same.

The director of the budget and the Advisory Budget Commission must maintain at all times a clear vision of the needs and purposes of governmental service, and at the same time must recognize that governmental services can only be had and extended by taxes in one form or other out of incomes from industry. Industrial activities and extensions is the substructure, the foundation upon which the superstructure of the bridge must be erected, or upon which a bridge must be erected over which we must pass to a greater civilization and more splendid achievements. If we overburden the substructure with the superstructure, the bridge will tumble, and if the superstructure is not adequate for civilization to pass in an orderly and progressive procession, then civilization becomes stagnant, its incentive is disturbed, and progress is consumed in reaction. Some no doubt think the director and Advisory Budget Commission have not been sufficiently responsive to demands of extended government services, while others are equally critical of the increasing tax burdens for such services. We have made every effort by study and careful consideration to properly relate the two angles of the controversy so as to present a balanced program of progress.

The manner in which the different institutions and departments have been able to work together to the advantage of all may be illustrated by reference to the use of convict labor in making permanent improvements in certain institutions. At the time the buildings for the Farm Colony for Women at Kinston was being constructed, the State's prison had on hand a number of unemployed prisoners. This fact being known to the Budget Bureau, they recommended and secured the employment of these prisoners in the construction of said buildings. In this way, the board of directors of the Farm Colony for Women was enabled to do their building at a lower cost, and at the same time employment was given to the surplus labor of the penitentiary, thus benefiting both institutions. The same results were obtained in the construction of other permanent improvements, such as the

rebuilding of the State Hospital at Raleigh and the making of improvements upon the Capitol Square and Caswell Square and other places. The bureau has also been able to effect savings to the State by securing for institutions certain needed equipment by having such equipment transferred from other institutions in which such equipment has been replaced by different facilities. When the new facilities were installed in the institutions possessing this equipment the equipment was merely stored, and except for the supervision of some controlling agency, the fact that it was available would not have been known to the institution needing and finally receiving the same.

Under this program, heads of departments and institutions have at all times responded to any suggestion that promises a forward movement, have for the most part gladly, enthusiastically and intelligently coöperated in making the budget act a real factor in the extension and in the control of their and the State's fiscal affairs. They have carefully and studiously designed their own operations so as to obtain the best results out of the appropriations available, have continually kept in mind their daily requirements and unfoldments of their progress, and are strong supporters of the act and the budget methods of control.

VISITATION OF INSTITUTIONS

The visits of the director of the budget and the members of the Advisory Budget Commission already referred to are of great value both to the institutions and the Budget Bureau. They furnish the members of the bureau a picture of every institution and its personnel, its activities, its functions, and its achievements, which prepares them to better judge the needs of each institution, to ascertain the efficiencies and deficiencies, and to obtain an experience and a knowledge that they can pass on to administrative officers as to where improvements can be effected in operations. On the other hand, these visits are of great value to the institutions themselves, in that each institution is brought into a closer relationship with the bureau, with each other, and with the General Assembly, so that there exists a coördination of activities and a coöperative conception of the place each holds in the building of a greater state. Further, with this picture, with the constant contact with administrative heads, and with

the facts being continually developed in the bureau, the director and the members of the Advisory Budget Commission are able to construct and recommend an orderly and progressive program for all departments and institutions for the ensuing biennium.

INSTITUTIONAL CONFERENCES

During the months of January and July, 1928, the director of the budget with the members of the Advisory Budget Commission, called conferences of the administrative officers and chairmen of the boards of trustees of all the institutions to consider the status of available revenues and appropriations and such other matters as were of common concern to them and to the State. These conferences gave to such administrative officers first-hand information as to the progress of the finances of the State, of the trend of affairs, of the pitfalls to be avoided, and of the safe policies to be pursued. In fact, through these conferences, the spending agencies of the State obtained a close-up view of the State as a whole, an education in the State's fiscal affairs. They were splendidly responded to by administrative heads, heartily approved and their continuance recommended.

MAINTENANCE APPROPRIATION HISTORY

Prior to 1925 appropriations to the various institutions and departments of the State, when made by the legislature, became immediately available in toto to said institutions. If any institution to which an appropriation had been made found that the whole of said appropriation was not necessary for the carrying on of those functions for which the appropriation had been made, such institution would, as a rule, engage in other activities not contemplated by the legislature, so as to use up its entire appropriation. The legislature of 1925, which created the Budget Bureau, declared all appropriations to be maximum appropriations and only available to the extent that the same were necessary for the maintenance of the institutions, in the carrying on of those activities authorized by the legislature at the time the appropriations were made, and restricted the use of said appropriations to such purposes entirely. That legislature appropriated for the year 1925-26 \$12,983,978, and for the year 1926-27 \$13,477,057, payable out of the general fund, and passed a

revenue act estimated to produce revenue available to the general fund of \$12,425,688 for the year 1925-26, and \$12,425,688 for the year 1926-27. By simple calculation it will be seen that if all of the appropriations made had been expended in full and revenues collected as estimated, there would have been at the end of the biennium a deficit of \$1,609,659. It so happened that revenue collected exceeded the estimated revenue in the sum of \$1,361,791, which would have reduced the deficit, so that if all of the appropriations made had been expended in full, there would still have been a deficit at the end of the biennium in the sum of \$247,868. Under the working of the budget act, however, expenditures in the various institutions and departments were restricted entirely to the amounts necessary for carrying on those activities authorized by the legislature, and expenditures out of the appropriations made for the biennium were only \$24,809,584, or \$1,651,451 less than the total appropriations authorized, creating a credit balance or surplus at the end of the biennium of \$1,403,583 instead of the deficit which would undoubtedly have existed under the old system.

This same program has been repeated in the present biennium. The legislature of 1927 made appropriations of \$15,716,590 for the first year of the biennium, and \$15,907,629 for the second year of the biennium. It passed a revenue act estimated to produce revenues available to the general fund of \$14,798,745 for the first year of the biennium, and \$15,406,195 for the second year of the biennium. If all the appropriations should be expended in full and the revenues collected should be as estimated, there would be a deficit at the end of the biennium of \$1,419,279, except for the availability of the credit balance or surplus brought over from the previous biennium, which would practically balance the budget under these circumstances. Based upon collections to date, however, it is now estimated that the revenue act of 1927 will produce approximately \$31,043,834, or \$838,894 more than it was estimated the act would produce at the time it was passed by the legislature of 1927. However, if appropriations made by said legislature for the biennium should be expended in full, the expenditures would exceed actual revenue collected and estimated to be collected for the biennium by \$580,385, thereby reducing the credit balance or surplus of \$1,403,583,

which existed at the beginning of the biennium to \$823,198 at the end of the biennium. Under the supervision of the Budget Bureau, however, the actual expenditures for the first year of the biennium have been only \$14,761,040 as against a total authorized appropriation of \$15,716,590, and the estimated expenditures for the second year of the biennium are \$15,099,366 as against total authorized appropriations of \$15,907,625, making a total savings for the biennium out of authorized appropriations of \$1,763,809 which taken in connection with the increased collection of revenue over the estimate and the credit balance at the beginning of the biennium will leave an estimated credit balance or surplus at the end of the biennium \$2,587,011. This credit balance, it will be seen, is largely created by savings out of authorized appropriations rather than by excess in collections of revenue over the estimates, which savings would not have been accomplished before the creation of the Budget Bureau.

MAINTENANCE APPROPRIATIONS RECOMMENDED FOR 1929-31

The expenditures made out of the appropriations for the year 1927-28 by agencies were as follows:

Departments	\$ 2,459,932
Educational institutions	2,624,498
Hospitals, charitable and correctional institutions	1,733,615
Pensions	1,403,372
Equalizing fund	3,236,012
Debt service	3,233,991
Miscellaneous	69,620
Total	<u>\$14,761,040</u>

REQUESTS BY AGENCIES FOR THE BIENNIUM 1929-31 WERE AS FOLLOWS

	<i>First Year</i>	<i>Second Year</i>
Departments	\$ 3,351,444	\$ 3,525,796
Educational institutions	3,889,911	3,875,491
Hospitals, charitable and correctional institutions	2,440,240	2,471,627
Pensions	1,204,500	1,039,500
Equalizing fund	4,721,611	5,321,611
Debt service	3,712,722	3,721,302
Miscellaneous	121,300	121,300
Total	<u>\$19,441,728</u>	<u>\$20,076,627</u>

REQUESTS CONSIDERED

Upon these requests, in addition to the detailed statements and briefs on file, hearings were held by the director and the Advisory Budget Commission between the 1st and the 15th of November, in order that further explanations might be made by agency heads, and that the director and Advisory Budget Commission might obtain as complete knowledge as possible of the needs of the agencies for orderly and progressive development.

After full and careful consideration, and in the light of expenditures for 1927-28, the director and Advisory Budget Commission recommend appropriations for the coming biennium as follows:

	<i>First Year</i>	<i>Second Year</i>
Departments.....	\$ 2,496,090	\$ 2,641,205
Educational institutions.....	2,802,150	2,871,915
Hospitals, charitable and correctional institutions...	2,109,270	2,142,125
Pensions.....	1,204,020	1,039,020
Equalizing fund.....	5,000,000	5,000,000
Debt service.....	3,712,722	3,721,302
Miscellaneous.....	121,300	121,300
Total.....	<u>\$17,445,552</u>	<u>\$17,536,867</u>

The expenditures for 1927-28, the requests of various agencies for their maintenance appropriations for 1929-31 and the appropriations recommended for said period, as above referred to, are all shown in more detail in schedules attached to this report.

REASONS FOR MAINTENANCE APPROPRIATIONS
RECOMMENDED BY ACTIVITIES

It will be interesting to the public and to the members of the General Assembly to know how much of these appropriations are allocated to certain activities of the State.

EDUCATION

The recommended maintenance appropriations cover the following projects and are in the following amounts for education:

	<i>1929-1930</i>	<i>1930-1931</i>
Public schools, administration and supervision.....	\$ 130,290	\$ 130,290
Equalizing fund.....	5,000,000	5,000,000
Adult illiteracy.....	30,000	30,000
Farm life schools.....	25,000	25,000

Vocational education.....	\$ 175,000	\$ 175,000
Industrial rehabilitation.....	15,000	15,000
	<hr/>	<hr/>
Total public schools.....	\$ 5,375,290	\$ 5,375,290
Educational institutions, white.....	2,492,300	2,556,065
Educational institutions, colored.....	309,850	315,850
	<hr/>	<hr/>
Total educational.....	\$ 8,177,440	\$ 8,247,205

THE EQUALIZING FUND

The director and Advisory Budget Commission have recommended an appropriation of \$5,000,000 for each year of the biennium for the equalizing fund. This is an increase of \$1,750,000 for each year of the biennium over the appropriation made by the 1927 General Assembly. On account of the unequal distribution of wealth and population between the various counties in the State, it is impossible for some of the counties to make proper provision for the six months term of the public schools required by the constitution, without unjustly burdening the taxpayers of these counties. This condition has been recognized by the people of the State and the General Assembly, for some years past, has made appropriations for an equalizing fund to be distributed among the less wealthy and more sparsely populated counties in order to help equalize the tax burden necessary to provide for the six months' term throughout the State, and each General Assembly during the past six years has materially increased the amount of this fund.

ADULT ILLITERACY

There still exists in the State a considerable amount of illiteracy among the adult population, which affects the standing of the State in educational comparisons with other states. Some effective work has been done in some counties to eliminate this condition. The director and Advisory Budget Commission, conceiving it the duty of the General Assembly to make provisions for state assistance in this work, have herein recommended that the sum of \$30,000 be appropriated to this end, to be expended in coöperation with counties, the State to assist each county engaging in such work by making available to such counties an amount equal to the appropriation made by each county for this work.

TEACHER TRAINING

The director and Advisory Budget Commission are informed that there is a surplus of high school teachers in the State, and that many trained for high school positions have to take elementary work or school employment outside of the State. There seems, however, not to be a sufficient supply of trained elementary teachers and a large number of elementary teachers are brought in from other states or such positions filled with untrained teachers. The normal schools make a specialty of training elementary teachers. It is recommended that the two-year normals specialize to a greater extent in the training of elementary teachers, and that normal schools with a two-year course be kept to that course until the supply of elementary teachers is adequate.

HOSPITALS

In the hospitals for the insane at Raleigh, Morganton and Goldsboro, there are at this date 5,150 inmates, and in the Orthopedic at Gastonia for crippled children there are at this date 132 inmates. The population at these institutions are and have been on the increase and the recommended appropriations to them are as follows:

\$1,239,650 for the first year.
\$1,289,625 for the second year.

CHARITABLE AND CORRECTIONAL INSTITUTIONS

These institutions include Caswell Training School, Eastern Carolina Training School, Stonewall Jackson Training School, Morrison Training School, State Home and Industrial School for Girls, State Industrial Farm Colony for Women just completed, and aid to Efland Industrial School for Negro Girls, in which institutions there is now a population of 1,576 inmates. The amount of appropriations recommended for the ensuing biennium is as follows:

\$519,120 for the first year.
\$560,000 for the second year.

ORPHANAGES

The constitution of the State, Article 11, Section 8, is as follows: "*Orphan Houses.* There shall also, as soon as practicable, be measures devised by the State for the establishment of one or more orphan houses, where destitute orphans may be cared for, educated and taught some business or trade."

The State has never established any orphanages. For a number of years, however, the State has made grants of aid to the Masonic Orphanage and the Colored Orphanage, at Oxford, in which 703 orphan children are at present cared for and educated. Only a small percentage of these orphans are children of parents who were members of the organization establishing and supporting these orphanages. The director and Advisory Budget Commission recommend a continuance of the former policy with reference to grants of aid to these institutions and have included in their recommendations for appropriations \$57,500 for each year of the biennium to these institutions.

AID TO FAMILIES OF PRISONERS

The necessity of punishing criminals by imprisonment more often than otherwise brings suffering upon their families. This is unavoidable. Recognizing the duty of the State to make the suffering of innocent members of the criminal's family as light as possible, the director and Advisory Budget Commission have recommended that \$20,000 of the appropriation of \$50,000 to the Department of Charities and Public Welfare for mothers' aid be expended in connection with funds appropriated by the various counties of the State for alleviating the suffering of these unfortunates; this fund to be administered under the supervision of the mothers' aid department.

HOMES FOR CONFEDERATE SOLDIERS AND WIDOWS

These homes, the Confederate Soldiers Home at Raleigh and the Confederate Woman's Home at Fayetteville, are annually decreasing in inmates and these faithful servants of the Commonwealth will not be among us for many more years. We have recommended for these the following appropriations:

	<i>First Year</i>	<i>Second Year</i>
For Confederate homes.....	\$56,500	\$54,500

CONFEDERATE SOLDIERS' PENSIONS

The pension appropriations recommended for Confederate soldiers and widows are:

For the first year of the biennium 1929-1931.....	\$ 1,200,000
And for the second year.....	1,035,000
	<hr/>
Total for the biennium.....	\$ 2,235,000

These are the amounts requested by the state auditor, and are estimated to pay the following amounts each year:

	<i>Each per Annum</i>
To totally disabled Confederate soldiers described in section 1, Chapter 96, Public Laws 1927.....	\$ 420
To Class A, Confederate soldiers described in section 2 of said act...	365
To Class B, colored servants described in section 2 of said act.....	200
To Class A, widows of ex-Confederate soldiers described in said section 2.....	300
To Class B, widows of ex-Confederate soldiers described in said section 2.....	100

The director and the Advisory Budget Commission realize that these heroes of the Commonwealth are fast passing from among us and that their declining years should be fittingly rewarded as faithful servants in times of great conflict and emergencies.

INTEREST, SINKING FUND AND DEBT PAYMENTS

The recommendations for appropriations of \$7,434,024 to cover interest, sinking fund and debt payments of the State, include the amount necessary to provide the annual interest becoming due for each year of the biennium 1929-31 on bonds, the maturing bonds and the sinking fund contributions for the retirement of bonds as they mature, and the interest and sinking fund requirements for the recommended bonds for permanent improvements in the biennium 1929-31. The debt service requirements of the State amount at present to approximately 23 per cent of the total revenue available to the general fund of the State.

SINKING FUND FOR BONDS 1909-13

There was issued \$5,932,500 of term bonds from 1909 to 1913, inclusive, which mature from 1949 to 1953, inclusive. No

sinking fund has ever been set up or required to be set up for the payment of these bonds, but should be, so as to provide for their orderly retirement. Therefore the director and commission recommend an annual appropriation of \$161,957, to be paid into a sinking fund, to retire these bonds at maturity, and have included this contribution in the budget recommendations for appropriations for the ensuing biennium.

MISCELLANEOUS

Maintenance appropriations, which have not been treated specially, are shown in detail in the itemized budget statements attached to this report. Examination of these statements will show these recommended appropriations in full detail with explanation of the purposes therefor.

DAILY DEPOSIT ACT

The 1925 General Assembly enacted the daily deposit act, Chapter 128, requiring all funds belonging to the State in the hands of departments, institutions, bureaus, commissions, and agencies to be deposited daily in some bank or trust company designated by the state treasurer and to the credit of the state treasurer. This practice saved the State a large amount of interest paid prior to the passage of the act, and at the same time largely increased the interest received on bank balances, as will be seen from the following facts.

FISCAL YEAR ENDING:	<i>Interest paid on temporary loans</i>	<i>Interest received on bank balances</i>
June 30, 1924.....	\$ 428,651	\$ 343,038
June 30, 1925.....	798,054	339,758
Interest paid in excess of amount received.....		563,909
	<hr/> \$1,226,705	<hr/> \$1,226,705
June 30, 1926.....	\$ 4,472	\$ 274,634
June 30, 1927.....		337,655
June 30, 1928.....		566,595
Interest received in excess of interest paid.....	1,174,412	
	<hr/> \$1,178,884	<hr/> \$1,178,884

PERMANENT IMPROVEMENT APPROPRIATIONS FOR 1925-27

The permanent improvement appropriations for the biennium 1925-27 were \$5,125,000. The projects for which this amount

was appropriated were carefully considered by the director of the budget before contracts let, and under a continual supervision of the building program the said funds were expended wisely and economically.

PERMANENT IMPROVEMENT APPROPRIATIONS AVAILABLE
FOR 1927-29 AND HOW EXPENDED

The 1927 General Assembly authorized the issuance of bonds in the sum of \$5,707,000 for permanent improvements in the various activities of the State as follows:

Chapter 147, Public Laws 1927, for permanent enlargement, improvement and equipment of educational, charitable and correctional institutions and buildings set out in said chapter.....	\$5,247,000	
Chapter 219, Public Laws 1927, for an industrial farm colony for women.....	60,000	
Chapter 152, Public Laws 1927, to purchase additional land, building and equipment for the State's prison..	400,000	
	<hr/>	
Total authorization.....	\$5,707,000	
Add balances brought forward from 1925 permanent improvement appropriations.....	89,259	
Other receipts, from insurance, etc.....	87,091	
Loans from emergency loan act, Chapter 49, Public Laws 1927.....	151,897	
	<hr/>	
Total available.....		\$6,035,247
Expenditures made and/or committed for permanent improvements during biennium.....	\$5,042,263	
Repayment of emergency loans made under Chapter 210, Public Laws 1925, during biennium 1925-1927 and paid out of permanent improvement appropriations of 1927-1929.....	392,984	
	<hr/>	
Total disbursements made or committed.....		5,435,247
		<hr/>
Unexpended balance as of June 30, 1929.....		\$ 600,000

These unexpended balances consist of the following items:

Permanent improvement appropriation for North Carolina College for Negroes upon a contingency clause which did not happen.....	\$ 200,000
State's prison farm, not purchased.....	400,000
	<hr/>
	\$ 600,000

LOANS MADE OUT OF EMERGENCY LOAN ACT, CHAPTER 49
PUBLIC LAWS 1927

The following availabilities were authorized during the past year by the governor and council of state out of the emergency loan act, Chapter 49, Public Laws 1927:

To North Carolina College for Negroes, on account of failure of contingency in the permanent improvement appropriation to this institution and, in consequence, its inability to function for the purposes created.....	\$100,000
To North Carolina Sanatorium, on account of fire destroying dairy barn and other buildings incident thereto, for cost of rebuilding same in excess of insurance collected.....	8,585
To State Home and Industrial School for Girls, on account of fire destroying Carroll Hall. For cost of rebuilding same in excess of insurance collected.....	9,312
To Eastern Carolina Training School, on account of failure of water supply creating an emergency and the necessity of building pipe line from Rocky Mount.....	30,642
To Confederate Woman's Home, on account of failure of sewage disposal plant creating an emergency and the necessity of building sewer line to city plant.....	3,358
Total.....	\$151,897

NORTH CAROLINA COLLEGE FOR NEGROES

At the time of recommending the permanent improvement appropriation for the North Carolina College for Negroes, at Durham, for the biennium 1927-29, and at the time of the enactment of the institutions bond act by the General Assembly of 1927, the director and Advisory Budget Commission were practically sure that an external donation for such improvements would be made in addition to that proposed by the State. Thus we recommended and the recommendation was passed by the General Assembly that the appropriation for permanent improvements be made contingent in the following language: "North Carolina College for Negroes at Durham, \$200,000 for the following specific purposes: administration and classroom building, dormitory for women; provided that this sum shall be available if and when \$100,000 additional to build a dormitory for boys is secured by the institution."

