

FORTUNE

TIME & LIFE BUILDING
ROCKEFELLER CENTER
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EXECUTIVE OFFICES

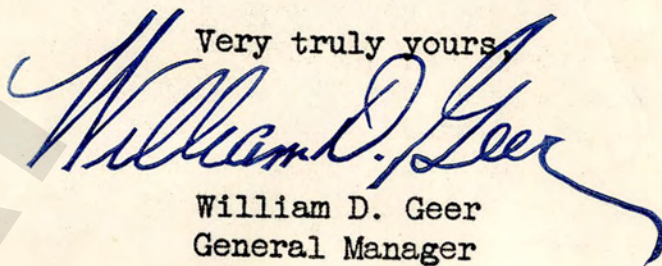
August 11, 1943

Dear Mr. Elias:

Because U.S.-Mexican relations are vitally important to winning our joint war and planning our joint prosperity, FORTUNE for August devotes a leading article to "Mexico: One Year at War." And knowing your intimate concern with this subject, I thought you would want to see a copy of this FORTUNE article.

Perhaps also, you would like to suggest the names of associates who would find this study interesting or valuable. In that case, I should be very glad to see that copies are sent to them.

Very truly yours,



William D. Geer
General Manager

WDG:ca

FORTUNE

VOLUME XXVIII

NUMBER 2

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FORTUNE'S ASSIGNMENT

Today we believe there exists in America a group not only willing but eager to think about the "difficult facts" of business, economics, politics, geography, sociology, and even philosophy—a group which recognizes that *only by working with these facts now* can we act to win the war and build the foundations for lasting peace in the future.

And FORTUNE's purpose today is therefore this: to make itself the journal to which these people will turn for information upon which to base the thinking they must do before they can plan or act—now as well as in the future...

That is what we are trying to do.

Now, specifically, how do we plan to make sure that FORTUNE renders only services essential to American management men in wartime—those men in business, labor, government and the professions who are now carrying the dual responsibility of producing for war and planning for peace?

Our specific plans are these: from this time on, each new issue of FORTUNE will be divided into three separate and distinct sections.

Section One will consist of stories which show:

What we can do to win this war—what our major strategy must be if we are to organize totally America's manpower, materials and machines...

Section Two will contain each month those stories which show:

What we are doing to win—stories of problems being faced and solved along the entire Allied working front...

And Section Three will be made up each month of those articles which show:

What we can win—stories that scan the fronts of the future, on this earth and in men's minds.

In addition to these three sections, each new issue of FORTUNE will contain two new departments: *In the Public Mind*, which will reveal the findings of the various Surveys of Public Opinion or Polls of Executive Opinion we have conducted during the month; and *Business at War*, a feature in which we will bring our readers stories of new methods and developments that are coming to American business as a result of the war. FORTUNE from time to time will also publish special supplementary inserts...

These, then, are our plans. We think them sound plans—for the present. But let no one see in them a final editorial pattern for FORTUNE.

FORTUNE was born at the start of an era of great change, and FORTUNE has changed with the times. It started changing the instant it was born, and it will go on changing always—because it is a living, vital, healthy and undefeated organism.

It has a job to do—and that job will be done.

[—From a memorandum recently sent to each member of
FORTUNE's staff by Managing Editor Ralph D. Paine Jr.]

He has obliterated "lines of authority" by allowing personal favorites to come between him and his operating chiefs.

He has often refused to delegate authority.

Above all, he has divided much of the authority that he has delegated. This habit of Mr. Roosevelt is generally attributed in part to his softheartedness; he hates to fire people. But whatever the motive, the result is the same. Conflict and confusion are inevitable, and the contestants must run to the President to settle their disputes.

THE CAUSE OF CONFUSION

Is the President, then, deliberately trying to sabotage his own administration? Nonsense. It would be an equally misleading mistake to ascribe the current administrative confusion in government solely to Mr. Roosevelt's idiosyncrasies. His administrative practices are not peculiar to himself. At present, they extend down throughout the federal government. Indeed, to some degree, they have always been prevalent in American government—federal, state, and local. Basically, they are attempts to apply political methods to administration.

It is perfectly natural for Mr. Roosevelt and every other politician to make such attempts. Every politician wants and needs power. Political methods are those that have proved most successful for gaining and keeping power. These are the methods that the politician has been trained in, that he understands, that have brought him success in his political career.

Should we, then, abolish politicians? A good many Americans seem to think so. But "politics" is the essence of democratic government; democratic government would be impossible without the politician.

The politician's fundamental function is to try to make as many people as possible as happy as possible. To do this, he must pay careful heed to the wishes and opinions of a great many people. Among them there are bound to be many conflicts. His basic job is to reconcile and resolve these conflicts. Thus he must, essentially, be a compromiser.

