The Land Grant Rates Come to Life

To stimulate the building of railroads in the period from 1850 to 1870, the United States Government granted vast acreages of public lands to railroads on condition that the roads were actually built and that they afforded reduced rates to the Government on both freight and passengers which was set at approximately 50 per cent of the normal rate. The first railroad to receive such a grant was the Illinois Central consisting of more than 2½ million acres. A total of 75 grants was made aggregating about 130 million acres which at the time of the grant were roughly valued at 97¢ per acre. About 21,000 miles of railroads were built in consequence of these grants. Prior to the present conflict it was estimated that these rate reductions cost the railroads somewhere between 7 and 10 million dollars per year. Because of the war and the huge movement of military personnel and Government freight, it is now estimated the cost to the railroads will run from 7 to 10 million dollars per month. The companies contend that it has become a heavy burden and now ask that the land grant rates be repealed. It is estimated that 139 agencies of Government are now using land grant rates.

Variety and Magnitude of War Purchases

The magnitude of the present war effort can best be seen from the variety and vastness of the purchases which are being made in contemplation of a long hard struggle. The first tin smelter ever to be constructed in the United States goes into operation in April 1942 with a capacity of 30,000 tons per year. African wool totalling 125 million pounds has been purchased. The entire surplus Cuban sugar crop valued at $200,000,000 has been acquired. Six thousand hides and skins are being purchased from the Argentine as well as vast quantities of Argentine horse hair as a substitute for pig bristle. From Mexico we are purchasing all available mercury, manganese, lead, zinc, tin and abaca fiber. Two million ounces of Quinine have been purchased and it is estimated that 500,000 ounces of this amount has been lost at sea. From Iran, India and Turkey we are acquiring 120 tons of opium. Plants are under construction for the production of high octane gasoline which will quadruple our present production. The Defense Supplies Corporation is now planning to buy five million tires and tubes which are presently frozen in the hands of dealers. These are but a few of the items which are being acquired as a part of the war effort.

Our Indian Problem

In 1930 the Indian population of the United States totalled 332,397 of which about 93,000 were under ten years of age. By 1942 the number had increased to approximately 354,000. About 105,000 of these are of school age. With the exception of scattered Indians the bulk of our Indian population is found in 266 tribes whose tribal lands now consist of about 35 million acres. The Indian Service of the United States which operates as an agency in the Department of the Interior has 12,150 employees exclusive of the CCC workers engaged in work on Indian lands. Total appropriations for the Indian Service in 1929 was slightly over $17,000,000 whereas in 1942 the total appropriation including excl-
penditures out of tribal funds totalled more than $35,500,000. From this it is evident that while there has been but a modest increase in the number of Indians, the funds for supervision and management has doubled.

THE JAPANESE EVACUATION PROBLEM
On April 1, 1940 the Census Bureau reported 126,947 Japanese aliens and citizens residing in the United States of whom 112,353 or 92.5 per cent live in prohibited zones on the Pacific Coast. They reside in the States of California, Washington and Oregon in Zone One. About 71,000 of these are citizens and 41,000 are aliens. About 93,000 live in sixteen counties where they produce fruits and vegetables. In fact, they produce 42 per cent of all truck and vegetable crops in California and control 75 per cent of the retail fruit and vegetable business in Los Angeles. Concentrated as they are in this small area, the evacuation of this large number has developed many serious problems. There is involved the Constitutional rights of those who are citizens, the dislocation which will result in the fruit and vegetable business, the custodianship of the property which they own, and the difficulty of finding areas in other states where they can be interned in concentration camps. The House Committee on Immigration has recommended the creation of a Resettlement Board to deal with this huge problem.

THE CENTRAL VALLEY RECLAMATION PROJECT
In 1935 Congress first authorized the building of two dams on the Sacramento River in California to regulate stream flow and to provide for water storage for irrigation and other purposes. The cost of the project was first estimated by state engineers at $170,000,000 but it now develops that it will cost $264,000,000. Recently the Reclamation Bureau requested $13,000,000 with which to undertake the construction of a steam plant for stand-by purposes and a 200 mile transmission line as a part of this project. The total cost of the steam plant and line would be $38,000,000. In the meantime, the Pacific Gas and Electric Company which operates 49 hydroelectric and 10 steam generating plants and which distributes electric energy over 40,100 miles of transmission lines, offered to pay the Federal Government more than $5,000,000 per year on a long term or short term contract for the power generated on the Central Valley project so that the construction of the steam plant and the transmission line at a total cost of $38,000,000 would become presently unnecessary. Officials of the Reclamation Bureau turned down this offer notwithstanding the fact that it would pay all operating costs and leave a profit of $3,500,000 which to make payments on the total cost of the project. Congress, however, saw it in a different light and decided that this was a pretty good offer and, therefore, refused to provide the funds for the construction of the proposed steam plant and transmission line.