A few months after the adjournment of the 1927 General Assembly, it became apparent that that which seemed certain, to wit: the \$100,000 anticipated from external sources, could not be obtained, although strenuous efforts were made by friends of the institution to secure the \$100,000 from other sources. These efforts failed and the institution was so handicapped on account of facilities that it was unable to function for the purpose of its creation. An emergency existed on account of the failure of the contingency and the anticipation. The governor and the director of the budget were asked if one-half of the appropriation, or \$100,000, could be made available if the friends of the institu-

tion would donate \$50,000 for building the administration and classroom building provided for in the institutions bond act of 1927. The attorney general advised that the appropriation in such act was a unit and that no part of the appropriation could be made available until the contingent amount was provided for in full. He further advised that if an emergency existed and was so declared, that the needed \$100,000 could be obtained from the emergency loan act, Chapter 49, Public Laws 1927, with the approval of the governor and council of state. The governor and council of state approved the emergency appropriation, if and when the \$50,000 was made available from external sources. \$50,000 was made available by friends of the institution and \$100,000 out of the emergency loan act was made available by the State and contracts for administration and classroom building were let.

In view of the failure of the contingency and the urgent need of the institution, the director and Advisory Budget Commission recommend that the contingency proviso clause in the above institutions bond act of 1927 be repealed. This will leave the institution with \$200,000 available for permanent improvements, \$100,000 of which to liquidate the amount appropriated from the emergency loan act and \$100,000 to construct a woman's dormitory provided for in the 1927 institutions bond act.

STATE INDUSTRIAL FARM COLONY FOR WOMEN

This institution, established under Chapter 219, Public Laws 1927, was to be built on land owned by the State at the time of the passage of the act, and \$60,000 was appropriated for buildings and equipment.

The site selected for this institution was on land controlled by the Caswell Training School, about four miles from same, and a very good site for this institution. A brick dormitory, well planned and equipped, for 30 inmates, superintendent's residence, infirmary, and other necessary service plants will be completed and ready for occupancy about January 15, 1929. Trustees, chairman of the board, and a superintendent have been selected, and the institution will be ready to function at the beginning of the year.

This is just the beginning of the institution and we have recommended the following appropriations for the next biennium—maintenance of \$31,500 to support an average of forty-five inmates, and \$32,500 for permanent improvements to construct and equip a dormitory of about the same character and capacity as the present dormitory. For the remainder of the present biennium, maintenance and other necessary equipment will have to be provided for from the unexpended \$60,000 appropriated and the contingency and emergency fund.

CASWELL SQUARE

This square, the property of the State, was for many years, and until 1920, occupied by the State School for the Blind. Thereafter the buildings were used as temporary but unsatisfactory quarters for some of the state departments. Under the appropriation made by the General Assembly of 1927 for public buildings and grounds, the old main building has been removed, as it was unsightly, a fire hazard and unfit for use and occupancy; the school building remodeled for a modern, well equipped office building and much needed fireproof vault space for the State's valuable records and is now occupied by the State Board of Health and other agencies; the industrial building remodeled for an adequate state arsenal, offices for the militia and a central heating plant for all structures on the square; the old laundry building remodeled for a keeper's lodge and storage space for departments and the grounds graded and grassed, and with a little additional work will present a very pleasing appearance and at the same time be a valuable addition to the State's property.

The value of the land and buildings now on this square is more than \$300,000, which were made available for use for the state departments at a cost of \$67,489. Making available these buildings for the service of state agencies save the State the renting of the Belmont property at a cost of \$1,620 per annum, provided the Department of Health adequate space and splendid location for its work, relieved the congestion existing in the Department of Education and several other departments, and leaves ample space for erection of other public buildings when needed.

STATE CAPITOL AND GROUNDS

Our State Capitol represents one of the most beautiful examples of architecture in America. It should not only be preserved, but gradually improved. Upon the recommendation of the director of the budget and the members of the commission, the General Assembly of 1927 made an initial appropriation for the improvement of the capitol grounds.

The Board of Public Buildings and Grounds, which exercises custody and control of the capitol and grounds, realizing that every act connected with the matter of improving the capitol grounds should be taken in accordance with a definite and well considered plan of permanent improvement, employed Olmsted Brothers, of Brookline, Mass., leading landscape architects and artists, to make a complete plan, designed to place around the building the proper setting, to delight the eye of the artist and to give the layman inspiration as he views the beautiful building and its surroundings.

The building is to be parked, by setting it off in a grass plot, approached only at the four entrances by suitable walkways and adorned by occasional beautiful English boxwoods. Unfortunately, the south or Fayetteville Street entrance to the building has been used as the front or main entrance, whereas the Hillsboro and New Bern Street entrances were intended to be the main entrances. This situation, which cannot now be changed, made it very difficult in the first instance to lay out the grounds and locate the monuments and statues thereon with a view to artistic arrangement.

The grounds when laid off 138 years ago by a commission, representing the state of North Carolina, as a site for the state house, contained more than one hundred and fifty virile and healthy oaks, with the intermingling of hickory trees. Now all of the hickory and all but 22 of the oaks have disappeared, the grim victims of storms, lightning, tree disease and consequent decay. From time to time in the past new trees have been set out, but not according to any definite plan for the future, with the result there was a ragged and incomplete picture, a condition that will require several years for correcting. "Only God can make a tree."

The improvements already made involve planting of trees, shrubs and flowers and installing of hydrants and irrigation system to take care of the situation in periods of drought. A part of the permanent planting plan has also been completed according to the plans. Relocation of the Aycock and McIver monuments and the construction of a memorial mall and the other work on the Fayetteville Street side of the capitol is nearly completed. The memorial mall is to be a space around which will be placed statues or other memorials to deceased North Carolinians whose memory the people desire to honor. At the west end of the mall has been relocated the statue of the late Governor Aycock. At the southerly section of the perimeter of the mall will be places for other statues or memorials located later. This may be looked upon as a mall of fame, where statues or other memorials to famous North Carolinians may be located from time to time by order of the General Assembly. It has been suggested that statues to one or all of the three presidents of the United States who were natives of North Carolina, might be placed at the eastern end of the mall. The plans call for the finishing of the other three approaches to the capitol. The Confederate monument on the western side of the capitol is to remain intact. Surpassing in beauty the memorial mall will be the eastern approach to the capitol and is to be known as the Vance Plaza. The central figure of this will be the monument of Vance, as it is at present located. The northern approach to the capitol will also be greatly improved.

The complete plans and specifications as executed by Olmsted Brothers are on file and can be examined by the officers and members of the General Assembly at will. It is fortunate that the services of the distinguished landscape artists, who have in charge the work at Duke University and in the capitol at Washington, have been secured. This fact of itself insures that the final results will be entirely satisfactory and that the capitol of the State will be, as it undoubtedly should be, the most beautiful spot in the State.

The remainder of the work will be completed under the direction of the Board of Public Buildings and Grounds if the General Assembly shall see fit to provide the funds recommended by

the director and members of the Advisory Budget Commission for the purpose.

It has been suggested that at the other end of the mall and facing the Aycock statue, a suitable memorial to one or all of the three presidents of the United States who were born in North Carolina be erected. This is a matter for the legislature, but the director and Advisory Budget Commission are calling to the attention of the legislature suggestions which have been made to them.

PERMANENT IMPROVEMENT REQUESTS FOR 1929-31

The requests for permanent improvements for the biennium 1929-31 were as follows:

For educational institutions, white.....	\$ 5,803,018
For educational institutions, colored.....	2,200,349
For hospitals, charitable and correctional institutions.....	2,958,491
For miscellaneous.....	100,000
Total.....	<u>\$11,061,858</u>

REQUESTS CONSIDERED

The director and the Advisory Budget Commission were of the opinion that no bonds for permanent improvements should be authorized by the 1929 legislature. As shown heretofore in this report, the cost of debt service in the State at the present time amounts to approximately 23 per cent of the total revenues available for the general fund. On account of the present economic condition, it seems to the governor and Advisory Budget Commission that the State should not now further increase this burden. However, after careful consideration of the permanent improvement requests and the reasons assigned by the heads of the various agencies therefor, and upon an investigation of the conditions existing in the several institutions of the State, the director and the Advisory Budget Commission have reached the conclusion that some permanent improvement appropriations are necessary in order to complete certain programs already entered upon and only partially completed in some of the institutions, to the end that these institutions may properly and economically function in their various lines of endeavor heretofore approved by the legislature. The director and

Advisory Budget Commission therefore felt compelled to recommend permanent improvement appropriations in the aggregate sum of \$2,000,000, to be apportioned among the institutions as follows:

For educational institutions, white.....	\$ 875,000
For educational institutions, colored.....	277,000
For hospitals, charitable and correctional institutions.....	798,000
For miscellaneous.....	50,000
Total.....	<u>\$2,000,000</u>

Detailed exhibits of these recommended appropriations appear in the itemized budget statements attached to this report and they also appear together with the specific purposes for which they are to be available in the budget institutions bond act of 1929, which is submitted with this report.

REASONS AND NECESSITY FOR THE PERMANENT IMPROVEMENT APPROPRIATIONS RECOMMENDED

The University

\$264,000 is needed by the University to renovate the old library and make it available for use when the new library is completed, to lay needed water lines and sewer lines and to make improvements to that part of the campus between the South Building and the new library, and for other ground needs, to finish the attic in the woman's building so as to increase its rooming capacity, to add to the central heating plant which is already operating to full capacity with no allowance for an emergency, to expand the present water supply which has been found to be inadequate in times of drought, and to supply needed equipment, furniture and fixtures, which have not heretofore been provided.

State College

\$170,000 is needed by the State College to supply necessary dormitory space for increased population.

North Carolina College for Women

\$97,500 is needed by the North Carolina College for Women to improve walks and roads made necessary on account of conditions which regularly exist in bad weather, to provide fire

walls and doors between the Spencer Building and the dining room in order to avoid and prevent loss in case of fire, and to remodel the present administration building so as to furnish fireproof vaults for the valuable records of the institution and thus reclaim and make useful a valuable building which is fast deteriorating.

East Carolina Teachers College

\$283,000 is needed by the East Carolina Teachers College to provide necessary service buildings to take care of increased population. These appear to be absolutely essential for the proper functioning of this institution.

Agricultural and Technical College for Negroes

\$25,000 is needed by the Agricultural and Technical College for Negroes for the purpose of completing the basement of Morrison Hall to take care of increased population, for providing needed shop equipment and for the drainage of a portion of the grounds of the institution which overflows and floods some of the buildings with every heavy rain.

Appalachian State Normal

\$60,500 is needed by the Appalachian State Normal School to provide service buildings and equipment necessary for the proper functioning of the institution.

Elizabeth City State Normal

\$7,000 is needed by the Elizabeth City State Normal School to remodel the abandoned practice school building, so as to make it available for use and to improve the present water supply in order to give sufficient water for domestic needs and fire protection.

Fayetteville State Normal

\$50,000 is needed by the Fayetteville State Normal School to provide a girls' dormitory to take care of congestion now existing and to provide for increased population.

North Carolina College for Negroes

\$45,000 is needed by the North Carolina College for Negroes to provide a dining room and kitchen. The present dining room and kitchen is an old frame shack, unsightly and uneconomical and a menace to the health of the students and unfit for occupancy.

State School for Deaf and Blind

As will be more fully set out hereafter, State School for the Deaf and Blind is in need for \$150,000 at least to provide a new plant for the Negro division of said institution.

State Hospital at Raleigh

\$279,000 is needed by the State Hospital at Raleigh to provide a woman's isolation building much needed by the institution, a woman's epileptic colony building and for additions and improvements in its water supply and heating plant. The provision of the two buildings referred to above are not only essential to the proper conduct of the institution, but will also provide increased capacity which is necessary and being strongly demanded by the public at present.

State Hospital at Morganton

\$10,000 is needed by the State Hospital at Morganton to provide necessary additions to its sewer system.

State Hospital at Goldsboro

\$126,500 is needed by the State Hospital at Goldsboro to purchase additional land necessary to the institution and for the erection of buildings needed to care for additional inmates who are now being denied entrance on account of lack of facilities.

Caswell Training School

\$42,000 is needed by the Caswell Training School to provide necessary buildings to take care of increased population now on the waiting list, to provide for segregation of the tubercular and to erect colony buildings on the recently purchased farm.

North Carolina Orthopedic Hospital

\$32,000 is needed by the North Carolina Orthopedic Hospital to provide nurses' home and some additions to its present sewage disposal plant which is inadequate.

North Carolina Sanatorium

\$45,130 is needed by the North Carolina Sanatorium to improve its heating plant, to add to its present water supply, which is inadequate, for the erection of cottages necessary for the employees of the institution, and to repay emergency loan made from the emergency loan fund on account of destruction of the dairy barn by fire.

State Home and Industrial School for Girls

\$54,312 is needed by the State Home and Industrial School for Girls to make repayment to the emergency loan fund for funds which had to be advanced to said institution on account of fire destroying Carroll Hall, for building dormitory for increased population.

Morrison Training School

\$37,500 is needed by the Morrison Training School to provide a dormitory for increased population, a trades building and equipment therefor and necessary fire protection.

Eastern Carolina Training School

\$135,700 is needed by the Eastern Carolina Training School to provide necessary dormitory space for ninety additional boys, a trades building and equipment therefor, to purchase additional lands needed by the institution, and to repay to the emergency loan fund amount advanced to it from said fund on account of failure of water supply arising since the last legislature.

Confederate Woman's Home

\$3,358 is needed by the Confederate Woman's Home, Fayetteville, to repay emergency loan advanced to the home out of the emergency loan fund on account of the sewage disposal plant.

Industrial Farm Colony for Women

\$32,500 is needed by the Farm Colony for Women to provide a new dormitory for thirty inmates. This is absolutely essential if this institution is to properly function.

State Fair

\$50,000 is needed by the State Fair for additional buildings.

State School for the Blind and Deaf (Negro Division)

The director and the Advisory Budget Commission conceive it their duty to call the attention of the General Assembly to the present school for Negro blind and deaf children located in Raleigh. The present plant is inadequate, unfit for use for such school, a fire hazard, menacing the lives of the inmates, dangerous on account of lying on both sides of a dense traffic street, and a blot on the institutional record of the State. The small piece of real estate owned by the institution at some distance is unfitted for farming purposes on account of location.

The director and the members of the Advisory Budget Commission have made many thorough inspections of the plant, have conferred much and are of the unanimous opinion that the present plant and grounds should be sold and that a new institution should be provided at some point near the city of Raleigh, where a sufficient quantity of land can be purchased at a reasonable price for the erection of suitable buildings, where a farm can be had to provide employment, training and food supplies, and where vocational education can be emphasized to make the students assets when they leave the institution.

A permanent improvement appropriation of \$150,000 has been herein recommended by the director and the Advisory Budget Commission to be made available, if and when the General Assembly shall authorize the sale of the present location, including the small tract of land near by, by the governor and council of state at a fair price in their discretion. When such real estate has been so sold and when the purchase price for such land shall have been paid to the state treasurer, the money made available by such sales to be added to the \$150,000 appropriation recommended and to be appropriated for the purposes above mentioned.

PERMANENT IMPROVEMENT BONDS RECOMMENDED FOR
1929-31 TO BE SERIAL BONDS

The director and Advisory Budget Commission recommend that any permanent improvement bonds issued by the 1929 legislature be serial bonds, that said bonds begin to mature in the year 1936 and that they be retired within five years thereafter.

The debit balance serial bonds issued in 1925 will be retired by June 30, 1935, and the director and Advisory Budget Commission are of the opinion that the bonds issued for permanent improvements under authority of the 1929 legislature should begin to be retired serially immediately thereafter.

STATE FAIR

By Chapter 209 of the Public Laws of 1927, the General Assembly established a State Fair and Exposition to be owned and operated as one of the agencies of the state government, on condition that the city of Raleigh and the old North Carolina Agricultural Society donate not less than \$200,000 in cash to be used in the erection of buildings and the development and conduct of a State Fair, and upon the further condition that the State should set apart two hundred acres owned by the State, within five miles of the state capitol, the particular acreage to be selected and set apart by the State.

As soon as the \$200,000 in cash required to be held by the act was deposited with the state treasurer, a board of directors was appointed and the governor and council of state set aside 200 acres of land belonging to the State's prison situated about three miles west of Raleigh, fronting on Highway 10, and soon thereafter the board organized and proceeded to erect suitable buildings and provided other improvements on the land for the purpose of establishing and holding a State Fair.

The first fair was held on October 22 to 28, 1928, and was a decided success, especially in view of the obstacles that had to be overcome in holding the first fair.

The expenditures for permanent improvements out of the \$200,000 provided by the city of Raleigh and the old Agricultural Society amounted to \$195,072.80. The fair was operated this year, its first opening, without loss or gain, the expenditures and

the receipts being about in the same amounts. This information is passed on the statement of the manager of the State Fair, the accounts not having been closed at the time of writing this report.

A few handicaps developed in the holding of the first fair, all of which can be easily removed. The congestion on Highway No. 10 between the city limits and the fair grounds and between the fair grounds and the railroad crossing west of the fair grounds was due to the narrow paved highway, which is only eighteen feet. A partial remedy can be afforded for this congestion by widening Highway No. 10 from the city line to the railroad crossing west of the fair grounds and paving it for a width of forty feet, instead of eighteen feet. Mr. Frank Page, chairman of the State Highway Commission, thinks this is not only advisable but entirely feasible. Another handicap which developed was the congestion caused by lack of adequate parking space for automobiles. Adequate parking space could be provided in a special enclosure for the purpose to the west of the present fair grounds enclosure, entrance to which will be provided on Highway No. 10 west of the present highway shops. This will afford ample parking space for 5,000 or 10,000 automobiles.

Mr. Page has kindly agreed to release to the Fair Association about two hundred feet of additional frontage on Route No. 10 now included in the enclosure of the Highway Commission. This will greatly improve the frontage of the fair grounds on Highway No. 10 and provide additional means of ingress and egress to the fair grounds.

An addition should be made to the main or exhibits building and a separate wing or building for the exhibition of poultry provided in this connection.

Before the next fair is held, a plan should be formulated for the purpose of providing facilities for the Negroes of the State to have a successful exhibition of their products. This should be under the absolute control and supervision of the officers and board of directors of the Fair Association and not under private control.

It is unfortunate that a large investment should be made in a plant of this kind when it can be utilized for only a week or ten days in a year, thus preventing any return on the investment

during the remainder of the year. Something should be done to meet this situation.

Now that the State has undertaken the State Fair as one of its agencies of public service, it should be developed upon a broad and comprehensive scale. This cannot be done at once. Like every other state agency, it must be a matter of gradual growth and development.

The director of the budget and the Advisory Budget Commission have recommended that the sum of \$50,000 be included in the permanent improvement appropriation bill at this session of the General Assembly for additional buildings and otherwise improving the State Fair grounds. No recommendation has been made for maintenance, for the reason that we are of the opinion that the State Fair from an operating standpoint will be and should be self supporting in the future.

STATE'S PRISON

A full report of the State's prison operations was made in the budget message of the governor to the General Assembly of 1927, and may be found on pages 11, 12 and 13 of the budget document presented to that session.

The State's prison continues to be self supporting and from every standpoint the operations of the prison have been most gratifying.

In providing for the maintenance of the prison for the biennium beginning July 1, 1927, and in addition to the appropriations of the prison's own operating receipts for its maintenance, the General Assembly of 1927 appropriated a contingent fund of \$50,000 to supplement the institution's own cash receipts; the said contingent fund to be expended only in the event that the institution's operating receipts should be insufficient to meet the total operating expenditures during the two fiscal years of the biennium beginning July 1, 1927. I am glad to report that the successful current operations of the prison have made it unnecessary to spend any of this contingent appropriation. As a matter of fact, the operating income of the prison has been more than sufficient to pay its operating expenditures for the calendar years ending December 31, 1925, 1926, 1927 and 1928. Net operating profits above the payment of all expenses were \$18,-

093.43 in the calendar year 1925; \$24,614.83 in the calendar year 1926, and \$67,898.80 for the calendar year 1927. At the time of this writing, the report for 1928 was not available. However, the indications are that the net profits will be near \$100,000. The accumulated balance in the state treasury at the credit of the State's prison will be more than \$250,000 by the end of the year.