This does not mean that the politician must be simply a puppet of his constituents. The wise and courageous politician (called a statesman) leads as well as follows. But, in the main, even the statesman must be a compromiser. If he defies or disagrees with his constituents too often, his only alternatives are to (1) retire from politics, (2) become a dictator.

Thus love of power and the willingness and ability to make compromises are right and good and necessary in democratic government. Without power, the politician can do nothing, either good or evil. Without compromise, he is either a failure or a dictator. But if government is to be both democratic *and* efficient, there must be a point at which the politician stops exercising his special virtues. That stopping point is at the place where administration begins.

THE DOUBLE ROLE

In theory, the boundary line between policy making and administration is easy to draw. It is the point at which, having decided what to do, you begin to go about getting it done. But in practice the distinction is extremely hard to make. The reason is that everyone who has authority over other people must be both a policy maker and an administrator.

The Commander-in-Chief and his chiefs of staff may draw up a plan for conquering a continent, but they must also choose

the field commander to execute it. On down the line, the general must both plan and direct the capture of a province, the colonel the taking of a city, the captain a block within the city, the sergeant a particular house. The same combination of functions holds true in any administrative hierarchy. There is more administration, less policy making, at each step down the line. But it is obviously impossible to make a hard and fast separation of individual policy makers from individual administrators. Yet some separation must be made in government, for there the ways of playing the two roles successfully are fundamentally different.*

The prime differences are two. The first is that for the administrator love of power in general must be subordinated to a determination to make a success of a specific assignment. The administrator must not cherish power so much that he is reluctant to delegate enough of his own to his subordinates.

The second major difference is that, in good government administration, there can be no political compromises, no special concessions to individual or group interests. It is up to the politician to change a policy that proves unwise or unpopular. It is the essence of justice that the administrator should execute whatever policy he has without fear or favor.

WHAT CAN BE DONE ABOUT IT?

But if the politician and the administrator are the same man, what can you expect? What can be done about it? Answer: plenty.

The officeholder himself can do a great deal about it if he understands and bears constantly in mind the distinction between his two roles. The general disrepute of politics and politicians in the U.S. is not primarily caused by graft and demagoguery; it is more the result of politicians' attempts to inject politics—in the form of special favors and exceptions for individuals and groups—into administration. The politician can remedy this by resolutely resisting his impulse to approach his administrative duties politically. This does not mean an abdication of responsibility—the favorite cry of Mr. Roosevelt's friends when his critics tax him with refusal to delegate authority properly. No President could escape final responsibility for his administration if he wanted to. But, considering his primary burden as a policy maker, all that any human being in the presidency can be expected to do administratively is to make a clear and sensible division of jobs to be done, pick the best available man to boss each one, see that he gets results or loses his post. This is a lot. It is, in fact, all that any good top executive does.

A second solution to the problem of separating politics from administration is one that the British have been practicing for more than a century. They recognize that the politician, as the representative of the people, must be supreme within government. Hence the ministers who compose the Cabinet are politically chosen, usually from among the members of Parliament. But the British also recognize the necessity for expert, nonpolitical administration in modern government. They further recognize not only the distinction between offices that are primarily political and those that are primarily administrative, but also the difference between the types of men who are primarily fitted for and inclined toward one or the other

[Continued on page 198]

*Before considering these differences, it should be noted that the crises in food, manpower, etc. represent a failure in both roles. The first essential of good administration is to have a clear, firm policy to administer.