The General Assembly of 1927 placed the State's prison on an appropriation basis, and this fiscal plan is necessary to make the department of the State's prison fit in with the general fiscal operations of the State. For the same reason, the State's prison must make a statement of cash receipts and expenditures at the end of the fiscal year.

The prison is operated under the state-use system, whereby the convicts are worked under the direct control of the State, the State feeding, clothing, guarding and exercising complete control of them. In some cases, prisoners are worked in quarries and other activities and in one case in a coal mine for a private concern, but the arrangement is entirely different from the old contract lease system, because the concerns for which the labor is performed have nothing whatever to do with the control, discipline, feeding, clothing, and providing for the general welfare of the prisoners, the State assuming all these duties.

The North Carolina State prison is one of the few state prisons in the country that is operated at a profit to the State. Of more importance than the financial results is the fact that the treatment accorded inmates of the State's prison is both humane and constructive, with the result that the morale of the institution has been brought to a high standard. New and modern methods of enforcing discipline and giving the prisoners the benefit of welfare work have produced most beneficial results.

The director of the budget has had examinations and audits made of all of the affairs of the State's prison by reputable certified public accountants for the calendar years ended December 31, 1927, and December 31, 1928, which will be submitted to the General Assembly when it convenes. Reports of these audits contain information in detail of all of the fiscal operations of the State's prison for the two years mentioned.

The General Assembly of 1927, at the request of Governor McLean authorized the governor and council of state to issue not exceeding \$400,000 of bonds to purchase additional farming lands for the State's prison as and when needed. No part of this fund has been used for the reason that it has been possible to provide a reasonable amount of lucrative employment for the convicts up to the present time. It was deemed advisable to allow the new administration, which will assume control in January, to begin its management of the State's prison without being committed to the definite policy of purchasing additional land just as the term of the present administration is about to expire. No commitment whatever has been made with reference to the purchase of land and the new administration will be able to exercise its judgment in that regard with a free hand.

Two hundred acres of land belonging to the prison farm, near Cary, has been surrendered to the State Fair Association in accordance with act of the last General Assembly. Of this tract, about two hundred acres were cleared and in cultivation at time of delivery, and there were some farm and tenant houses located thereon. The acreage in the Cary farm is reduced to the extent of two hundred acres.

PRINTING PENSION ROLLS

During the General Assembly of 1927, appropriations for state printing in all departments were considered by the Joint Committee on Appropriations and referred to a subcommittee for investigation and report.

In the report of the subcommittee, now on file in the Budget Bureau, covering its recommendations as to several departments, and in Item 7 of the report, will be found the following language: "The report of the state auditor appears to be of unnecessary length. There is no statute requiring a report in such detail and we feel that the matter in the report could be materially reduced, particularly in so far as it contains a duplicate statement of matters embraced in the reports of other departments. Furthermore, we see no necessity for the printing of a pension list by the state auditor, which printing is now required; and we would suggest that Consolidated Statutes 5168(c) be amended by striking out the last sentence thereof. If these changes are made,

the appropriation for the state auditor can be reduced from \$8,000 in each year to \$4,000 in each year." The statute 5168(c) referred to in the subcommittee report reads as follows: "The auditor shall as soon as the same is ascertained, transmit to the clerks of the Superior Court of the several counties a correct list of the pensioners, with their post offices, as allowed by the State Board of Pensions. The auditor may have printed once in each year, but not oftener, a list of the pensioners on the pension roll." The sum of \$8,000 referred to in subcommittee report was the amount recommended by the Budget Commission for printing by the state auditor.

The Joint Committee on Appropriations after receiving the report of the subcommittee, after careful consideration of same, after giving every department an opportunity to be heard as appears by letter dated February 14, 1927, and after hearing all those desiring to be heard, adopted and approved the report of the subcommittee and among other reductions in recommended printing appropriations, reduced the printing appropriation of the state auditor to \$4,000. The report and the recommendations of the Joint Appropriation Committee is found in H. B. No. 58, being the general maintenance appropriation bill, as made to the General Assembly. On March 1, 1927, when said H. B. No. 58 was on its second reading, a member of the House at the request of the state auditor, offered an amendment to add to the appropriation for state auditor \$4,000 so as to increase the printing appropriation to \$8,000. This amendment was lost and the House and the Senate passed the said H. B. No. 58 without change in the appropriation for state auditor.

Under date of October 22, 1927, purchase order 211 was received in the Budget Bureau, containing the following items: Twenty (20) copies each, Soldiers and Widows Pension Lists for each of the one hundred (100) counties in the State, as per copy furnished printing commissioner—total cost, including paper stock (est.) \$4,525. Confederate pension warrants for December, 1927, and June, 1928, payments to soldiers, widows and Negro pensioners, as per copy furnished Printing Commissioner—total cost, including paper stock (est.) \$715, total \$5,340. This was the first intimation that the director of the budget had of any intention to print the pension rolls and to exceed the printing

appropriation of \$4,000 expressly considered and made by the General Assembly.

The vice chairman of the Advisory Budget Commission was called in consultation with the director, said vice chairman being chairman of the Senate Appropriation Committee, who had a conference with the state auditor on either the 26th or 27th of October, 1927, advised him that the director of the budget did not approve purchase order 211, and suggested a practicable and workable plan by which the pension list could be distributed, as well as if printed as contemplated in said purchase order 211. The plan was to have the skeleton forms printed as contemplated and to fill in names and facts by typing at a cost not to exceed \$1,000 to \$1,200 instead of \$4,525 estimated in said purchase order 211. An expenditure of this amount out of the \$4,000 printing appropriation would have left available in said printing appropriation an amount sufficient for the annual report of the state auditor and such other printing contemplated by the General Assembly.

This plan was rejected by the state auditor, and the director of the budget called a meeting of the Advisory Budget Commission on November 3, 1927, for consultation in reference to the printing of the pension list as contemplated in said purchase order 211 and other pending matters. The Advisory Budget Commission, at the said meeting, after considering all the facts, the express action of the Joint Appropriation Committee, the General Assembly and the necessity for such costly printing of the pension rolls, unanimously concurred in the action of the director in not approving said purchase order 211. This information of the concurrence of the Advisory Budget Commission was passed to the state auditor on November 4, 1927, together with the findings of the above referred to subcommittee.

On November 5, 1927, the contract for printing the pension lists and warrants were let to Capital Printing Company, and the Mitchell Printing Company by the Department of Labor and Printing for the state auditor without allotment or approval by the director of the budget. Sections 17 and 18 of Chapter 89, Public Laws 1925, provide that before contracts can be let and expenditures made that a department must have an allotment covering the items contracted for or the expenditures to be made.

The pension lists were completed and delivered by the said printers with an invoice for same amounting to \$4,267.73. On December 5, 1927, the director of the budget received a request from the state auditor for an additional allotment of \$3,000 to apply on account of said purchase order 211 and the invoice of said printers, showing that such request was to cover in part the printing of twenty copies each Soldiers and Widows Pension Lists for each of the one hundred counties in the State. The director of the budget refused the request for the following reasons:

(1) The express action of the subcommittee on appropriations, approved by the Joint Committee on Appropriations and the General Assembly that the printing of the pension lists was unnecessary and refusing to make an appropriation for same.

(2) The pension list could have been typed at a cost not to exceed \$1,000 instead of printing at \$4,267.73 and would have served all practical purposes.

(3) The allowance of the cost of printing the pension list would have been in excess of the printing appropriation made by the General Assembly, created a deficit therein, and at the same time left nothing in the appropriation for printing the annual report required by statute. On the other hand the preparation and distribution of the pension lists by typing as recommended would have served all practical purposes and at same time left in the appropriation an amount sufficient to print the annual report as contemplated by the General Assembly.

(4) Therefore the director, whose decision was concurred in by the Advisory Budget Commission, did not feel that he had a legal right to approve a request for an expenditure that exceeded an entire appropriation, that precluded the possibility of publishing an annual report required by law, that was unnecessary in such large amount and that disregarded the express will of the General Assembly.

However, whereas the aforesaid printers have completed and delivered the said pension lists in good faith, are innocent vendors, and believed that the said lists would be paid for when so completed and delivered according to their contract, and whereas the State does not desire to take advantage of such vendors when acting in such good faith, and whereas the director of the budget

does not feel that he has a moral or legal right to allow an expenditure by virtue of the powers conferred and duties imposed under Chapter 89 of the Public Laws of 1925 that was unnecessary and in violation of the express will of the General Assembly, therefore the director of the budget and the Advisory Budget Commission recommend that the General Assembly authorize the payment of the sum of \$4,267.73 to the Mitchell Printing Company and the Capital Printing Company out of the entire appropriation to the state auditor available for the fiscal year 1928-29.

PENSION APPROPRIATION DISTRIBUTION FOR 1927-29

The governor as ex officio director of the budget, in compliance with duties imposed under the executive budget act, found it necessary to address a communication to the state auditor on account of the status which appeared as of October 5, 1928, in the 1927-29 pension appropriation for Confederate soldiers and widows. The letter to the state auditor together with the opinion of the attorney general is self explanatory and is as follows: "Pension act, Chapter 96, Public Laws 1927, Section 4, provides "That no greater amount shall be paid out under this act than is appropriated under the general appropriation maintenance act."

Appropriation act, Chapter 79, Public Laws 1927, Title X-1, appropriates to Confederate veterans and widows:

For the year 1927-1928.....	\$1,400,000
For the year 1928-1929.....	1,100,000
	\$2,500,000

Section 16 of this act provides:

(1) That the appropriation made in Title X-1 shall be for each year of the biennium, divided into two parts and apportioned as follows:

(a) \$900,000 for the first fiscal year and \$600,000 for the second fiscal year for pensions to Confederate soldiers.

(b) \$500,000 for pensions to widows of Confederate soldiers.

(2) That state auditor shall apportion the amounts herein *appropriated and apportioned* among the Confederate soldiers and widows listed on pension rolls December 15 and June 15.

(3) That pension warrants returned unpaid because of death or no one entitled to receive same, shall lapse and revert to

general fund; provided that if the amount apportioned under subsection (a) of this act for the second year is not sufficient to pay amounts specified to Confederate soldiers, then the surplus remaining from the first year may be used to supply the deficit.

It is clear under the provisions of Chapter 96, Public Laws 1927, Section 4, that no greater amount can be paid out under this act than the amount appropriated under the general appropriation maintenance act, to wit: \$2,500,000, that no unexpended previous pension appropriation can be used to supplement this amount, and that no deficit in previous pension appropriation can be charged against the 1927 appropriation.

It is also clear, in the opinion of the attorney general, a copy of which is hereto attached, that Section 16 of the appropriation act, Chapter 79, Public Laws 1927, subsections (a) and (b) does not deal with the pension appropriation as a "single unit" but divides it into two parts, Confederate soldiers and widows of Confederate soldiers, and provides that if there is an excess in the amount appropriated to Confederate soldiers for the first year, it may be carried forward to the second year to supplement any deficiency in that year for Confederate soldiers only. Therefore none of the appropriation for Confederate soldiers is available to supplement the appropriation for widows of Confederate soldiers.

You furnished statement as of October 5, 1928, showing as follows:

<i>Year</i>		<i>Appropriations</i>	<i>Expenditures</i>
1927-1928	Soldiers.....	\$ 900,000	\$ 883,262.50
	Widows.....	500,000	533,750.00
		<u>\$1,400,000</u>	<u>\$1,417,012.50</u>

Under C. S. 5168(t) \$10,000 of the above expenditure to widows is chargeable to soldiers, being the amount paid widows of soldiers within one year after the death of such soldiers. Making this adjustment, the statement as of October 5, 1928, will be as follows:

<i>Year</i>		<i>Appropriations</i>	<i>Expenditures</i>
1927-1928	Soldiers.....	\$ 900,000	\$ 893,262.50
	Widows.....	500,000	523,750.00
		<u>\$1,400,000</u>	<u>\$1,417,012.50</u>

This is subject to the disposition of outstanding warrants as of October 5, 1928, as follows:

For soldiers	\$2,757.50
For widows	1,500.00
	\$4,257.50

On the above showing, excluding outstanding warrants, there is a surplus in the appropriation for Confederate soldiers for the fiscal year of 1927-28 of \$6,737.50, available only for Confederate soldiers in the fiscal year 1928-29, if needed to supply any deficit in the amount appropriated to them for this fiscal year, less payments on outstanding warrants for soldiers. There exists an overexpenditure of the appropriation for widows for the first fiscal year of \$23,750, plus the payments of any outstanding warrants for widows. This overdraft, I assume, you will deduct from the appropriation for widows in the second year, and which overdraft shall be deducted in the amount to be made available for the December, 1928, disbursements to widows.

The above overdraft is the result of issuing warrants in an amount in excess of the available appropriation. I can find no statute permitting this and the pension act of 1927, the appropriation act of 1927 and the executive budget act of 1925 prohibits the issuing of warrants in excess of available appropriations. The available appropriation at each disbursement date is to be apportioned to soldiers and widows on roll as of that date, and the sum of all the warrants issued should not be in excess of the appropriation made available for that date.

I am sending a copy of this letter to the state treasurer, calling his attention to the opinion of the attorney general to the effect that he cannot pay out for the present biennium an amount in excess of the total appropriations made by the General Assembly of 1927 for the purpose to wit: the amount of \$2,500,000.

DEPARTMENT OF ATTORNEY GENERAL

November 14, 1928.

MR. P. H. WILLIAMS,
Budget Bureau,
Raleigh, N. C.

DEAR SIR:

Replying to yours of November 9.

After reciting the statutes, applicable to the situation, you propound three questions to this office. These are hereinafter stated with answers attached to each:

(1) Can any surplus remaining from the pension appropriation of 1925-27 or previous General Assemblies be used to supplement the pension appropriation of 1927-28 or does section 4, Chapter 96, Public Laws of 1927 control?

Ans. We interpret Chapter 96, so far as it deals with funds appropriated for pensions as being confined to the appropriations made in Chapter 79 of the Public Laws 1927—the general appropriation act. This being true, if there is any surplus remaining in the fund at the end of the fiscal period 1925-27, it should have been used as an increment to the pension provided for in the act of 1925. If this was not done at that time, then we have, in the pension fund itself, a certain sum of money unexpended under the appropriation for 1925 and Consolidated Statutes, section 5168U, which will be available for use in paying the pensions provided for by the act of 1927. This is subject, however, to the limitation that no greater amount should be paid out than that provided in the appropriation act of 1927.

(2) Can any deficit existing in the pension fund at the close of the biennium 1925-27 be deducted from the amount of the pension appropriation for 1927-28?

Ans. We think this cannot be done. The General Assembly in 1925 provided a specific sum for pensions. This could be in no way exceeded, unless there was a surplus.

(3) Can any part of the 1927-29 appropriation for Confederate soldiers (to net \$1,500,000), if not needed to pay Confederate soldiers, be made available to supplement the appropriation to widows, if needed?

Ans. We think not. Where two statutes are enacted at the same session of the legislature and dealing with the same subject and there develops a conflict, they should be so construed as that they can stand together, if possible, and if not possible, that the later act shall control. Section 4 of Chapter 96 evidently deals with the pension fund as a single unit. Under that act, therefore, if there should be an excess in the fund for the first year of the biennium, that excess shall inure to the benefit of the whole fund for the second year, if it is necessary to use it

within the limits of the appropriation made for the second year of the biennium. Section 16, subsections (a) and (b) of the appropriation act do not deal with the pension fund as a single unit. On the contrary, it divides it into two parts—Confederate soldiers and widows of Confederate soldiers. If there is an excess left after paying the pensions of Confederate soldiers, at the end of the first year, that excess is carried forward into the second year for the benefit of Confederate soldiers only in case the appropriation made for that year is not sufficient to meet the necessary demand. The appropriation act, though, coming first in the bound volume, was ratified March 9, while Chapter 96 was ratified March 4, consequently the appropriation act shall, there being a conflict, control.

(Signed) ATTORNEY GENERAL,
by FRANK NASH,
Assistant Attorney General.

PRINTING ANNUAL REPORT OF STATE AUDITOR

During the 1927 General Assembly a subcommittee was appointed from the Joint Appropriations Committee to examine into and report upon the cost of printing in state departments. Along with other observations on this subject, the said subcommittee reported that the report of the state auditor appeared to be of unnecessary length, that there was no statute requiring it to be in such detail, and that the matter contained in the report could be materially reduced, particularly in so far as it concerns duplicate statements of matter embraced in the reports of other departments. The said joint committee adopted the report of the said subcommittee, limited the printing appropriation for the state auditor to \$4,000 and addressed a communication to all heads of departments affected, giving them an opportunity to be heard. The Joint Committee on Appropriations reported its bill to the General Assembly with the printing appropriation of the state auditor fixed at \$4,000. An attempted amendment in the House to add \$4,000 to the printing appropriation of the state auditor was defeated, and the appropriation bill passed the House and Senate unchanged in this respect. Under date of June 7, 1928, the state auditor made request for a revision of the entire appropriation to his department so as to make available for printing \$7,131.27 instead of \$4,000 as appropriated by the legislature. This request was refused by the director of the budget in view of the above recited action of the Joint Committee

on Appropriations. However, the auditor was advised by the director that a sufficient allotment or transfer would be made to provide for the necessary expense of printing the auditor's annual report. In this connection the auditor's attention was called to the action of the Joint Committee on Appropriations and he was requested to prepare the text for the printed report accordingly.

June 28, 1928, the auditor made request for \$3,300 to print the 1927 annual report. The director replied that the allotment would be made available when copy of the report to be printed was submitted showing that it had been prepared in accordance with recommendations of the Joint Committee on Appropriations and with the provisions of Section 7294 of the Consolidated Statutes. On October 1 typewritten copy of the 1927 report was furnished, which copy contained detailed audits of departments and institutions. The director advised the auditor that in his opinion the text of the report should be reëdited before printing so as to leave out these detailed audits. No further action toward the printing of the 1927 report has been taken, nor has the text of the 1928 report been submitted, though request for it has been made.

COST OF AUDITING PAID OUT OF GENERAL FUND

From June 30, 1921, to June 30, 1925—	
County.....	\$204,283.00
Departments and institutions.....	103,856.96
Legislative and executive.....	53,485.28
Total.....	\$361,625.24
Annual average.....	90,406.31
From June 30, 1925, to June 30, 1928—	
County (repealed by statute).....	None
Departments and institutions.....	\$ 56,205.50
Legislative and executive.....	6,080.77
Total.....	\$ 62,286.27
Annual average.....	20,762.09

The 1927 General Assembly changed the plan of auditing departments and institutions by outside auditors, made the department of state auditor an appropriation of \$10,000 for each year of the biennium to employ all-time auditors for this work. That General Assembly also made an annual appropriation of \$2,500 to the state auditor for the audit of the State Highway Commission by outside auditors, the said amount to be reimbursed by the said highway commission.

Auditing of the departments and institutions cost for the year ending June 30, 1927, the sum of \$25,331.70 and for the year ending June 30, 1928, the sum of \$11,828.21, a saving of \$13,503.49 which was made by employing all-time auditors as provided by the 1927 General Assembly.

AUDIT OF STATE TREASURER'S AND STATE AUDITOR'S OFFICES

The 1925 General Assembly imposed upon the director of the budget the duty of having an annual audit made of the accounts of the state treasurer and the state auditor and of reporting such audit through the governor at each regular session of the General Assembly.

During the fiscal year under direction of the director of the budget a continuous audit of these offices has been carried on through the Budget Bureau with daily information available, prompt correction of any errors that might creep in, new setup of accounts discussed and made, and a more complete statement at the end of the fiscal period. This audit for the fiscal year ending June 30, 1928, together with the audit for the fiscal year ending June 30, 1927, is complete and will be transmitted in due course.

For the ready information of the members of the General Assembly, the budget report contains condensed statements of these audits.

AUTOMOBILE TRAVEL

Employees of departments and institutions as a rule purchase and own their automobiles, and when employed on business for a department or institution, an expense allowance is made for the use of such automobile on a mileage basis. However, there exists no uniformity as to the amount of the allowance, ranging from seven to ten cents a mile. There should be a uniform price for the use of such automobiles, and the director and the Advisory Budget Commission recommended that such an expense allowance be eight cents per mile. The federal government requires its employees to travel by the cheapest mode, whether it be by train, bus or automobile. This is important, as often employees travel by automobile on a mileage allowance when it would be

cheaper to travel by train or bus to and from the point of destination.