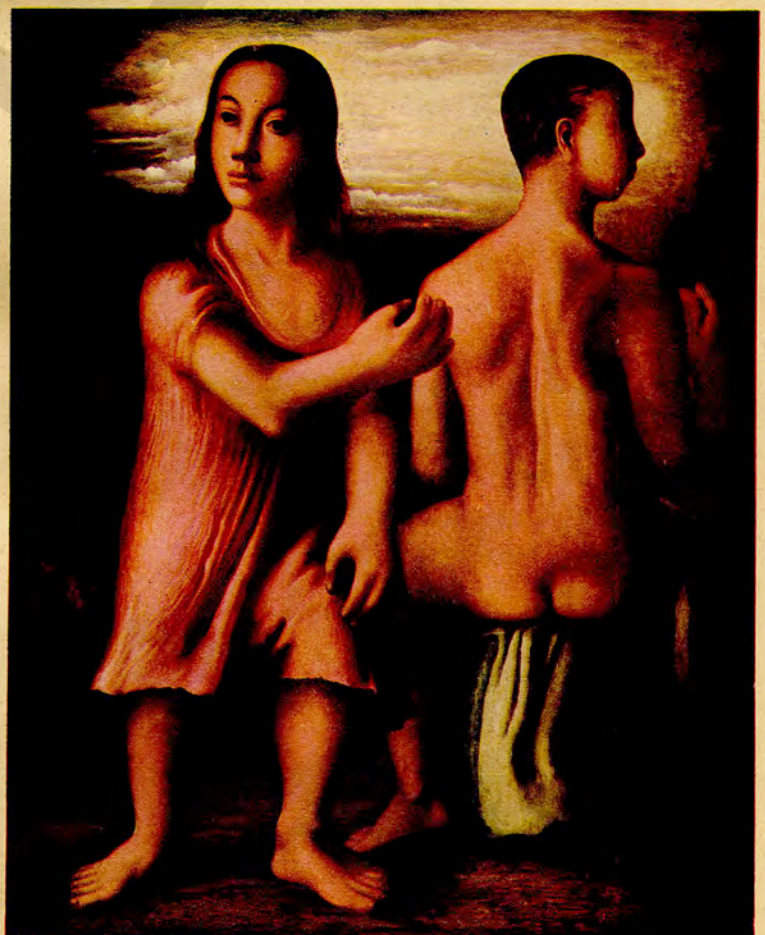
COLLECTION MUSEUM OF MODERN ART

JOSE CLEMENTE OROZCO

MEXICO'S MODERN ART IS PART OF THE REVOLUTION

Out of the bloody, tortured years that began in 1910 with the overthrow of Porfirio Diaz came the new Mexican painters. During periods of violence, some of the artists fought in battles; they organized and propagandized by word and by painting. When a rightist regime came back into power, some went into exile. During left regimes, men like Diego Rivera, Orozco, and Siqueiros, the three best-known early revolutionaries, painted vast walls in public buildings, often for laborers' wages. Art schools sprouted to teach people of all ages. At one of these Fernando Castillo (who lost a leg in the Revolution) began to paint at the age of thirty-eight. He earned his living selling newspapers, produced only a few primitive pictures (left), and died in 1940. Guerrero Galván (right) first painted traditionally and changed his technique only after teaching children in primary schools. The painful struggle of a whole people toward full expression is implicit in most of Mexico's art. Both mural and easel painting show a frequent preoccupation with death (above, Orozco's *Cemetery*) and violence, or merely a heavy, brooding intensity. The Mexican people think of their revolution as a living concept, not a series of battles now over; so, too, Mexico's art revolution still lives.

FERNANDO CASTILLO COLLECTION AGUSTIN VELASQUEZ
CHAVEZ, MEXICO CITY COURTESY PHILADELPHIA MUSEUM OF ART

COLLECTION MUSEUM
OF MODERN ART

JESUS GUERRERO GALVAN

MEXICO: ONE YEAR AT WAR

THE 1942 BOOM TURNS SOUR; INFLATION PLAGUES THE GOVERNMENT; THE PEOPLE BLAME THE GRINGO

MEXICO declared war against the Axis in May, 1942, but for nearly a year thereafter she enjoyed a glorious boom. Possibly the last bright flare-up of the binge could be dated March 6, 1943, when a new race track, Hipódromo de las Américas, opened in Mexico City. Celebrities from Hollywood flew in, Carol of Rumania and Magda Lupescu were there and, of course, President Manuel Avila Camacho, whose own horses ran. Because his predecessor, Lázaro Cárdenas, had outlawed all gambling except the national lottery, special legislation had to be passed to permit betting. The bright blue eyes of "Sell 'Em" Ben Smith of New York, who owns most of the stock in the "two million dollar race track" beamed at the turnout of over 40,000 people. The Mexican Government had obligingly given his Hipódromo, as a "new industry," freedom from taxes of all kinds for five years, and had permitted it to be built on government soil. A few people tartly commented that the steel in the still-exposed girders supporting the grandstands might better have been used for rail on the decaying National Railways.

The half-dozen best hotels in Mexico City were crowded not merely with race-track followers, movie stars, horse trainers and owners but with well-heeled Americans who had come down to put their spare cash in some profitable business in Mexico. Many of them were intent on evading income taxes or hedging against inflation.

Beneath Mexico City's apparent prosperity, however, there had been increasing signs that the boom could not last much longer. Real-estate values had risen to absurd heights. One rich European exile, in March, offered 250,000 pesos* to a Mexico City resident for a house built at a cost of 40,000 pesos a few years before. Although subdivisions were still sprouting on the fringes of Mexico City, building costs were fantastic. What plumbing fixtures, copper wire, refrigerators, and elevators remained in stock had multiplied in price. There were rumors that some of the new tall buildings would be useless for lack of elevators. Mining stocks, local bankers advised, were too high to interest any sane investor. Many of the speculators who flew in to look for a place for their money flew out again, finding nothing more tempting than a bank.