PUBLIC PRINTING

Under the present laws of North Carolina, contracts for public printing are made biennially by the governor as chairman and the other members of the State Printing Commission, but the director and the members of the Advisory Budget Commission are required, under the acts of 1925, to include in the budget report to the General Assembly all information relating to the fiscal affairs as well as the operations of the various agencies of the State, with such recommendations as they may see fit.

The governor as director of the budget and the members of the Advisory Budget Commission have kept themselves informed as to all matters relating to the public printing since the adjournment of the last General Assembly.

When the Printing Commission, in accordance with law, called for and opened bids for the public printing in June, 1927, for the ensuing biennium, beginning July 1, 1927, it was found that six printers—five in Raleigh and one in Charlotte—had submitted identical bids for the public printing, and that the element of free and fair competition contemplated by law was lacking.

After full consideration, the Printing Commission unanimously rejected all the bids and ordered a full investigation to be made by the governor as chairman and the commissioner of labor and printing as secretary of the commission.

It was subsequently found that the old contract under which the printing had been let for many years, because of many changes and improvements which had taken place in the matter of printing, had become so antiquated and so full of loopholes that it was difficult to understand its meaning or to procure intelligent and competitive bids based thereon.

Investigation with the aid of experts further showed that North Carolina was paying much higher prices for its public printing than it should, and that the prices paid were substantially higher than those paid by many other states.

After two efforts to obtain competitive bids upon the basis of the old contract and specifications under the conditions which had theretofore existed, the Printing Commission was unable to do so, and thereupon all bids were again rejected and a new form of

contract and specifications were prepared, upon which bids were called for the third time.

On the three occasions upon which bids were asked for—two under the old specifications and one under the new specifications—it was made known that only bids from North Carolina printers would be considered. On opening of the bids after the third advertisement, the former state printers again submitted practically identical bids, both as to price and conditions. The Printing Commission felt that this indicated continued understanding and concert of action. The old printers were advised that their bids must be submitted on the basis of one or more of the seventeen classifications, as required by the new contract and specifications, and not upon the basis of percentage of all the classifications.

The bids from the old state printers on each of the occasions mentioned showed that they were not in accordance with the specifications and considerably higher than the prices which prevailed under previous contracts. It was found that the Highway Commission and some other institutions were getting work done at lower rates than that contained in the bids submitted to the commission by the former state printers.

Finally, several printers in other sections of the State submitted bids, which were opened on December 20, 1927, and as a result thereof practically half of the State's printing for the ensuing eighteen months was awarded to printers in the State.

Because much of the remainder of the work could not be done by smaller printing plants in the State, other than those owned by the former state printers, and because several opportunities had been given the former state printers to bid in accordance with the new contract and specifications, and because it further appeared that the bids of the former state printers for printing included in Class No. 2 were much higher than the prices fixed by them in former years and in excess of what the Printing Commission considered reasonable, the commission called for bids from printers living outside of the State as well as those living in the State, to be opened on the morning of February 8, 1928.

The action of the commission in deciding to throw open the bidding to out-of-state printers was taken by unanimous action

and after full consideration and after it was found that the desired competition would not be offered by the printers within the State. The result was that Class No. 2 was awarded to the Fort Wayne Printing Company of Fort Wayne, Indiana, all the other sixteen classes having been awarded to printers within the State.

By the act of the Printing Commission in adopting a new form of contract and specifications and by refusing to pay the higher prices demanded by the former state printers, considerable saving has resulted to the taxpayers of the State.

The director of the budget and the Advisory Budget Commission called upon the commissioner of labor and printing for a statement of the cost of the work actually done under the new contracts for the period beginning January 1, 1928, to November 1, 1928, as compared with what the same work would have cost if it had been done at the prices bid by the former state printers. The following very interesting information was deduced:

The total number of jobs in the various classes completed during the ten months period from January 1, 1928, to November 1, 1928, was 765, which cost the State under the new contract \$34,758.43. If the same work had been done at the prices last bid by the former state printers, it would have cost \$48,192.61, thus showing a saving of \$13,434.18, or about 27 per cent. Of the amount thus done under the new contracts, the total amount paid to printers beyond the borders of the State for the period January 1, 1928, to November 1, 1928, was \$10,911.32.

It is believed that a much greater proportionate saving will be made on the work which will be done during the period from November 1, 1928, to June 30, 1929.

Great reduction in the cost of printing has been brought about under budget supervision within the past three years, as the following figures will show.

The total amount paid out for public printing for the four years' period beginning July 1, 1924, and ending July 1, 1928, was as follows:

For the fiscal year 1924-1925.....	\$185,779.00
For the fiscal year 1925-1926.....	130,464.00
For the fiscal year 1926-1927.....	172,025.00
For the fiscal year 1927-1928.....	99,666.00

Attention is called to the fact that the work for about six months of the fiscal period 1927-28 was done under the new contracts, and hence the reduction has been marked.

Under the law as it exists, the state institutions and some of the other agencies are not required to have their work done under state contracts, but they may do so. The result is that only a few of the state institutions have had their work done under the state contracts. The others have had their work done under some special arrangements made with various printers. It has been estimated that only about one-half of the total volume of the printing done for the State and the various departments, institutions and other agencies of the State is required to be done under the state contracts.

The director and the members of the Advisory Budget Commission are of the opinion that it is to the interest of the State and its taxpayers that all of the state printing should be required by law to be done under the state contract, thus getting the benefits of the advantage arising from quantity purchase. They are also very definitely of the opinion that the new form of contract prepared and approved by the Printing Commission is much better than the old contract. Under the new contract and specifications, printing plants in practically every section of North Carolina will be afforded opportunity to bid on the public printing.

The many points of difference between the old contract and the new are in the specifications and classifications into which the work has been divided. Printers under the new contract are enabled to bid on one or more classes of the work which they are equipped to do and are not required to bid on a percentage of every class. In the new specifications, linotype and monotype composition and hand composition are divided into separate classes. Under the old contract, this distinction was not clearly made and there was consequent confusion, and it is believed in many cases the State paid for work calculated on a hand composition basis at a higher rate, when the work was actually done by machines and therefore should have been done at a lower or machine basis rate.

Under the old form of contract it was possible for a group of printers to combine against the State, because only a small

group of printers in the State were equipped to bid on a *percentage* of every class of work. The new contract and specifications have been made plain and definite, eliminating any guess work on the part of the printers and enabling the small as well as the large printing houses of the State to obtain a fair share of the State's printing business.

There is another important feature of the new contract, whereby a portion of the printed laws or other volumes may be bound immediately and the remainder set up in type and left unfinished until needed. Under the old contract when it became necessary to reprint a volume, the resetting of the type for the reprints at about the cost of the original composition became necessary and thereby imposed unnecessary costs upon the State.

It is believed that the new form of contract and specifications will encourage other printing houses in the State to provide equipment for doing all of the State's work so that none will have to be sent out of the State. The State should follow the same policy in regard to state printing that it follows in regard to making contracts for other work. Prices being substantially equal, the work should be given to concerns within the State, but if concerns within the State band themselves together for the purpose of preventing competition and to obtain unreasonable prices, the State should call for bids from concerns outside of the State to do its printing, just as it calls for outside contractors to do such work as construction of buildings at the various institutions and state highways.

PAPER STOCK FOR PRINTING

Consolidated Statutes 729I provides that "the commissioner of labor and printing shall purchase for the use of the State the paper and stationery used for public printing." In the past it became necessary for the commissioner to purchase such paper and stationery in car lots, in order to obtain the lowest price and have available stock. This policy necessitated the carrying in warehouses a large supply amounting to an inventory value on the average of about \$50,000, together with necessary carrying expense, such as warehouse space, deterioration, obsolescence, and personal service. At this time, paper manufacturers and jobbers have established warehouses in and near the important

printing centers, from which supplies of paper stock and stationery can be had as needed and at about the same price that the State can purchase and carry such paper and stationery. In the light of this development and the loss now being sustained by the State, which is estimated to be about \$7,000 per annum, we advise that contract for paper stock and stationery be let at the same time as the printing contract and to the lowest responsible bidder, whether it be to printers who get the contract for the printing or jobbers who will furnish as needed.

PUBLIC LAWS, STATUTES AND JOURNALS

The State has in stock a very large and unnecessary amount of law books. The inventory as of January 1, 1928, was as follows:

	<i>Volumes</i>	<i>Cost</i>
N. C. Supreme Court Reports.....	149,063	\$216,637.83
Consolidated Statutes.....	15,125	43,557.25
Public Laws 1915 to 1927.....	18,699	21,393.54
Public, Local and Special Acts for 1925-1927, Inc.....	1,650	6,451.96
Complete Acts, extra sessions 1920-21-24.....	941	2,116.14
House Journals for 1915 to 1927, Inc.....	683	2,926.66
Senate Journals from 1915 to 1927, Inc.....	765	3,075.98
Complete Journals, extra sessions 1920-21-24.....	176	727.23
Total.....	187,102	\$295,886.79

Inventory as of January 1, 1928, of the Laws and Journals from 1925 session General Assembly:

	<i>Volumes</i>
Public Laws 1925, full bound.....	730
Public Laws, 1925, half bound.....	1,080
House Journals, 1925.....	100
Senate Journals, 1925.....	61
Total.....	1,971

Growing out of the 1927 session General Assembly there was printed:

	<i>Volumes</i>	<i>Cost</i>
Public Laws 1927.....	6,000	
Public, Local and Private Laws 1927.....	1,250	
House Journals, 1927.....	500	
Senate Journals, 1927.....	500	
Total.....	8,250	\$ 20,125.97

Of the foregoing 1927 Laws and Journals there were unsold and in inventory January 1, 1928:

	<i>Volumes</i>	<i>Cost</i>
Public Laws 1927, full bound.....	2,165	\$ 3,312.45
Public Laws 1927, half bound.....	246	297.66
Public, Local and Private Laws 1927.....	367	1,684.53
House Journals, 1927.....	113	616.53
Senate Journals, 1927.....	125	603.75
Total.....	3,016	\$ 6,515.37

The statutory distribution of Laws and Journals is as follows:

	<i>Volumes</i>
Public Laws, full bound.....	810
Public Laws, half bound.....	1,495
Public, Local and Private Laws.....	738
House Journals.....	419
Senate Journals.....	419
Total.....	3,881

A very large quantity of the books on hand at this time are of very little value and are growing of less value each day, to wit: Public Laws, Public, Local and Private Laws, Consolidated Statutes, House and Senate Journals. We recommend that the secretary of state be authorized to advertise and sell such laws, statutes and journals now on hand at a price to be fixed by the council of state.

From the above inventory it is apparent that too many laws and journals are printed and that a continuing loss is being made on account of books left on hand. We recommend that the following be printed of the laws and journals growing out of the enactments of the 1929 session of the General Assembly:

	<i>Volumes</i>
Public Laws.....	4,000
Public, Local and Private Laws.....	1,000
House Journals.....	450
Senate Journals.....	450
Total.....	5,900

CHEMICAL ANALYSES

There is no statute controlling chemical analyses by the state chemist in cases of criminal and civil actions pending in the courts of the State. The state chemist should be required to make such analyses when requested by any county or municipality, the cost of making such to be charged to and paid by the county or municipality requesting the analysis, and be charged by the clerk of the court or other officer in the bill of costs in

such pending litigation for which the analysis is required. This recommendation is made for the reason that if these chemical analyses are required and no provision made therefor by the county, the expense will necessarily fall upon the general fund of the State.

CLOTHING AND EXPENSES OF INDIGENT DEAF MUTES AND BLIND CHILDREN ATTENDING STATE INSTITUTIONS

Chapter 86, Public Laws 1927, amending Section 5885 of Consolidated Statutes, provides that county superintendent of public welfare and chairman of board of county commissioners pass on the indigency of deaf mute and blind children attending certain institutions, that institutions draw on state auditor for sufficient amount for clothing not exceeding forty-five (\$45) dollars per annum and transportation expenses for each such child, that the state auditor draw his warrant on the state treasurer for such amount, and that the state auditor charge and collect the same from the resident county of such child.

This procedure is unnecessary and cumbersome. The director and the Advisory Budget Commission recommend that said statute be amended as follows:

5885. Where it shall appear to the satisfaction of the board of county commissioners that the parents of any deaf mute or blind child of the county are unable to provide such child with clothing and for expenses to and from the State School for the Blind and Deaf and the North Carolina School for the Deaf, or where such child has no living parents or any estate of its own, then upon demand of the institution which such child attends, the board of county commissioners in which such child resides shall issue a warrant payable to such institution for the payment of an amount sufficient to clothe and pay said expenses of such child: *Provided* that the amount shall in no case exceed forty-five (\$45) dollars per annum for each such child in addition to such amounts as may be required to defray all necessary traveling expenses of such child.

DEPARTMENT OF COUNTY GOVERNMENT

The trend of modern business and political organizations is toward the consolidation of departments, boards, bureaus, commissions, *et cetera*, which often deal more or less with the same subject, cause duplication of effort and of records, delay the

end sought, and give play to human antagonisms which impede development and progress.

The State has three departments dealing directly with county government. The State Board of Assessment, whose duty is to supervise the methods of assessment of property in the county for taxation; the County Government Advisory Commission, whose duty is to advise counties of improved methods of handling county finances and assisting them in organization to this end; the Board of Equalization, whose duty is to distribute to counties the equalizing fund for public schools appropriated by the General Assembly, which board must of necessity study school budgets, assessment of property, collection of taxes, rates of taxation, and efficiency in operation of public schools.

It is apparent therefore that the State has set up three departments or commissions whose subject is county government, whose investigations naturally cross and recross, with whom the county authorities have to do business instead of with one department, and cannot function with the same economy as one department. It is therefore apparent that in the interest of economy and efficiency that these three departments should be consolidated.

DEPARTMENT OF CONSERVATION AND DEVELOPMENT

This department as presently constituted has several divisions as follows:

- (1) Administration.
- (2) Fisheries—(a) Inland (b) Commercial.
- (3) Forestry—(a) Fire Protection (b) Reforestation (c) Parks.
- (4) Water resources—(a) Stream gauging (b) Water industry
(c) Stream pollution, coöperating with State Board of Health.
- (5) Game conservation.
- (6) Geology—(a) State's mineral resources.

Inland fisheries, forestry and game are allied subjects dealing with the State's game resources and have therefore in this budget been budgeted in common.

The director and Advisory Budget Commission recommend that proper legislation be enacted so as to provide that the tax of four cents per gallon on gasoline used by motor boats be

collected and paid over to the Bureau of Conservation and Development, to be expended by them for the promotion and expansion of the commercial fishing industry. This would appear to be eminently fair and just, since the returns from the expenditure of this money ought to be greatly beneficial to that industry which would pay the larger part of this tax.

TEST FARMS

There are six test farms in the State controlled by the Department of Agriculture. A statement of the operation of these farms for the year 1927-28 is contained in this budget, which shows an operating loss for the above year of \$55,047 divided as follows:

General administration expense.....	\$ 5,723
Upper Coastal Plain, in Edgecombe County.....	6,114
Coastal Plain, in Pender County.....	14,894
Black Lands, in Washington County.....	5,326
Tobacco, in Granville County.....	7,867
Piedmont, in Iredell County.....	4,858
Mountain, in Buncombe County.....	10,265
Total.....	<u>\$55,047</u>

This loss has been increasing annually over a number of years:

1924-1925.....	\$32,529
1925-1926.....	47,348
1926-1927.....	46,380
1927-1928.....	55,047

Two members of the Advisory Budget Commission visited two of these farms, Willard and Upper Coastal Plain, in October, 1928, and found that the records were not kept so as to reflect the gains or losses by projects. This is essential to disclose where the loss or gain is occurring and the amount of same. Where the source of loss has been determined, attention will be directed to such source to eliminate as much of same as is feasible or practical. The Budget Bureau will take up this work at the beginning of the year, suggest a practical plan of record keeping and ascertain the source of loss.

TEST FARMS, SAND HILL AND NORTHEASTERN SECTION OF NORTH CAROLINA

The 1927 General Assembly passed an act, Chapter 182, authorizing and empowering the Department of Agriculture to

acquire by purchase, gift, donation, or lease, a tract of land in the Sand Hill section and in the Northeastern section of North Carolina to be used as a "test farm" and appropriated the sum of \$30,000 for each such farm to be paid out of the funds of the Agricultural Department from funds not otherwise appropriated. No funds are or have been available under this act and the said test farms have not been established in accordance with the provisions of said act.

The Department of Agriculture requested of the director and Advisory Budget Commission that a permanent improvement appropriation of \$44,300, and a maintenance appropriation of \$7,500 be recommended for the biennium 1929-31 out of the general fund for the Sand Hill test farm. The director and the Advisory Budget Commission concluded that Chapter 182, Public Laws 1927, provides that these funds for such test farms should be out of the expendable receipts of the Agricultural Department and not out of the general fund, that it was not in the scope of their duty to recommend to the General Assembly an appropriation for such test farms out of the general fund, that all test farms should be established and maintained out of the funds of the Department of Agriculture, that in view of the losses sustained in the operation of test farms for the past year, the general fund should not be burdened at this time with a recurring loss, and that the question should be studied carefully and full light turned on before further moneys are expended on the present test farms or in the purchase of others.

WAREHOUSE SYSTEM

Chapter 168, Public Laws 1919, provided for the establishment of a state cotton warehouse system with the following provisions:

(a) That the act shall be administered by the State Board of Agriculture with power to appoint a state warehouse superintendent and necessary assistants and managers and to make rules and regulations to make effective the purposes and provisions of the act.

(b) State warehouse superintendent to give bond in the sum of \$50,000 for the faithful performance of his duties, the expenses

of same to be paid by the State, and to require bonds from other employees.

(c) To provide a sufficient indemnifying or guarantee fund for any loss not covered by bonds, and to provide financial backing, there shall be collected on each bale of cotton ginned in North Carolina during the period from the ratification of this act until June 30, 1923, twenty-five cents through the ginner and paid into the state treasury. Not less than 10 per cent of such amount collected to be invested in United States Farm Loan, or North Carolina bonds, and the remainder may be invested in amply secured first mortgages to aid and encourage establishment of cotton warehouses operating under the system. Such first mortgages to be for not more than one-half the actual value of warehouse property and run not more than ten years; the interest on all such investments to be available for administrative expenses.

(d) Investments above enumerated to be made by the Board of Agriculture with the approval of the governor and attorney general.

(e) Then follows certain administrative provisions.

As of June 30, 1928, the status of this fund was as follows:

Bonds on hand and in office of state treasurer.....	\$297,850
Notes receivable, loans for warehouse.....	316,670
Cash.....	12,565
Total.....	<u>\$627,085</u>

Of the notes receivable, there were at the above date \$129,060 past due and \$15,000 in interest past due. Some of these warehouses have ceased operations and will not sell for enough to liquidate the State's mortgage; others are still operating, but the operating revenue only about meets the operating expenses, leaving nothing for interest or payment on principal; and a few others appear in fair financial condition.

The necessity for this fund, for the purposes stated in the act, seems to have passed. The statute above referred to should be repealed, the funds placed under the control and supervision of the governor and the council of state and employed in some more promotive channel. This is a trust fund and must be accounted for by the State and be retained inviolate as such trust fund.

The record of all details, on file in the Budget Bureau, should be carefully scrutinized by the Joint Finance Committee and some statute enacted that will conserve the funds intact and at the same time provide for their use in some agricultural enterprise.

STATE DEBT REDUCTION

The state debt was reduced during the present biennium as follows:

Debit balance notes, Chapter 112 of 1925, maturity \$1,000,000 July 1, 1928, and July 1, 1929.....	\$2,000,000
Educational and charitable institutions bonds, Chapter 154 of 1917, maturity \$100,000 July 1, 1928 and July 1, 1929.....	200,000
Highway construction bonds, Chapter 95 of 1927, maturity January 1, 1929.....	1,500,000
	<hr/>
State debt reduced or provided for reduction during the present biennium.....	\$3,700,000

Sinking fund contributions during the present biennium:

GENERAL FUND CONTRIBUTION:

Chapter 188 of 1923 (educational and charitable institutions bonds, for 1921 and 1923 bonds).....	\$ 326,000
Chapter 192 of 1925 (permanent improvement bonds).....	102,500
	<hr/>
Total sinking fund contributions for institutional bonds.....	\$ 428,500
Highway contributions.....	500,000
	<hr/>
Total sinking fund contributions.....	\$ 928,500
	<hr/>
Total bond redemption and sinking fund contribution for the biennium 1927-1929.....	\$4,628,500

MAINTENANCE AND INSTITUTIONS BOND ACTS

The budget act charges the director and the Advisory Budget Commission with the duty of preparing a maintenance appropriation act and an institutions bond act embodying the recommendations to be made by the commission for maintenance appropriations and permanent improvement appropriations. In compliance with this provision of the law, a maintenance appropriation act and an institutions bond act embodying the recommendations for maintenance appropriations and permanent improvement appropriations contained in this report have been prepared and are submitted herewith.

REVENUE ACT

The budget act also charges the director and Advisory Budget Commission with the duty of preparing a revenue act, sufficient

in their estimation to raise revenue to meet the appropriations recommended. The director and Advisory Budget Commission have carefully and studiously considered this matter and have prepared a revenue act, which in their opinion will supply sufficient revenue to meet the appropriations recommended in this report. In preparing this act, the director and Advisory Budget Commission have not had the advantage of the recommendations to be made by the Tax Commission in its report to the General Assembly. Their inquiries have brought the information that the report of this commission will probably not be available until about the time the legislature convenes. The law, however, charges them with the duty of submitting this report together with their recommended revenue act to the governor-elect by December 15. They have therefore been compelled to prepare the act without waiting for the benefit of the information which will be contained in that report when filed. It may be that when this report is filed the legislature will see fit to recast this revenue act entirely. In preparing the revenue act submitted herewith, the director and Advisory Budget Commission have based the same upon the plan of taxation contained in former revenue acts. They have not recommended any material increases in taxation, nor any new sources of taxation. A few changes however, have been recommended, the principal of which is with reference to the inheritance tax, and which is as follows:

(1) Schedule A, Inheritance taxes.

(a) This schedule was prepared and recommended to the 1927 General Assembly under, as it appears now from the Supreme Court decision in the case of *Hagood v. Doughton*, 195 N. C. 811, the misapprehension that in all cases where 80 per cent of the federal estate's tax under the federal revenue act of 1926 was in excess of the aggregate State's inheritance tax that the estate's tax provided for in section 6 of said schedule will absorb the difference. It was not intended to add to the aggregate of the State's inheritance tax the 80 per cent of the federal estate's tax. We are persuaded from information that the General Assembly was laboring under the same misapprehension.

This apparent error has been changed in section 6 of the recommended inheritance tax or Schedule A, and the tax designed to

absorb the 80 per cent of the federal tax when there is an excess in same.

(b) On account of the aforesaid misapprehension and intent and to relieve estates that were so unfortunate as to become taxable when the 1927 act was in force, the director and the Advisory Budget Commission have incorporated a retroactive provision in the said recommended schedule as follows: "Section 6(e). Where the estate of any decedent has been assessed or is to be assessed under the provisions of Section 6, Article 1, of the revenue act of 1927, the commissioner of revenue is authorized and empowered to reassess such estate under the provisions of this section and to make such refunds, adjustments and corrections as may be necessary." This recommendation is made out of a spirit of fairness and exact justice to all concerned, and follows the act of the 1926 federal Congress in reference to the federal act of 1924.

(c) The bonds of this State or any political subdivision thereof, when owned and possessed at the time of death of a nonresident decedent, are exempted from inheritance tax under section 2(d) of the recommended Schedule A.

(d) Under the 1927 Schedule A insurance policies payable to the estate are taxable for the full amount, subject only to the general exemptions, and insurance policies payable to a beneficiary are totally exempt. In the recommended Schedule A, both kinds of policies are treated the same. Both have an exemption of \$20,000. A mere statement is sufficient to demonstrate the fairness of this provision.

(e) Under the 1927 Schedule A, intangible personal property, such as stocks or bonds, issued in this State and owned by a nonresident decedent are taxable in this State. The recommended Schedule A does not tax such property when the resident state of decedent does not tax such property or when resident state of decedent has a reciprocal provision in its law to the end that it will not tax such property of a nonresident decedent when the resident state has such reciprocal provision.

The revenue act as proposed by the director and the Advisory Budget Commission will produce estimated revenues in the first year of the ensuing biennium of \$15,850,345, and in the second

year \$16,630,645 as mentioned in the following item "Balanced Budget" and shown in the table below.

BALANCED BUDGET

The director and Advisory Budget Commission are fixed with the duty under the law of presenting to the General Assembly a balanced budget.

It is estimated that on June 30, 1929, there will be a credit balance in the general fund of \$2,587,011 available for maintenance appropriations for the biennium 1929-31. Of course the exact amount can only be estimated at this time and will not be determined until the close of the fiscal year ending June 30, 1929, and, under the existing law, no part can be allocated to any purpose prior to that date. A careful examination of the present revenue act and the estimates of production for the ensuing biennium 1929-31 indicate that with some minor and unimportant changes that it will produce, together with certain departmental receipts, under careful and strict supervision, for the first year of the biennium 1929-31 revenues in the sum of \$15,850,345 and for the second fiscal year \$16,630,645, or a total for the biennium of \$32,480,990. The recommended maintenance appropriation, payable out of the general fund, is for the first year \$17,445,552, and for the second year \$17,536,867. By allocating the sum of \$1,595,207 of the estimated credit balance existing June 30, 1929, to the recommended appropriations for the first fiscal year of the ensuing biennium and adding to said allocated sum the estimated revenue receipts for the said first fiscal year of \$15,850,345, there will be available for appropriations for the said first fiscal year \$17,445,552, the sum of the recommended appropriations for said first fiscal year. By allocating the remainder of \$996,804 of the said estimated credit balance to the recommended appropriations for the second fiscal year of the ensuing biennium and adding to said allocated sum the estimated revenue receipts for said second year of \$16,630,645, there will be available for appropriations for the said second fiscal year \$17,622,649 and leave an estimated credit balance of \$85,782, which is a small margin in so large transactions and in a forecast for two years. However, it is apparent that if these carefully considered and worked out

estimates are realized that the budget will balance in the ensuing biennium.

To present the above so that the calculations will appear to the eye in a more visible form, we append the following condensed statement of estimated revenues and recommended appropriations for each year of the ensuing biennium.

1929-1930	
Inheritance taxes Schedule A.....	\$ 1,000,000
License taxes Schedule B.....	1,645,000
Franchise and other taxes Schedule C.....	3,966,500
Income taxes Schedule D.....	7,700,000
Miscellaneous revenues.....	1,538,845
Total revenues.....	\$15,850,345
Allocation from estimated credit balance of June 30, 1929.....	1,595,207
Total estimated availability.....	\$17,445,552
Recommended appropriations for year.....	17,445,552
Surplus June 30, 1930.....	None
1930-1931	
Inheritance taxes Schedule A.....	\$ 1,000,000
License taxes Schedule B.....	1,695,000
Franchise and other taxes Schedule C.....	4,094,500
Income taxes Schedule D.....	8,250,000
Miscellaneous revenues.....	1,591,345
Total revenues.....	\$16,630,845
Allocation of remainder estimated credit balance of June 30, 1929.....	991,804
Total estimated availability.....	\$17,622,649
Recommended appropriations for year.....	17,536,867
Surplus June 30, 1931.....	\$ 85,782

The general budget statements and the budgets, itemized by objects of each department, institution or other agency, are herewith submitted in the pages immediately following.

ANGUS W. MCLEAN,
Governor and ex-officio Director of the Budget.

P. H. WILLIAMS,
Assistant Director of the Budget.

WALTER H. WOODSON,
Chairman, Finance Committee of Senate, 1927.

A. H. GRAHAM,
Chairman, Finance Committee of House, 1927.

Z. V. TURLINGTON,
Chairman, Appropriations Committee of House, 1927.

A. M. DIXON, *Appointee,*

R. S. McCOIN, *Appointee,*

Members of the Advisory Budget Commission.

APPOINTMENTS

APPOINTMENTS
(1925-1929)

<i>Name</i>	<i>Appointed.</i>	<i>Expires</i>
ADJUTANT GENERAL		
J. Van B. Metts.....	1-14-25	1-29
SECRETARY OF STATE		
Jas. A. Hartness.....	2-13-28	1-29
CHIEF JUSTICE OF SUPREME COURT		
W. P. Stacy.....	3-17-25	1-27
ASSOCIATE JUSTICE OF SUPREME COURT		
L. R. Varsert.....	3-17-25	1-27
W. J. Brogden.....	12-21-25	1-27
SUPERIOR COURT JUDGES		
Albion Dunn†.....	3-21-25	1-27
Jno. M. Oglesby.....	4- 4-25	1-27
R. A. Nunn.....	1-29-26	1-27
John H. Harwood.....	7- 8-26	1-27
Roy L. Deal†.....	9- 3-27	1-29
Walter L. Small.....	4- 3-28	1-29
John H. Clement.....	6- 2-28	1-29
SOLICITORS OF SUPERIOR COURTS		
G. Lyle Jones.....	7-30-26	1-27
Herbert R. Leary.....	4- 3-28	1-29

†Resigned.

<i>Name</i>	<i>SPECIAL JUDGES OF SUPERIOR COURT†</i>	<i>Appointed</i>	<i>Expires</i>
Armfield, Frank.....	Concord.....	5- 3-26	2 weeks
Biggs, J. Crawford.....	Raleigh.....	11-24-26	2 weeks
Black, S. W.....	Bryson City.....	6- 8-25	2 weeks
Bowie, T. C.....	Jefferson.....	12- 4-26	2 weeks
Brock, Walter E.....	Asheboro.....	9-17-25	1 week
		10-19-25	1 week
		12-28-25	2 weeks
Carlton, L. M.....	Roxboro.....	11-16-25	2 weeks
Carter, W. F.....	Mount Airy.....	3- 3-26	2 weeks
Clifford, J. C.....	Dunn.....	6- 1-26	1 week
		9-20-26	2 weeks
Cocke, Philip C.....	Asheville.....	11-22-26	1 week
		9-14-25	1 week
Cooke, A. Wayland.....	Greensboro.....	5-21-26	1 week
		11-15-26	2 weeks
		10-26-25	2 weeks
Cowper, G. V.....	Kinston.....	3- 5-26	2 weeks
		5- 8-26	2 weeks
		1-31-27	1 week
Dunn, Albion.....	Greenville.....	2-21-27	1 week
Gattis, S. M., Sr.....	Hillsboro.....	2- 1-26	1 week
Godwin, Hannibal L.....	Dunn.....	11-29-26	2 weeks
Harwood, Jno. H.....	Bryson City.....	1- 3-27	1 week

†Public Laws of North Carolina, 1925, Chapter 216, authorized the governor to appoint emergency judges to hold Superior Courts in place of regular judges or for special sessions, but when a judge was appointed under this act the judge had jurisdiction only for and during the time specified in the commission issued by the governor.

Hines, Chas. A.....	Greensboro.....	9-21-25	2 weeks
Horton, J. Lloyd.....	Raleigh.....	1- 8-26	1 week
Johnson, T. L.....	Lumberton.....	{ 9- 6-26	1 week
		{ 12-13-26	1 week
Matthews, J. H.....	Windsor.....	12-13-26	1 week
Murphy, J. D.....	Asheville.....	6-22-25	1 week
		{ 4- 6-25	1 week
		{ 9-21-25	1 week
Neal, Walter H.....	Laurinburg.....	{ 12- 7-25	1 week
		{ 1-18-26	2 weeks
		{ 11-29-26	2 weeks
Olive, Percy J.....	Apex.....	5-31-26	1 week
Perry, Bennett H.....	Henderson.....	10- 5-25	1 week
Phillips, Wade H.....	Lexington.....	3-22-25	2 weeks
Ragland, Jno. W.....	Marion.....	{ 2- 8-26	1 week
		{ 12- 6-26	1 week
Raper, E. E.....	Lexington.....	{ 2-14-27	2 weeks
		{ 3-30-25	1 week
Redwine, R. B.....	Monroe.....	{ 11-30-25	1 week
		{ 6-28-26	2 weeks
		{ 10-12-25	1 week
		{ 12- 7-25	1 week
		{ 1- 8-26	1 week
Siler, Walter D.....	Pittsboro.....	{ 2- 1-26	2 weeks
		{ 7- 5-26	1 week
		{ 12- 6-26	1 week

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
Smathers, J. Bat.	Canton.....	10-18-26 1 week
Snow, W. B.	Raleigh.....	11- 2-25 1 week
	Waynesville.....	12- 7-25 1 week
Thomas, Chas. R.	Rocky Mount.....	3- 1-26 2 weeks
Thorne, T. T.	Waynesville.....	9- 6-26 2 weeks
	Rocky Mount.....	12- 7-25 1 week
Ward, D. L.	New Bern.....	5-31-26 1 week
	Windsor.....	10- 4-26 2 weeks
	Windsor.....	12-13-26 1 week
Winston, Francis D.	Windsor.....	1-10-27 1 week
	Windsor.....	6-15-25 2 weeks
	Windsor.....	9-21-25 2 weeks
Wright, R. Lee.	Salisbury.....	1-11-26 2 weeks
	Salisbury.....	4-12-26 1 week
	Salisbury.....	5-31-26 2 weeks
	Salisbury.....	9-27-26 1 week
Yount, M. H.	Hickory.....	1-22-26 1 week
	Hickory.....	1- 3-27 1 week
	Hickory.....	1-17-27 2 weeks
	Hickory.....	1-31-27 1 week
	Hickory.....	4- 5-26 2 weeks

SPECIAL JUDGES OF SUPERIOR COURTS ¶

Thos. C. Bowiet	5- 2-27	6-30-29
Clayton Moore	5- 2-27	6-30-29
H Hoyle Sink	5- 2-27	6-30-29
N. A. Townsend	5- 2-27	6-30-29
Cameron F. MacRae	9- 9-27	6-30-29
John H. Harwood	10- 4-27	6-30-29
JUDGE RECORDER'S COURT, MOUNT AIRY TOWNSHIP, SURRY COUNTY		
H. H. Llewellyn	12- 6-26	12-13-30

COMMISSIONER OF PARDONS

H Hoyle Sink†	4- 1-25	1-29
Edwin B. Bridges	5- 1-27	1-29

INSURANCE COMMISSIONER

Daniel C. Boney	11-15-27	1-29
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BUDGET BUREAU†

P. H. Williams†	2-28-28	
Henry Burke	3- 1-28	

¶Public Laws of North Carolina, 1927, Chapter 206, authorized the governor to appoint four emergency judges, two from the East and two from the West, to hold Superior Courts, and if in the governor's judgment the necessity existed to appoint two more judges, one from the East and one from the West, to hold Superior Courts. The terms of these appointees were to expire June 30, 1929.

†The act establishing the bureau provided that the governor be ex officio director, and head of the Budget Bureau which was created and established in connection with his office. It also provided that: "He shall, upon ratification of this act, appoint a budget officer to be known as the assistant to the director, who shall serve at his pleasure until the first day of July, one thousand nine hundred and twenty-five, and thereafter for a term of four (4) years, beginning on the first day of July next after the inauguration of the Governor." Public Laws of North Carolina, 1925, Chapter 89, Section 2. P. H. Williams was appointed assistant to the director with no expiration date given, and Henry Burke was appointed assistant to the director with no expiration date given. However, Burke had served from the organization of the bureau until March 1, 1928, without any official commission. Appointment Book, governor's office.

†Resigned.

<i>Name</i>	<i>STATE FAIR BOARD</i>	<i>Appointed</i>	<i>Expires</i>
Thos. S. White, First District.....	Hertford.....	3-12-28	3-12-32
W. H. Joyner, Second District.....	Garysburg.....	3-12-28	3-12-30
Jule K. Warren, Third District.....	Trenton.....	3-12-28	3-12-34
Dr. J. R. Rogers, Fourth District.....	Raleigh.....	3-12-28	3-12-34
Jefferson Penn, Fifth District.....	Reidsville.....	3-12-28	3-12-32
Dr. J. Vance McGowan, Sixth District.....	Fayetteville.....	3-12-28	3-12-32
Arthur Ross, Seventh District.....	Fayetteville.....	3-12-28	3-12-34
Mrs. W. A. Foil, Eighth District.....	Concord.....	3-12-28	3-12-32
Roy E. Hutchinson, Ninth District.....	Charlotte, R. F. D.....	3-12-28	3-12-34
D. Reeves Noland, Tenth District.....	Waynesville.....	3-12-28	3-12-32
Members-at-Large:			
Chas. J. Harris†.....	Dillsboro.....	3-12-28	3-12-30
Lee A. Folger†.....	Charlotte.....	3-12-28	3-12-30
Mrs. P. E. Brown.....	Wilkesboro.....	3-12-28	3-12-30
W. E. White.....	Mebane.....	4-20-28	3-12-30
W. G. Bramham.....	Durham.....	5-17-28	3-12-30
INDUSTRIAL FARM COLONY FOR WOMEN			
Dr. James M. Parrott†.....	Kinston.....	6- 4-27	6- 4-31
Mrs. W. T. Shite, Sec.-Treas.....	Charlotte.....	6- 4-27	6- 4-31
Col. T. J. Murphy.....	Greensboro.....	6- 4-27	6- 4-31
Mrs. R. E. Little.....	Wadesboro.....	6- 4-27	6- 4-31
R. F. Beasley.....	Monroe.....	6- 4-27	6- 4-31
R. F. Churchill, Pres.....	Kinston.....	6-17-27	6- 4-31

†Resigned.

THE COLORED ORPHANAGE OF NORTH CAROLINA,

OXFORD

W. T. Yancey.....	5- 9-27	5- 9-31
Oxford.....	5- 9-27	5- 9-31
Oxford.....	5- 9-27	5- 9-31
Virgilina, Va.....	5- 9-27	5- 9-31
John S. Watkins.....	5- 9-27	5- 9-31
J. W. Medford.....	5- 9-27	5- 9-31
F. W. Hancock, Jr.....	5- 9-27	5- 9-31

COUNTY GOVERNMENT ADVISORY COMMISSION

Dr. E. C. Brooks, Chairman.....	3-12-27	3-12-31
J. E. Woodland*.....	3-12-27	3-12-31
Morehead City.....	3-12-27	3-12-31
Durham.....	3-12-27	3-12-31
D. W. Newsom.....	3-12-27	3-12-31
Asheville.....	3-12-27	3-12-31
E. M. Lyda.....	3-12-27	3-12-31
Chapel Hill.....	4-12-28	3-12-31
Dr. A. C. McIntosh.....		
Kings Mountain.....		
A. E. Cline.....		

STATE BOARD OF EQUALIZATION

P. H. Johnson, First Con. Dist.....	3- 8-27	3- 8-31
B. B. Williams, Second Con. Dist.....	3- 8-27	3- 8-31
Warrenton.....	3- 8-27	3- 8-31
Clinton.....	3- 8-27	3- 8-31
A. McL. Graham, Third Con. Dist.....	3- 8-27	3- 8-31
Rocky Mount.....	3- 8-27	3- 8-31
F. P. Spruill, Fourth Con. Dist.....	3- 8-27	3- 8-31
Jas. K. Norfleet†, Fifth Con. Dist.....	3- 8-27	3- 8-31
Winston-Salem.....	3- 8-27	3- 8-31
Wilmington.....	3- 8-27	3- 8-31
J. O. Carr, Sixth Con. Dist.....	3- 8-27	3- 8-31
L. M. Blue, Seventh Con. Dist.....	3- 8-27	3- 8-31
Gibson.....	3- 8-27	3- 8-31
B. B. Dougherty, Eighth Con. Dist.....	3- 8-27	3- 8-31
Boone.....	3- 8-27	3- 8-31

*Deceased.

†Resigned.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
A. E. Woltz, Ninth Con. Dist.....	Gastonia.....	3- 8-27
T. D. Bryson†, Tenth Con. Dist.....	Bryson City.....	3- 8-27
John H. Folger, Fifth Con. Dist.....	Mount Airy.....	3- 8-27
O. L. Clark, Sixth Con. Dist.....	Clarkton.....	5-19-27
Miss Elizabeth Kelly, Tenth Con. Dist.....	Franklin.....	3-10-28
NORTH CAROLINA REAL ESTATE BOARD		
H. V. Koontz.....	Greensboro.....	3-29-28
W. S. Murchison.....	Raleigh.....	3-29-27
Ross M. Sigmon.....	Salisbury.....	3-29-27
DEPARTMENT OF CONSERVATION AND DEVELOPMENT¶		
F. S. Worthy‡.....	Washington.....	3-17-27
J. Q. Gilkey‡.....	Marion.....	3-17-27
G. L. Hampton‡.....	Canton.....	3-17-27
Frank H. Stedman.....	Fayetteville.....	3-17-27
E. S. Askew.....	Merry Hill.....	3-17-27
E. Bruce Etheridge.....	Manteo.....	3-17-27
Santford Martin.....	Winston-Salem.....	3-17-27
E. D. Cranford.....	Asheboro.....	3-17-27

¶The act establishing the Department of Conservation and Development provided for the appointment of six directors, three of whose terms of office expired July 15, 1925, and three January 15, 1929, and the appointments thereafter to be for a term of four years. Public Laws of North Carolina, 1925, Chapter 122. In 1927 the Fisheries Commission Board was placed under the Department of Conservation and Development and a new board of directors provided for. The new board was composed of twelve members whose terms of office were for periods of two, four and six years, after which each member was appointed for six years. Public Laws of North Carolina, 1927, Chapter 57.

‡Was a member of the Fisheries Commission Board.

†Resigned.

Jas. G. K. McClure, Jr.†	Asheville.....	3-17-27	4- 1-33
H. L. McClarent†	Charlotte.....	3-17-27	4- 1-33
S. Wade Marr†	Raleigh.....	3-17-27	4- 1-33
Fred I. Sutton.....	Kinston.....	3-17-27	4- 1-33
Ben B. Gossett.....	Charlotte.....	2- 6-28	4- 1-33
Wm. D. Harris,† Director	Raleigh.....	7-31-25	
Wade H. Phillips, Director	Lexington.....	12-15-25	1-14-29
John H. Small.....	Washington.....	12-12-25	1-14-29
H. B. Shaw.....	Raleigh.....	12-12-25	1-14-29
Dr. D. D. Carroll.....	Chapel Hill.....	12-12-25	1-14-29

FISHERIES COMMISSION BOARD¶

J. K. Dixon, Chairman.....	Trenton.....	4- 1-25	4- 1-31
F. S. Worthy.....	Washington.....	4- 1-25	4- 1-31
Geo. L. Hampton.....	Canton.....	4- 1-25	4- 1-31
J. Q. Gilkey.....	Marion.....	4- 1-25	4- 1-31
R. Bruce Etheridge.....	Manteo.....	7-22-25	4- 1-27

STATE BOARD OF CHARITIES AND PUBLIC WELFARE

Mrs. Jos. A. Brown.....	Chadbourn.....	4-23-25	4-23-31
Rev. C. H. Durham.....	Lumberton.....	4-23-25	4-23-31
Mrs. H. F. Seawell.....	Carthage.....	4-23-25	4-23-31
Mrs. Walter C. Crowell.....	Monroe.....	5-26-27	4- 1-33
D. Collin Barnes†.....	Murfreesboro.....	5-26-27	4- 1-33
A. H. James.....	Laurinburg.....	11- 5-28	4- 1-33

†Resigned.

‡Was a member of the old Board of Conservation and Development.

¶This board was placed under the Department of Conservation and Development in 1927. Public Laws of North Carolina, 1927, Chapter 57.

<i>Name</i>	STATE HIGHWAY COMMISSION	<i>Appointed</i>	<i>Expires</i>
Frank Page, Chairman.....	Aberdeen.....	4- 1-25	4- 1-31
W. A. Hart,* First District.....	Tarboro.....	4- 1-25	4- 1-31
A. M. Kistler, Eighth District.....	Morganton.....	4- 1-25	4- 1-31
W. C. Wilkinon, Sixth District.....	Charlotte.....	4- 1-25	4- 1-31
C. R. Wheatley, Second District.....	Beaufort.....	6-22-25	4- 1-29
F. C. Kugler, First District.....	Washington.....	3-23-26	4- 1-31
J. Elwood Cox, Fifth District.....	High Point.....	4- 1-27	4- 1-33
Alex. S. Hanes, Seventh District.....	Winston-Salem.....	4- 1-27	4- 1-33
J. G. Stikleather, Ninth District.....	Asheville.....	4- 1-27	4- 1-33
STATE'S PRISON BOARD			
John M. Brewer.....	Wake Forest.....	3-16-25	3-16-29
Henry K. Burgwyn†.....	Jackson.....	3-16-25	3-16-29
A. E. White.....	Lumberton.....	3-16-25	3-16-29
Richard M. Chatham.....	Elkin.....	3-16-25	3-16-29
Ben B. Everett.....	Palmyra.....	3-16-25	3-16-29
J. A. Leake, Chairman.....	Wadesboro.....	3-16-25	3-16-29
J. Preston Wilson*.....	Warsaw.....	3-16-25	3-16-29
W. D. LaRoque.....	Kinston.....	6-10-27	3-16-29
D. Collin Barnes.....	Murfreesboro.....	10-16-28	3-16-29
STATE BOARD OF AGRICULTURE			
T. J. Fincht.....	Thomasville.....	3-11-25	3-11-31
Fred P. Latham.....	Belhaven.....	3-11-25	3-11-31

*Deceased.

†Resigned.

E. Grover Roberson.....	Leicester.....	3-11-25	3-11-31
Clarence Poe.....	Raleigh.....	3-11-25	3-11-31
Geo. K. Grantham.....	Dunn.....	2-20-28	3-11-29
J. Gordon Hackett.....	Wilkesboro.....	3- 1-28	3-11-31
T. H. Coffey.....	Blowing Rock.....	3-14-28	3-11-33
H. P. Foxhall.....	Tarboro.....	4-20-29	3-11-33
R. W. Scott.....	Mebane.....	4-30-28	4-11-33

NORTH CAROLINA HISTORICAL COMMISSION

Frank Wood*.....	Edenton.....	4- 1-25	3-31-29
Thos. M. Pittman, Chairman.....	Henderson.....	4- 1-25	3-31-31
M. C. S. Noble.....	Chapel Hill.....	4- 1-25	3-31-31
Ben Dixon McNeill.....	Raleigh.....	1-28-26	3-31-29
Mrs. Thos. O'Berry.....	Goldsboro.....	4-20-28	3-31-33

NORTH CAROLINA SANATORIUM FOR TREATMENT OF TUBERCULOSIS

John R. Jones.....	Sanford.....	4- 1-25	4- 1-29
Jonas Oettinger.....	Wilson.....	4- 1-25	4- 1-29
Dr. J. C. Braswell.....	Whitakers.....	4- 1-25	4- 1-29
W. E. Harrison.....	Rockingham.....	4- 1-25	4- 1-29
A. B. Croom.....	Winston-Salem.....	4- 1-25	4- 1-29
Dr. T. W. M. Long.....	Roanoke Rapids.....	10-30-25	10-30-29
Union L. Spence.....	Carthage.....	10-30-25	10-30-29
Mrs. Max Payne.....	Greensboro.....	10-30-25	10-30-29
John R. McQueen.....	Lakeview.....	10-30-25	10-30-29

*Deceased.

<i>Name</i>	<i>STATE BOARD OF ELECTIONS†</i>	<i>Appointed</i>	<i>Expires</i>
Walter H. Neal, † Chairman	Laurinburg.....	3-15-26	6- 1-27
Clarence Call†	Wilkesboro.....	3-15-26	6- 1-27
R. W. Herring.....	Fayetteville.....	3-15-26	6- 1-27
T. Boddie Ward.....	Wilson.....	3-15-26	6- 1-27
W. E. Breese.....	Brevard.....	3-15-26	6- 1-27
J. T. Prevetie.....	North Wilkesboro.....	11-12-26	6- 1-27
John D. Langston, Chairman	Goldsboro.....	11-12-26	6- 1-27
Chas. A. Hines, Chairman	Greensboro.....	1-20-28	6- 1-29
Adrian Mitchell.....	Winton.....	7- 7-28	6- 1-29

STATE BOARD OF HEALTH

Dr. R. H. Lewis*	Raleigh.....	7- 1-25	7- 1-31
Dr. E. J. Tucker.....	Roxboro.....	7- 1-25	7- 1-31
Dr. John B. Wright.....	Raleigh.....	8-30-26	7- 1-31
Dr. Jas. P. Stowe.....	Charlotte.....	1-24-27	7- 1-33
Dr. C. C. Ori.....	Asheville.....	9-29-27	4-15-29

SALARY AND WAGE COMMISSION

Julian E. Price.....	Greensboro.....	4- 1-25
Geo. A. Holderness†	Tarboro.....	4- 1-25
Samuel L. Rogers*	Franklin.....	4- 1-25
R. N. Page.....	Aberdeen.....	4- 1-25
P. H. Hanes, Jr.....	Winston-Salem.....	4- 1-25

*Deceased.

†Resigned.

‡All appointments were for two-year terms. All members were reappointed in 1927.

Frank Tate.....Morganton..... 7-18-25
 Ernest V. Webb.....Kinston..... 1- 5-26

ADVISORY BUDGET COMMISSION

R. S. McCoin.....Henderson..... 5-18-25
 Arthur M. Dixon.....Gastonia..... 5-18-25

SOLDIERS HOME, RALEIGH

Miss Martha Haywood.....Raleigh..... 4-15-25
 Armistead Jones*.....Raleigh..... 4-15-25
 Mrs. R. E. Little.....Wadesboro..... 4-15-25
 Wm. J. Andrews.....Raleigh..... 4-15-25
 W. B. Jones.....Raleigh..... 9-26-25

CONFEDERATE WOMAN'S HOME, FAYETTEVILLE

Mrs. N. A. Townsend.....Dunn..... 10- 5-25
 A. H. Boyden*.....Salisbury..... 5- 9-27
 J. W. McLaughlin.....Raeford..... 5- 9-27
 Chas. G. Rose, Chairman.....Fayetteville..... 5- 9-27
 Mrs. Hunter Smith.....Fayetteville..... 5- 9-27
 S. T. Thorne.....Rocky Mount..... 5- 9-27
 W. H. White.....Oxford..... 5- 9-27

*Deceased.

<i>Name</i>	<i>EAST CAROLINA TEACHERS COLLEGE</i>	<i>Appointed</i>	<i>Expires</i>
F. C. Harding.....	Greenville.....	4- 1-25	4- 1-29
Leon W. Tucker.....	Greenville.....	4- 1-25	4- 1-29
D. S. Boykin.....	Wilson.....	4- 1-25	4- 1-29
F. C. Kugler†.....	Washington.....	4- 1-25	4- 1-29
E. C. Beddingfield*.....	Raleigh.....	4- 1-25	4- 1-29
Kirby Sutton†.....	LaGrange.....	10-31-25	10-31-29
Mrs. H. G. Connor, Jr.†.....	Wilson.....	10-31-25	10-31-29
Arthur Ross†.....	Asheboro.....	10-31-25	10-31-29
J. S. Hargett†.....	Trenton.....	10-31-25	10-31-29
Jas. L. Griffin.....	Pittsboro.....	11-19-25	10-31-29
Henry Clark Bridges.....	Tarboro.....	11-19-25	10-31-29
Wayne Mitchell.....	Kinston.....	4-20-26	4- 1-29
E. G. Flanagan.....	Greenville.....	2- 1-27	4- 1-29
H. D. Williams.....	Kanansville.....	3-12-27	3-12-31
O. P. Makepeace.....	Sanford.....	3-12-27	3-12-31
W. S. Moye.....	Rocky Mount.....	3-12-27	3-12-31
Mrs. W. B. Murphy.....	Snow Hill.....	3-19-27	10-31-29
APPALACHIAN STATE NORMAL SCHOOL			
E. S. Coffey*.....	Boone.....	5- 1-25	5- 1-27
J. M. Bernhardt.....	Lenoir.....	5- 1-25	5- 1-27-31
W. C. Newland.....	Lenoir.....	5- 1-25	5- 1-27-31
C. C. Cranford†.....	Asheboro.....	5- 1-25	5- 1-27
Eugene Transou.....	Sparta.....	5- 1-25	5- 1-27-31

*Deceased.

†Resigned.

G. H. Geitner.....	Hickory.....	5-27-25	5- 1-27-35
T. C. Bowie.....	Jefferson.....	10-30-25	5- 1-29
G. Vance Henkle*.....	Statesville.....	10-30-25	5- 1-29
T. H. Coffey†.....	Blowing Rock.....	10-30-25	5- 1-29
F. C. Sanders*.....	Charlotte.....	10-30-25	5- 1-29
Miss Celeste Henkle.....	Statesville.....	1-29-26	5- 1-29
H. H. Sullivan.....	Asheville.....	4- 1-26	5- 1-27-31
G. P. Hagaman.....	Boone.....	4- 1-28	5- 1-29
Hugh A. Cranor.....	Wilkesboro.....	4-20-28	5- 1-29

CULLOWHEE NORMAL AND INDUSTRIAL SCHOOL

Reuben Robertson.....	Canton.....	4-10-25	4-10-29
Mrs. Giles Cover.....	Andrews.....	4-10-25	4-10-29
J. E. Coburn.....	Bryson City.....	4-10-25	4-10-29
T. H. Shipman.....	Brevard.....	4-10-25	4-10-29
Mrs. J. W. Pless, Sr.†.....	Marion.....	4-24-25	4-24-29
Alex Moore†.....	Franklin.....	4-24-25	4-24-29
Dr. J. N. Hill†.....	Murphy.....	4-24-25	4-24-29
Jas. G. K. McClure†.....	Asheville.....	4-24-25	4-24-29
Don Elias.....	Asheville.....	12-14-25	4-24-29
J. L. Hyatt.....	Burnsville.....	4-11-27	4-24-29
Miss Elizabeth Kelly†.....	Franklin.....	5-23-27	4-24-29
N. B. McDevitt.....	Marshall.....	5-23-27	4-24-29

†Resigned.
*Deceased.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
C. C. Buchanan.....	Sylva.....	5-23-27
Thos. W. Bird.....	Asheville.....	5-28-28
CHEROKEE INDIAN NORMAL SCHOOL, PEMBROKE		
James Dial.....	Lumberton.....	4- 1-25
Ralph Lowry.....	Pembroke.....	4- 1-25
O. R. Sampson*	Pembroke.....	4- 1-25
W. D. Oxendine.....	Buies.....	4- 1-25
Henry Godwin†.....	Pembroke.....	4- 1-25
C. B. Brayboy†.....	Pembroke.....	4- 1-25
G. G. Locklear.....	Pembroke.....	4- 1-25
N. C. Newbold, Chairman ex officio.....	Raleigh.....	4- 1-25
A. A. Locklear†.....	Pembroke.....	4- 1-25
Edmund Lowry.....	Pembroke.....	7- 1-25
D. F. Lowry.....	Raynham.....	2-14-27
L. W. Jacobs.....	Pembroke.....	2-14-27
A. N. Locklear.....	Pates.....	2-14-27
ORTHOPEDIC HOSPITAL, GASTONIA		
Mrs. Evelyn K. Nimocks.....	Fayetteville.....	7- 1-25
Jas. Gordon Hackett†.....	North Wilkesboro.....	7- 1-25
George Blanton.....	Shelby.....	5- 2-27
R. R. Ray.....	McAdenville.....	5- 2-27

*Deceased.

†Resigned.

J. Lee Robinson..... 5- 2-27 4- 4-33
 Dr. J. P. Matheson..... 3- 5-28 4- 4-31

STATE HOSPITAL FOR THE INSANE, RALEIGH

Dr. Leslie B. Evans..... 4- 1-25 4- 1-29
 Felix Harvey..... 4- 1-25 4- 1-29
 Stephen McIntyre†..... 4- 1-25 4- 1-29
 A. L. James*..... 4- 1-25 4- 1-29
 Henry R. Dwire..... 4- 1-25 4- 1-29
 Dr. J. C. Baum..... 4- 1-25 4- 1-29
 W. S. O'B. Robinson*..... 4-22-25 4- 1-29
 Jos. G. Brown*..... 9-24-25 9-24-29
 John F. Wiley†..... 9-24-25 9-24-29
 Mrs. Marshall F. Williams..... 9-24-25 9-24-29
 Dr. J. F. Patterson†..... 11-19-25 9-24-29
 Dr. Thurman D. Kitchin..... 7-30-26 9-24-29
 Daniel Allen..... 2-11-27 9-24-29
 Wm. G. Clark..... 4-19-27 4- 1-29
 Kenneth O. Burgwin..... 10-28-27 4- 1-29

STATE HOSPITAL FOR THE INSANE, MORGANTON

J. H. Beall..... 4- 1-25 4- 1-29
 R. R. Clark..... 4- 1-25 4- 1-29
 J. H. Boyd..... 4- 1-25 4- 1-29
 John M. Scott..... 4- 1-25 4- 1-29

*Deceased.
 †Resigned.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
O. M. Mull.....	Shelby..... 4- 1-25	4- 1-29
C. E. Brooks.....	Hendersonville..... 9-23-25	9-23-29
J. H. Giles.....	Glen Alpine..... 9-23-25	9-23-29
Dr. G. S. Kirby.....	Marion..... 9-23-25	9-23-29
Sloan M. Robinson.....	Gastonia..... 9-23-25	9-23-29
STATE HOSPITAL FOR THE INSANE, COLORED, GOLDSBORO		
Capt. Nathan O'Berry.....	Goldsboro..... 4- 1-25	4- 1-29
Dr. J. E. Hart.....	Wadesboro..... 4- 1-25	4- 1-29
Dr. R. C. Beaman*	Tarboro..... 4- 1-25	4- 1-29
Dr. John D. Robinson.....	Wallace..... 4- 1-25	4- 1-29
E. W. Timberlake.....	Wake Forest..... 4- 1-25	4- 1-29
Dr. H. V. Horton†.....	Winston-Salem..... 4- 1-25	4- 1-29
W. P. Anderson.....	Wilson..... 7-13-25	4- 1-29
C. P. Aycock.....	Pantego..... 9 23-25	9-23-29
L. M. Blue.....	Gibson..... 9-23-25	9-23-29
R. T. Wade.....	Morehead City..... 9-23-25	9-23-29
W. J. Byrd.....	Greenville..... 10-28-27	4- 1-29
NORTH CAROLINA SCHOOL FOR THE DEAF, MORGANTON		
Dr. Howard Rondthaler.....	Winston-Salem..... 4- 1-25	4- 1-29
W. W. Neal.....	Marion..... 4- 1-25	4- 1-29
W. C. Dowd, Sr.*.....	Charlotte..... 4- 1-25	4- 1-29
Mrs. I. P. Jeter†.....	Morganton..... 4- 1-25	4- 1-29

*Deceased.

†Resigned.

Jas. F. Barrett.....	Charlotte.....	1-19-26	9-25-29
Dr. Jenniss Morrill.....	Falkland.....	1-19-26	9-25-29
A. A. Shuford, Jr.....	Hickory.....	1-19-26	9-25-29
Mrs. R. B. Boger.....	Morganton.....	9- 5-27	4- 1-29
W. C. Dowd, Jr.....	Charlotte.....	9-27-27	4- 1-29

STATE SCHOOL FOR THE BLIND, RALEIGH

E. M. Johnson†.....	Lumberton.....	4- 1-25	4- 1-29
R. L. McMillan.....	Raleigh.....	4- 1-25	4- 1-29
F. H. Brooks†.....	Smithfield.....	4- 1-25	4- 1-29
C. M. Wilson.....	Wilsons Mills.....	4- 1-25	4- 1-29
J. R. Baggett.....	Lillington.....	4- 1-25	4- 1-29
W. N. Keener.....	Durham.....	4- 1-25	4- 1-29
R. H. Crichton.....	Lumberton.....	4-28-25	4- 1-29
J. T. Alderman.....	Henderson.....	9-24-25	9-24-29
John T. Finley*.....	North Wilkesboro.....	9-24-25	9-24-29
A. L. McNeill.....	Sanford.....	9-24 25	9-24-29
John A. Oates.....	Fayetteville.....	9-24-25	9-24-29
Dr. W. A. Rogers.....	Franklin.....	9-24-25	9-24-29
Miss Beatrice Cobb.....	Morganton.....	1-15-26	4- 1-29
Kelly M. Barnes.....	Lumberton.....	5-18-26	9-24-29

CASWELL TRAINING SCHOOL, KINSTON

Dr. Gideon H. Macon.....	Warrenton.....	4-10-25	4-10-29
C. W. Lassiter.....	Spring Hope.....	4-10-25	4-10-29
L. A. Bethune†.....	Clinton.....	4-10-25	4-10-29

*Deceased.

†Resigned.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
L. P. Tapp.....	Kinston.....	4-10-29
T. E. Whitaker.....	Oak Ridge.....	4-10-29
J. Harper Alexander, Jr.†.....	Scotland Neck.....	4-24-29
R. L. McLeod†.....	Maxton.....	4-24-29
S. F. McCotter.....	Vandemere.....	4-24-29
Dr. W. W. Dawson.....	Grifton.....	4-24-29
V. O. Parker.....	Raleigh.....	4-24-29
Dr. Carl P. Parker†.....	Seaboard.....	5-13-25
Dr. J. B. Cranmer.....	Wilmington.....	5- 9-27
Claude Rankin†.....	Fayetteville.....	4-20-28
Dr. J. F. Nash.....	St. Pauls.....	7- 7-28
		11- 6-28

ADVISORY COMMITTEE, CASWELL TRAINING SCHOOL

Dr. W. S. Rankin.....	Raleigh.....	8- 3-25
Dr. James W. Vernon.....	Morganton.....	8- 3-25
Dr. Thurman D. Kitchin.....	Wake Forest.....	8- 3-25
W. C. Dowd, Sr.*.....	Charlotte.....	8- 3-25
Gilbert T. Stephenson.....	Raleigh.....	8- 3-25
Capt. Nathan O'Berry.....	Goldsboro.....	8- 3-25
Henry A. Page.....	Aberdeen.....	8- 3-25
J. O. Carr.....	Wilmington.....	8- 3-25
A. T. Allen.....	Raleigh.....	8- 3-25

*Deceased.

†Resigned.

‡Declined.

STATE HOME AND INDUSTRIAL SCHOOL FOR GIRLS AND WOMEN, SAMARCA

Mrs. J. R. Page.....	Aberdeen.....	6-27-29
Dr. Delia Dixon Carroll.....	Raleigh.....	6-27-29
Mrs. W. N. Everett.....	Rockingham.....	6-27-29
Dr. A. A. McGeachey*	Charlotte.....	6-27-29
Leonard Tufts.....	Pinehurst.....	6-27-29
E. T. McKeithen.....	Aberdeen.....	6-27-29
		10-18-28

EAST CAROLINA INDUSTRIAL AND TRAINING SCHOOL FOR BOYS, ROCKY MOUNT

J. C. Braswell.....	Rocky Mount.....	6-20-29
R. T. Fountain.....	Rocky Mount.....	6-20-29
Wilson Lamb†.....	Williamston.....	6-20-29
S. C. Sitterson.....	Kinston.....	6-20-29
Dr. C. F. Strosnider.....	Goldsboro.....	6-20-29
W. H. Dail, Jr.....	Greenville.....	6-20-29
Ernest Deans.....	Wilson.....	5- 4-27
Mrs. R. S. McCoin.....	Henderson.....	5- 4-27
R. L. Huffines.....	Rocky Mount.....	5- 4-27

STONEWALL JACKSON MANUAL TRAINING AND INDUSTRIAL SCHOOL, CONCORD

Mrs. I. W. Faison.....	Charlotte.....	4-10-29
J. S. Efrid*	Albemarle.....	4-10-29
Chas. A. Cannon.....	Concord.....	4-10-29
D. B. Coltrane.....	Concord.....	4-10-29
Herman Cone.....	Greensboro.....	4-10-29

*Deceased.

†Resigned.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
J. P. Cook*	Concord.....	4-10-25
Mrs. Cameron Morrison	Charlotte.....	9-23-25
Mrs. W. N. Reynolds	Winston-Salem.....	9-23-25
Miss Easdale Shaw	Rockingham.....	9-23-25
P. C. Witlock	Charlotte.....	9-23-25
Mrs. R. O. Everett†	Durham.....	9-23-25
J. E. Latham	Greensboro.....	1-16-28
Luther I. Hartsell	Concord.....	3-29-28
STATE TRAINING SCHOOL FOR NEGRO BOYS, MORRISON INDUSTRIAL SCHOOL		
Mrs. J. LeGrande Everett†	Rockingham.....	6-17-25
W. L. Parsons	Rockingham.....	6-17-25
W. N. Everett†	Raleigh.....	6-17-25
Thad Tate	Charlotte.....	6-17-25
C. C. Spaulding	Durham.....	6-17-25
Robert Dickson Phillips	Laurinburg.....	6-27-25
T. C. Cox	Wadesboro.....	7-13-25
A. J. Butler	Hoffman.....	5-23-27
B. F. Reynolds	Rockingham.....	5-23-27
C. S. Massey	Waxhaw.....	5-23-27
NORTH CAROLINA COLLEGE FOR NEGROES, DURHAM		
N. W. Walker	Chapel Hill.....	4- 1-25
P. H. Wilson†	Wake Forest.....	4- 1-25
Q. K. Nimocks†	Fayetteville.....	4- 1-25

*Deceased.

†Resigned.

‡Mrs. Everett was Miss Katherine McD. Robinson of Fayetteville when appointed.

Luther M. Carlton.....	Roxboro.....	4- 1-25	4- 1-29
E. P. Wharton.....	Greensboro.....	4- 1-25	4- 1-29
W. P. Lawrence*.....	Elon College.....	4- 1-25	4- 1-29
Dr. J. B. Wright†.....	Raleigh.....	4- 1-25	4- 1-29
J. C. Clifford.....	Dunn.....	4- 1-25	4- 1-29
S. E. Douglass†.....	Raleigh.....	5-11-25	4- 1-29
John Arch McMillan.....	Wake Forest.....	5-27-25	4- 1-29
W. J. Brogden†.....	Durham.....	10-31-25	10-31-29
R. L. Flowers.....	Durham.....	10-31-25	10-31-29
J. B. Mason.....	Durham.....	10-31-25	10-31-29
J. M. Donlan†.....	Rocky Mount.....	10-31-25	10-31-29
W. A. Erwin†.....	Durham.....	1-16-26	10-31-29
E. A. Muse.....	Hamlet.....	4- 8-26	10-31-29
Burke Hobgood.....	Durham.....	11-24-26	10-31-29
A. H. Powell.....	Oxford.....	2-28-27	10-31-29
Roy Lasitter.....	Winston-Salem.....	12- 8-27	4- 1-29
Dr. Claude B. Squires.....	Charlotte.....	3- 9-28	4- 1-29
WINSTON-SALEM TEACHERS COLLEGE, COLORED			
D. B. McCrary†.....	Asheboro.....	4- 1-25	4- 1-29
Mrs. Lindsay Patterson.....	Winston-Salem.....	4- 1-25	4- 1-29
J. D. Humphreys.....	Danbury.....	4- 1-25	4- 1-29
A. D. Folger.....	Dobson.....	4- 1-25	4- 1-29
N. C. Newbold, ex-officio.....	Raleigh.....	4- 1-25	4- 1-29
H. E. Fries.....	Winston-Salem.....	9-24-25	9-24-29
W. A. Blair.....	Winston-Salem.....	9-24-25	9-24-29

*Deceased.

†Resigned.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
H. G. Chatham.....	Winston-Salem.....	9-24-29
A. H. Eller.....	Winston-Salem.....	9-24-29
R. S. Montgomery.....	Reidsville.....	4- 1-29
ELIZABETH CITY COLORED NORMAL SCHOOL		
H. G. Kramer.....	Elizabeth City.....	4- 1-29
C. A. Cooke.....	Elizabeth City.....	4- 1-29
Clyde McCallum.....	Hertford.....	4- 1-29
Dr. E. J. Griffin†.....	Edenton.....	4- 1-29
Rev. S. A. Cotton.....	Washington.....	4- 1-29
T. W. Costen†.....	Gatesville.....	4- 1-29
W. G. Gaither†.....	Elizabeth City.....	10-29-29
T. S. White.....	Hertford.....	10-29-29
H. R. Leary.....	Edenton.....	10-29-29
Mrs. J. G. Fearing.....	Elizabeth City.....	10-29-29
G. R. Little.....	Elizabeth City.....	10-29-29
J. M. Glenn.....	Gatesville.....	4- 1-29
FAYETTEVILLE COLORED NORMAL SCHOOL		
Geo. K. Grantham†.....	Dunn.....	4- 1-29
Archie McL. Graham†.....	Clinton.....	4- 1-29
M. Broadus Glover.....	Bailey.....	4- 1-29
Dr. Allen McLean.....	Wagram.....	4- 1-29
Dr. J. C. Grady.....	Kenly.....	4- 1-29
H. L. Cook.....	Fayetteville.....	10-29-29
Dr. H. W. Lilly.....	Fayetteville.....	10-29-29

*Deceased.

V. C. Bullard.....	Fayetteville.....	10-29-25	10-29-29
Henderson Steele.....	Lillington.....	10-29-25	10-29-29
AGRICULTURAL AND TECHNICAL COLLEGE OF NORTH CAROLINA, COLORED			
F. W. Dunlap.....	Wadesboro.....	5-28-25	1- 1-31
Frank Armfield†.....	Concord.....	5-28-25	1- 1-31
S. P. Collier.....	Winston-Salem.....	5-28-25	1- 1-31
J. H. Coward.....	Ayden.....	5-28-25	1- 1-31
Emmett H. Bellamy.....	Wilmington.....	5-28-25	1- 1-31
R. B. Terry†.....	High Point.....	5-28-25	1- 1-29
Leake S. Covington.....	Rockingham.....	5-28-25	1- 1-29
S. W. Finch.....	Lexington.....	5-28-25	1- 1-29
O. F. Crowson, Sr.*.....	Burlington.....	5-28-25	1- 1-29
R. F. Beasley.....	Monroe.....	5-28-25	1- 1-29
W. R. Vaughan.....	Henderson.....	6- 1-25	1- 1-31
Dr. Archibald Johnson.....	Thomasville.....	6-18-25	1- 1-29
Dr. Alexander Graham.....	Charlotte.....	4-20-27	1- 1-33
A. M. Scales.....	Greensboro.....	4-20-27	1- 1-33
C. M. Vanstory.....	Greensboro.....	4-20-27	1- 1-33
M. C. S. Noble, Sr., Chairman.....	Chapel Hill.....	4-20-27	1- 1-33
Dr. W. L. Poteat.....	Wake Forest.....	4-20-27	1- 1-33
O. F. Crowson, Jr.....	Burlington.....	4-20-28	1- 1-29

*Deceased.

†Resigned.

<i>Name</i>	<i>NORTH CAROLINA LIBRARY COMMISSION</i>	<i>Appointed</i>	<i>Expires</i>
Mrs. Nancy P. Leake.....	Rockingham.....	4- 1-25	4- 1-28-31
<i>STATE AGRICULTURAL SOCIETY</i>			
Jos. A. Brown.....	Chadbourn.....	4- 1-25	4- 1-26
J. B. Williams.....	Shiloh.....	4- 1-25	4- 1-26
<i>STATE BOARD OF REGISTRATION FOR ENGINEERS AND LAND SURVEYORS</i>			
Chas. E. Waddell.....	Asheville.....	5-13-25	12-31-29
N. S. Mullican.....	Walnut Cove.....	5-13-25	12-31-29
Gilbert C. White.....	Durham.....	2-12-26	12-31-29
C. L. Mann.....	Raleigh.....	2- 3-28	12-31-30
P. H. Daggett.....	Chapel Hill.....	2- 3-28	12-31-31
<i>STATE BOARD OF CHIROPRACTIC EXAMINERS</i>			
Dr. C. I. Carlson.....	Greensboro.....	10-19-25	6- 1-28
Dr. Clinton C. Cox.....	Durham.....	5- 7-26	5- 7-29
Dr. Eugene L. Cox.....	Winston-Salem.....	5-12-27	5- 5-30
Dr. Jno L. Frizzelle.....	Durham.....	9-11-28	5- 1-31
<i>ATLANTIC AND NORTH CAROLINA RAILROAD COMPANY</i>			
H. D. Bateman, Director.....	Wilson.....	8- 6-25	8- 6-26-27-28-29
J. Lawrence Jones, Director.....	Charlotte.....	8- 6-25	8- 6-26-27-28-29
W. D. LaRoque†, Director.....	Kinston.....	8- 6-25	8- 6-26-27-28
Mrs. Palmer Jerman, Director.....	Raleigh.....	8- 6-25	8- 6-26-27-28

†W. D. LaRoque appointed president 8-6-26 to 8-5-27.

J. Arrington Kitchin, *Director.....	Scotland Neck.....	8-	6-25	8-	6-26-27-28
C. B. Park, Director.....	Raleigh.....	8-	6-25	8-	6-26-27-28
David H. Collins, Director.....	Greensboro.....	8-	6-25	8-	6-26-27
A. D. O'Bryan, President.....	Beaufort.....	8-	6-25	8-	6-26-27
Stacey Brewer, Sec.-Treas.....	Vass.....	8-	6-25	8-	6-26-27
H. L. Godwin, Attorney.....	Dunn.....	8-	6-25	8-	6-26-27-28-29
Austin McCormick, Auditor.....	Sanford.....	8-	6-25	8-	6-26-27-28-29
T. Boddie Ward, Expert.....	Wilson.....	8-	6-25	8-	6-26-27-28-29
W. M. Webb, Finance Committee.....	Morehead City.....	8-	6-25	8-	6-26-27-28-29
W. J. Boyd, †Finance Committee.....	Ayden.....	8-	6-25	8-	6-26-27
Dr. Thurman Kitchin, † Director.....	Wake Forest.....		9-11-25	8-	5-27-29
Mrs. T. W. Bickett, Director.....	Raleigh.....	8-	5-26	8-	5-27-29
Jas. H. Holloway, Director.....	Ridgeway.....	8-	5-26	8-	5-27 28-29
C. S. Wallace, ¶ Proxy.....	Morehead City.....	8-	5-26	8-	4-28
Geo. C. Tudor, Director.....	Winston-Salem.....	8-	4-27	8-	4-28-29
Mrs. John D. Langston, Director.....	Goldsboro.....	8-	4-27	8-	4-28
Harry M. Jacobs, Director.....	New Bern.....	8-	4-27	8-	4-28
W. S. Moye, Sec.-Treas.....	Rocky Mount.....	8-	4-27	8-	4-28-29
T. C. Etheridge, Finance Committee.....	Kinston.....	8-	4-27	8-	4-28
W. R. Allen, Proxy.....	Goldsboro.....	8-	4-27	8-	9-29
A. D. Ward, Director.....	New Bern.....	8-	9-28	8-	9-29
Rivers D. Johnson, Director.....	Warsaw.....	8-	9-28	8-	9-29
W. B. Jones, President.....	Raleigh.....	8-	9-28	8-	9-29

* Deceased.

† Resigned.

¶ C. S. Wallace, appointed president 8-4-27 to 8-4-28.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
T. J. Murphy, Sec.-Treas.	8- 9-28	8- 9-29
Luther Hamilton, Proxy	8- 9-28	8- 9-29
NORTH CAROLINA RAILROAD COMPANY		
John F. Bowles, Director	7- 9-25	7- 9-26-27-28
Robert W. Lassiter, Director	7- 9-25	7- 9-26-27-28-29
Gilbert C. White, Director	7- 9-25	7- 9-26-27-28-29
Arthur M. Dixon, Director	7- 9-25	7- 9-26-27-28-29
M. O. Dickerson, Director	7- 9-25	7- 9-26-27-28-29
C. A. Hunt, Jr., Director	7- 9-25	7- 9-26-27-28-29
Julius Cone, Director	7- 9-25	7- 9-26-27-28-29
Word H. Wood, President	7- 9-25	7- 9-26-27-28-29
Wiley G. Barnes, Sec.-Treas.	7- 9-25	7- 9-26-27-28-29
J. Bayard Clark, Attorney	7- 9-25	7- 9-26-27-28-29
Chas. F. Dalton, Expert	7- 9-25	7- 9-26-27-28-29
W. J. Brogden, Proxy	7- 9-25	7- 9-26
F. S. Lambeth, Finance Committee	7- 9-25	7- 9-26-27-28
Jas. H. Holloway, † Finance Committee	7- 9-25	7- 9-26
W. A. Foil, * Finance Committee	7- 9-25	7- 9-26
E. C. Smith, Finance Committee	7- 9-25	7- 9-26-27-28
Thos. H. Webb, Finance Committee	12-10-25	7- 9-26-27-28-29
Percy J. Olive, Proxy	7- 7-26	7- 7-27
C. C. Branch, Finance Committee	7- 7-26	7- 7-27-28
John W. Hinsdale, Proxy	7-14-27	7-14-28

*Deceased.
†Resigned.

Geo. C. Tudor, Director.....	Winston-Salem.....	7-12-28	7-12-29
Carroll B. Spencer, Finance Committee.....	Swan Quarter.....	7-12-28	7-12-29
Marvin Horton, Finance Committee.....	Farmville.....	7-12-28	7-12-29
D. H. Collins, Finance Committee.....	Greensboro.....	7-12-28	7-12-29
R. L. McMillan, Proxy.....	Raleigh.....	7-12-28	7-12-29

STATE LICENSING BOARD FOR CONTRACTORS

R. L. Goode.....	Charlotte.....	5-26-25	12-31-25
H. C. Caldwell.....	Asheville.....	5-26-25	12-31-26
D. J. Rose†.....	Rocky Mount.....	5-26-25	12-31-27
U. A. Underwood, Chairman.....	Wilmington.....	5-26-25	12-31-28
C. D. Riggsbee, Sec.-Treas.....	Durham.....	5-26-25	12-31-29
H. P. Grier, Jr.....	Statesville.....	6- 3-25	12-31-27-32
Fred M. Laxton.....	Charlotte.....	3-12-26	12-31-30
R. C. Stevens.....	Asheville.....	4-20-28	12-31-31

NORTH CAROLINA STATE BOARD OF DENTAL EXAMINERS

Dr. J. S. Spurgeon.....	Hillsboro.....	7-17-25	6-30-28
Dr. J. H. Wheeler.....	Greensboro.....	7-17-25	6-30-28
Dr. H. O. Lineberger.....	Raleigh.....	6- 7-26	6-30-27
Dr. J. S. Betts.....	Greensboro.....	6- 7-26	6-30-29
Dr. W. T. Martin.....	Benson.....	6- 7-26	6-30-29
Dr. H. L. Keith.....	Wilmington.....	7-15-26	6-30-27-30
Dr. C. C. Bennett.....	Asheville.....	4-25-27	6-30-30
Dr. E. B. Howle.....	Raleigh.....	4-27-28	6-30-31
Dr. J. A. McClung.....	Winston-Salem.....	4-27-28	6-30-31

†Resigned.

NORTH CAROLINA BOARD OF VETERINARY MEDICAL EXAMINERS		<i>Appointed</i>	<i>Expires</i>
<i>Name</i>			
Dr. J. I. Neal.....	Sanford.....	6-19-25	6-19-30
Dr. L. F. Koonce.....	Raleigh.....	9-28-25	9-28-30
Dr. Wm. Moore.....	Raleigh.....	12-13-26	12-13-31
Dr. W. A. Hornaday.....	Greensboro.....	9-24-27	7- 1-32
NORTH CAROLINA BOARD OF PHARMACY			
James A. Henderson.....	Charlotte.....	4-25-25	4-28-30
James G. Ballew.....	Lenoir.....	4-17-26	4-28-30
C. P. Greyer.....	Morganton.....	5-18-26	4-28-31
E. V. Zoeller.....	Tarboro.....	3-19-27	4-28-32
Dr. Ira W. Rose.....	Rocky Mount.....	4-27-28	4-28-32
STATE BOARD OF EXAMINERS IN OPTOMETRY			
Dr. W. L. Best.....	Greenville.....	5- 1-25	5- 1-30
Dr. Sam Levy.....	Charlotte.....	4-16-26	5- 1-31
Dr. A. P. Staley.....	High Point.....	5-16-27	5- 1-32
Dr. W. W. Parker.....	Lumberton.....	6- 1-28	5- 1-33
STATE BOARD OF OSTEOPATHIC EXAMINATION AND REGISTRATION			
Dr. George A. Griffith.....	Wilmington.....	6- 8-25	5- 1-30
Dr. F. C. Sharp.....	High Point.....	6- 7-26	5- 1-27-32
Dr. S. W. Hoffman.....	Statesville.....	6- 7-26	5- 1-31
Dr. Frank R. Heine.....	Greensboro.....	9-26-28	5- 1-31

STATE BOARD OF ACCOUNTANCY

George Adams..... Charlotte..... 5- 1-28
 J. B. McCabe..... Wilmington..... 5- 1-31
 Wright Dixon..... Raleigh..... 5-25-29
 Walter Charnley..... Charlotte..... 5-25-29
 Frank L. Jackson..... Davidson..... 7- 1-31

STATE BOARD ARCHITECTURAL EXAMINATION AND REGISTRATION

Harry Barton..... Greensboro..... 7-23-25
 Willard G. Rogers..... Charlotte..... 4- 8-29
 James B. Lynch..... Wilmington..... 4- 8-30

TOBACCO GROWERS' COÖPERATIVE ASSOCIATION

George Ross..... Jackson Springs..... 6-4-25

NORTH CAROLINA COÖPERATIVE COTTON ASSOCIATION

Robert N. Page..... Aberdeen..... 8-12-25-27
 Dr. George M. Pate..... Rowland..... 4-19-27-29

MOSES H. CONE MEMORIAL HOSPITAL

Hugh G. Chatham..... Winston-Salem..... 11-24-25 May 8, 1929
 J. Elwood Cox..... High Point..... 11-24-25 May 8, 1929
 E. S. Parker, Jr..... Greensboro..... 11-24-25 May 8, 1929

MAYOR AND TOWN ALDERMAN, WRIGHTSVILLE BEACH

Geo. E. Kidder, Mayor..... Wrightsville Beach..... 4-26-27 4- 1-31
 J. A. Taylor, Alderman..... Wrightsville Beach..... 4-26-27 4- 1-31

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
B. J. Jacobs, Alderman.....	Wrightsville Beach.....	4- 1-31
L. Stein, Alderman.....	Wrightsville Beach.....	4- 1-31
MAYOR AND BOARD OF COMMISSIONERS, PEMBROKE		
Neil McInnis, Mayor.....	Pembroke.....	5- 3-26-27-28-29
T. L. Thaggard, Commissioner.....	Pembroke.....	5- 3-26-27-28-29
J. A. McCormick, Commissioner.....	Pembroke.....	5- 3-26-27-28-29
A. M. Breece, Commissioner.....	Pembroke.....	5- 3-26-27-28-29
W. M. Lowry, Commissioner.....	Pembroke.....	5- 3-26-27-28-29
R. H. Livermore, Commissioner.....	Pembroke.....	5- 2-27-28
James C. Oxendine, Commissioner.....	Pembroke.....	5- 6-29
A. Y. Paul, Commissioner.....	Pembroke.....	5- 6-29
OXFORD ORPHAN ASYLUM, OXFORD		
J. LeGrande Everett.....	Rockingham.....	1-14-29
R. L. Flowers.....	Durham.....	1-14-29
S. M. Gattis, Sr.....	Hillsboro.....	1-14-29
BOARD OF COMMISSIONERS, NAVIGATION AND PILOTAGE, CAPE FEAR RIVER AND BARS		
H. C. McQueen.....	Wilmington.....	4-15-29
C. W. Worth.....	Wilmington.....	4-15-29
D. H. Scott.....	Wilmington.....	4-15-29
J. A. Taylor.....	Wilmington.....	4-15-29
Richard Doshier.....	Southport.....	4-15-29

NORTH CAROLINA GETTYSBURG MEMORIAL COMMISSION†	
Mrs. Marshall Williams.....	Faison..... 6-16-27
Mrs. J. Dolph Long.....	Graham..... 6-16-27
Mrs. Felix Harvey, Sr.....	Kinston..... 6-16-27
Mrs. L. B. Newell.....	Charlotte..... 6-16-27
Mrs. Glenn Long.....	Newton..... 6-16-27
Col. A. H. Boyden.....	Salisbury..... 6-16-27
Capt. D. Stewart.....	Laurinburg..... 6-16-27
Capt. S. S. Nash.....	Tarboro..... 6-16-27
H. C. McQueen.....	Wilmington..... 6-16-27
Col. V. S. Lusk.....	Asheville..... 6-16-27
Gen. A. L. Cox.....	Raleigh..... 6-16-27
W. A. Erwin.....	Durham..... 6-16-27
Geo. Pollock Burgwyn.....	Jackson..... 6-16-27
A. L. Brooks.....	Greensboro..... 6-16-27
A. H. London†.....	Pittsboro..... 6-16-27
Maj. H. C. Heath.....	Monroe..... 10-22-27

COMMITTEE TO ACCEPT FLAG¶

S. S. Nash, Chairman.....	Tarboro..... 12- 9-27
J. Rowan Rogers.....	Raleigh..... 12- 9-27
W. A. Smith.....	Ansonville..... 12- 9-27
A. H. Boyden.....	Salisbury..... 12- 9-27

†Resigned.

‡Fifteen members appointed by the governor, five from United Daughters of the Confederacy of North Carolina, and five from Confederate Veterans of North Carolina. Governor, ex-officio chairman.

¶The flag of the 54th North Carolina Infantry was captured by federal troops during the War Between the States, and when the captors offered to return it to North Carolina this committee was appointed to accept the same in Washington, D. C.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
J. D. Hodges.....	Mockville.....	12- 9-27
Alexander Graham.....	Charlotte.....	12- 9-27
B. H. Tyson.....	Pikeville.....	12- 9-27
Col. Virgil S. Lusk.....	Asheville.....	12- 9-27
George M. Hall.....	Red Springs.....	12- 9-27
S. A. Ashe.....	Raleigh.....	12- 9-27
GEORGE WASHINGTON BI-CENTENNIAL COMMITTEE†		
Francis D. Winston, Chairman.....	Windsor.....	12- 8-27
Josh L. Horn, Jr.....	Rocky Mount.....	12- 8-27
Clyde R. Hoey.....	Shelby.....	12- 8-27
Col. Wade H. Harris.....	Charlotte.....	12- 8-27
John D. Bellamy.....	Wilmington.....	12- 8-27
J. F. Hurley.....	Salisbury.....	12- 8-27
Mrs. Sydney Cooper.....	Henderson.....	12- 8-27
Mrs. S. Frank Mebane.....	Spray.....	12- 8-27
Mrs. David H. Blair.....	Winston-Salem.....	12- 8-27
Mrs. E. D. Broadhurst.....	Greensboro.....	12- 8-27
THE NORTH CAROLINA TAX COMMISSION		
A. J. Maxwell, Chairman.....	Raleigh.....	7- 5-27
L. A. Bethune, Vice-Chairman.....	Clinton.....	7- 5-27
J. K. Norfleet.....	Winston-Salem.....	7- 5-27
Thos. D. Warren.....	New Bern.....	7- 5-27
Robert Lassiter.....	Charlotte.....	7- 5-27

One year after
celebration

†George Washington Bi-centennial Committee was appointed under authority of Resolution 30, Public Laws of North Carolina, 1927.

EQUALIZING FUND COMMISSION

Dr. E. C. Brooks.....	Raleigh.....	4-22-25
C. A. Webb.....	Asheville.....	4-22-25
W. C. Feimster.....	Newton.....	4-22-25
Mrs. W. J. Jones.....	Salemberg.....	4-22-25
E. D. Broadhurst.....	Greensboro.....	4-22-25

JUDICIAL CONFERENCE

J. C. B. Eringhaus.....	Elizabeth City.....	4-30-25
H. G. Connor, Jr.†.....	Wilson.....	4-30-25
R. C. Dunn.....	Enfield.....	4-30-25
Geo. K. Freeman.....	Goldsboro.....	4-30-25
J. B. James.....	Greenville.....	4-30-25
G. V. Cowper.....	Kinston.....	4-30-25
J. C. Biggs.....	Raleigh.....	4-30-25
J. O. Carr.....	Wilmington.....	4-30-25
J. Bayard Clark.....	Fayetteville.....	4-30-25
W. J. Brogden†.....	Durham.....	4-30-25
B. S. Womble.....	Winston-Salem.....	4-30-25
W. P. Bynum*.....	Greensboro.....	4-30-25
H. F. Seawell.....	Carthage.....	4-30-25
C. W. Tillett, Jr.....	Charlotte.....	4-30-25
A. H. Price*.....	Salisbury.....	4-30-25
Clyde R. Hoey.....	Shelby.....	4-30-25
Johnson J. Hayes.....	North Wilkesboro.....	4-30-25

*Deceased.

†Resigned.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
J. S. Ferguson.....	Waynesville.....	4-30-25
D. E. Hudgins.....	Marion.....	4-30-25
J. G. Merrimon.....	Asheville.....	4-30-25
A. L. Brooks.....	Greensboro.....	2- 8-26
Oliver G. Rand.....	Wilson.....	12-29-27
Samuel M. Gattis, Sr.....	Hillsboro.....	12-29-27
John L. Rendleman, Sr.....	Salisbury.....	12-29-27
BETTER EQUIPPED HOMES COMMITTEE		
H. E. Miller.....	Raleigh.....	5-22-28
T. E. Browne.....	Raleigh.....	5-22-28
Miss Blanche Shaffer.....	Greensboro.....	5-22-28
E. G. Flanagan.....	Greenville.....	5-22-28
D. S. Weaver.....	Raleigh.....	5-22-28
Dr. E. C. Branson.....	Chapel Hill.....	5-22-28
Mrs. R. A. McCullen.....	Clinton.....	5-22-28
Paul P. Brown.....	Raleigh.....	5-22-28
Miss Beatrice Cobb.....	Morganton.....	5-22-28
COMMISSION TO STUDY COUNTY GOVERNMENT		
Dr. E. C. Brooks.....	Raleigh.....	9-14-25
A. C. McIntosh.....	Chapel Hill.....	9-14-25
F. P. Spruill.....	Rocky Mount.....	9-14-25
E. M. Lyda.....	Asheville.....	9-14-25
F. H. Coffey.....	Lenoir.....	9-14-25
J. A. Orrell.....	Wilmington.....	9-13-25

S. T. White.....	Greenville.....	9-14-25
R. L. Stowe.....	Belmont.....	9-14-25
G. V. Cowper.....	Kinston.....	9-14-25
D. W. Newsom.....	Durham.....	9-14-25
J. G. Stancill.....	Morganton.....	9-14-25
Edwin B. Bridges.....	Charlotte.....	9-14-25
Mrs. Thos. O'Berry.....	Goldsboro.....	11-12-25
Mrs. E. L. McKee.....	Sylva.....	11-12-25

COMMISSION ON ADULT EDUCATION

Mrs. Elizabeth Morris.....	Asheville.....	4-28-28
Mrs. Claude B. Morris.....	Salisbury.....	4-28-28
Mrs. Thos. O'Berry.....	Goldsboro.....	4-28-28
Mrs. Frank Castlebury.....	Raleigh.....	4-28-28
Mrs. Lillian B. Griggs.....	Raleigh.....	4-28-28
Mrs. E. L. McKee.....	Sylva.....	4-28-28
Mrs. Howard G. Etheridge.....	Asheville.....	4-28-28
Miss Ruth Burke.....	LaGrange.....	4-28-28
Mrs. T. E. Browne.....	Raleigh.....	4-28-28
Dr. A. T. Allen.....	Raleigh.....	4-28-28
Dr. Howard W. Odum.....	Chapel Hill.....	4-28-28
Geo. B. Elliott.....	Wilmington.....	4-28-28
E. W. Boshart.....	Raleigh.....	4-28-28
Dr. W. H. Livers.....	Greensboro.....	4-28-28
S. L. Davis.....	High Point.....	4-28-28
E. D. Broadhurst.....	Greensboro.....	4-28-28

*Expires**Appointed*

<i>Name</i>		<i>Appointed</i>
Dr. J. Y. Joyner.....	Raleigh.....	4-28-28
R. E. Sentelle.....	Waynesville.....	4-28-28

EDUCATIONAL COMMISSION

Chas. A. Webb†.....	Asheville.....	3- 3-26
Mrs. E. L. McKee.....	Sylva.....	3- 3-26
J. O. Carr†.....	Wilmington.....	3- 3-26
Jas. K. Norfleet.....	Winston-Salem.....	3- 3-26
Mrs. Jos. A. Brown.....	Chadbourne.....	3- 3-26
Thos. D. Warren†.....	New Bern.....	3- 3-26
Dr. J. Y. Joyner.....	Raleigh.....	3- 3-26
C. E. Teague.....	Sanford.....	3- 3-26
Mrs. J. G. Fearing.....	Elizabeth City.....	3- 3-26
T. W. Andrews.....	High Point.....	3- 3-26
L. D. Robinson†.....	Wadesboro.....	3- 3-26
S. C. Lattimore.....	Shelby.....	3- 3-26
Edgar W. Pharr.....	Charlotte.....	8- 2-26
Stanley Winborne.....	Murfreesboro.....	9-24-26
Nathan O'Berry.....	Goldsboro.....	9-24-26

TRANSPORTATION ADVISORY COMMISSION

J. Allen Taylor.....	Wilmington.....	8-12-26
E. K. Bishop.....	New Bern.....	8-12-26
William Preyer†.....	Greensboro.....	8-12-26

†Resigned.

Jas. A. Gray.....	Winston-Salem.....	8-12-26
John W. House.....	Wilson.....	8-12-26
George Marsh.....	Raleigh.....	8-12-26
T. J. Purdie.....	Fayetteville.....	8-12-26
M. O. Blount.....	Bethel.....	8-12-26
D. M. Ausley*.....	Statesville.....	8-12-26
Fred Kent*.....	Asheville.....	8-12-26
J. Leake Spence†.....	Charlotte.....	8-12-26
T. Austin Finch.....	Thomasville.....	8-12-26
Chas. G. Yates.....	Greensboro.....	9- 1-26
A. G. Myers.....	Gastonia.....	12-21-26
Sam P. Burton.....	Asheville.....	5-17-27

COMMITTEE ON THE ADMISSION OF QUESTIONABLE MENTAL CASES TO STATE INSTITUTIONS

Dr. W. S. Rankin, Chairman.....	Charlotte.....	1-26-28
Mrs. Kate Burr Johnson.....	Raleigh.....	1-26-28
Edwin B. Bridges.....	Raleigh.....	1-26-28
Dr. H. W. Crane.....	Chapel Hill.....	1-26-28
Dr. William McDougal.....	Durham.....	1-26-28
Dr. Jas. W. Vernon.....	Morganton.....	1-26-28

NORTH AND SOUTH CAROLINA BOUNDARY LINE

Geo. F. Syme.....	Raleigh.....	3-10-28
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†Resigned.

*Deceased.

<i>Name</i>	WRECK COMMISSIONERS	<i>Appointed</i>	<i>Expires</i>
Luther Y. Gray	Salvo	4-26-25	4-26-27-29
Jodie Styron	Portsmouth	5- 3-18	5- 3-30
E. H. Peel	Manteo	5- 6-25	5- 6-27-29
T. P. Gray	Avon	5-26-25	5-26-27
Russell J. Austin	Hatteras	6- 3-25	6- 3-27
Joe T. Daniel	Wanchese	6-24-25	6-24-27
I. B. Austin	Hatteras	4-26-26	4-26-28-30
John T. Newark	Corolla	10-30-26	10-30-28

COMMISSIONERS OF AFFIDAVITS IN STATE OF VIRGINIA FOR STATE OF NORTH CAROLINA

Wm. T. Shannonhouse	Norfolk	2-10-25	2-10-27-29
T. N. Stephenson	Norfolk	10-15-25	10-15-27-29
J. L. Bagby	Danville	2-24-26	2-24-27-30
E. G. Bagley	Danville	3-24-26	3-24-28-30
Jacob Silverman	Danville	4-14-27	4-14-29
H. C. Lewis	Danville	1-26-27	1-26-29
Fred Broughton Holderby	Danville	5-30-27	5-30-29

COMMISSIONERS OF AFFIDAVITS IN STATE OF NEW YORK FOR STATE OF NORTH CAROLINA			
Geo. H. Corey	New York	10-26-25	10-26-27-29
Chas. E. A. McCarthy	New York	8-20-26	8-20-28-30

COMMISSIONERS OF AFFIDAVITS IN STATE OF NEW JERSEY FOR STATE OF NORTH CAROLINA			
Jas. Frederick Bratt	Westwood	11-30-27	11-30-29

COMMISSIONERS OF AFFIDAVITS IN STATE OF MARYLAND FOR STATE OF NORTH CAROLINA

Wm. E. Schul.....	Baltimore.....	12-14-25	12-14-27-30
Chas. Henry Hesse.....	Baltimore.....	5-30-27	5-30-29

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BOARD VISITING SURGEONS FOR STATE HOSPITAL, RALEIGH

Dr. T. M. Green.....	Wilmington.....	5-17-26
Dr. J. F. Highsmith.....	Fayetteville.....	5-17-26
Dr. J. P. Monroe.....	Charlotte.....	5-17-26
Dr. Foy Roberson.....	Durham.....	5-17-26
Dr. Hubert A. Royster.....	Raleigh.....	5-17-26
Dr. C. A. Woodard.....	Wilson.....	5-17-26
Dr. T. C. Johnson.....	Lumberton.....	5-17-26
Dr. C. O'H. Laughinghouse.....	Greenville.....	5-17-26
Dr. W. B. McNider.....	Chapel Hill.....	5-17-26
Dr. E. J. Wood.....	Wilmington.....	5-17-26
Dr. R. S. Beam.....	Lumberton.....	5-17-26
Dr. J. J. Murphy.....	Wilmington.....	5-17-26
Dr. S. D. McPherson.....	Durham.....	5-17-26
Dr. James Parrott.....	Kinston.....	5-17-26
Dr. Louis N. West.....	Raleigh.....	5-17-26
Dr. John B. Wright.....	Raleigh.....	5-17-26
Dr. T. M. West†.....	Fayetteville.....	5-17-26
Dr. Julian Baker.....	Tarboro.....	5-17-26
Dr. W. D. James.....	Hamlet.....	5-17-26
Dr. R. L. Pittman.....	Fayetteville.....	5-17-26

†Resigned.

<i>Name</i>	<i>Appointed</i>	<i>Expires</i>
Dr. J. V. McGougan.....	Fayetteville.....	5-17-26
Dr. H. M. Baker.....	Lumberton.....	5-17-26
Dr. Joshua Tayloe.....	Washington.....	5-17-26
Dr. R. D. V. Jones.....	New Bern.....	5-17-26
Dr. T. D. Kitchin.....	Wake Forest.....	5-17-26
Dr. Dave T. Tayloe, Sr.....	Washington.....	5-17-26
Dr. Hubert Haywood, Jr.....	Raleigh.....	5-17-26
Dr. F. W. Griffith.....	Asheville.....	5-15-26
Dr. Henry Morris.....	Rutherfordton.....	5-15-26
Dr. A. G. Brenizer.....	Charlotte.....	5-15-26
Dr. H. F. Long.....	Statesville.....	5-15-26
Dr. J. T. Burrus.....	High Point.....	5-15-26
Dr. J. E. Stokes.....	Salisbury.....	5-15-26
Dr. Alonzo Myers.....	Charlotte.....	5-15-26
Dr. H. S. Clark.....	Asheville.....	5-15-26
Dr. J. F. Miller.....	Marion.....	5-15-26
Dr. W. L. Grantham.....	Asheville.....	5-15-26
Dr. H. H. Briggs.....	Asheville.....	5-15-26
Dr. J. P. Mathewson.....	Charlotte.....	5-15-26
Dr. R. V. Brawley.....	Salisbury.....	5-15-26
Dr. T. W. Davis.....	Winston-Salem.....	5-15-26
Dr. C. W. Banner.....	Greensboro.....	5-15-26
Dr. J. W. McConnell.....	Davidson.....	5-15-26
Dr. A. C. McCall.....	Asheville.....	5-15-26
Dr. B. R. Smith.....	Asheville.....	5-15-26

Dr. L. B. Newell.....	Charlotte.....	5-15-26
Dr. H. B. Hiatt.....	High Point.....	5-15-26
Dr. S. F. Pfohl.....	Winston-Salem.....	5-15-26
Dr. H. H. Dodson.....	Greensboro.....	5-15-26
Dr. Henry Glenn.....	Gastonia.....	5-15-26
Dr. John McCrae (Roentgenologist).....	Asheville.....	5-15-26

COMMISSIONERS OF AFFIDAVITS IN STATE OF PENNSYLVANIA FOR STATE OF NORTH CAROLINA
 Thos. J. Hunt.....Philadelphia.....12-14-25 12-14-27

COMMISSIONER OF AFFIDAVITS IN DISTRICT OF COLUMBIA FOR STATE OF NORTH CAROLINA
 Pearce Horne.....Washington.....1- 5-26 1- 5-28-30

BENTONVILLE BATTLEGROUND COMMITTEE

Mrs. John H. Anderson, President.....	Chapel Hill.....	10- 1-28
Mrs. Walter F. Woodard.....	Wilson.....	10- 1-28
Mrs. W. M. Sanders.....	Smithfield.....	10- 1-28
Captain Edgar Bain.....	Goldsboro.....	10- 1-28
General A. H. Boyden.....	Salisbury.....	10- 1-28
General J. Van B. Metts.....	Raleigh.....	10- 1-28
Alexander Webb.....	Raleigh.....	10- 1-28
Dickson McLean.....	Lumberton.....	10- 1-28



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