Everyone, except American visitors, complained about rising prices. The weekly shrinkage of the baker's *bolillo* (wheat roll) was first a joke, then a grim signal of the price rise. Clearly the Mexican economy was ailing, and everyone knew it. The press and the labor unions grumbled with increasing bitterness throughout March and April. The government must "do something" to enforce its price regulations. At the end of April, Mexico made its first tentative move toward rationing: automobile owners could use their cars only six days a week.

It would be captious and unjust for Americans to criticize too severely Mexico's first year at war. Our own first year was not earnest enough. Conspicuous gringo speculators and the

rich, ostentatious tourists who descended upon Mexico during that year did little to convince Mexicans that the U.S. knew the meaning of total war. Americans should also recall that in the last war Mexico remained strictly neutral, even pro-German. The scars of Veracruz were then too recent for her to do otherwise. This time Mexico played an important role in swinging Latin America toward the democracies. At the Rio de Janeiro Conference, a few weeks after December 7, 1941, the most stirring speeches in the cause of the United Nations, and, indeed, in favor of Pan-American solidarity, were delivered by Ezequiel Padilla, Mexico's Foreign Minister. More than any other single person, Padilla swayed the delegates toward severance of diplomatic relations with the Axis. By May, 1942, three months before our traditional South American ally Brazil, Mexico had gone to war against the Axis.

It is both naive and incorrect to attribute Mexico's presence on our team to the good-neighbor policy. As President Avila Camacho points out: "Mexico has not been obliged to alter in the slightest degree her basic policy to find herself at the side of the United Nations." Under Cárdenas she had clearly and materially shown her sympathy for republican Spain in the first stage of the anti-fascist war in Europe, several years before England and the U.S. committed themselves. And Mexico has never recognized either Franco Spain or Vichy France. The good-neighbor policy obviously had nothing to do with this performance, although it has done much to smooth relations between Mexico and the U.S.

STILL THE OLD COLOSSUS

In spite of the words and deeds of Wallace and Roosevelt, the Mexicans have not yet forgotten the past. Manuel Avila Camacho spoke this charitable sentence in Monterrey on April 20, when he met President Roosevelt: "Neither you nor I believe in negative memories because we both place our hope in the soundness of principles, in the perfectability of men..." By no means are all Mexicans, however, as willing to forget or forgive the fact that in 1848 over half the acreage of Mexico passed irrevocably to the U.S., or that the marines landed as recently as 1914 in Veracruz.

Nor may it be said that Padilla, so highly regarded in the U.S. and in Brazil, is equally admired at home. He is widely distrusted as a "public-address system" for Washington. Even many Mexicans who fervently believe in the ideas for which Padilla stood in Rio, and who are anti-fascist in every fiber, accuse him of acting essentially for the gringo. Distrust of their Foreign Minister is merely evidence of the suspicion of the U.S. that is harbored by nearly every Mexican, no matter how much he tries to believe in the "perfectability of men."

It is perhaps harder to convince Mexicans than any other Latin-American people that the U.S. will never return to its old big-stick pattern of behavior. With every U.S. success

*The peso is worth between 20 and 21 cents.

on the battlefield and every awesome announcement of gigantic plane and ship production, apprehension of the nearby Colossus grows in Mexico. Unfortunately Nelson Rockefeller's propaganda does too little to combat this fear. The sheer might of the U.S. is overstressed; more sympathy and less fear could be bred by emphasis on U.S. bleeding and dying—which every Mexican understands well.

In April, about a week before President Roosevelt set foot in Mexico, a Mexican Government official openly expressed the mounting fear of the U.S. In a speech on Pan-American Day, D. Rubén Romero, Mexican Ambassador to Cuba, said to all Latin America: "We see the U.S. advance like a heroic giant that rises up from America and fights resolutely for our own ideals, but as the giant grows his shadow comes over us and fills us with fears . . . Let us say to the U.S. as to an elder brother that . . . we are prepared for every sacrifice for the liberty of tomorrow, but we fear that by rationing everything, we may end up with a rationed liberty."

The impact of war and threatened rationing are only beginning to strike Mexico. As economic problems deepen and multiply and touch the lives of every citizen, the people want to place the blame somewhere. To blame the war is not enough. There is always the gringo who was so often accused in the past, and who is today bigger and stronger than ever. And there is the Avila Camacho government that brought Mexico into the war as an ally of the traditional enemy—the gringo. To escape mounting popular criticism, men within the Mexican Government have already yielded to the temptation to shift blame for the nation's current woes on the U.S. and thereby to rekindle old fears of the Colossus.

MR. VILLASENOR ACCUSES

While the newspapers and labor were criticizing the Mexican Government for its failure to enforce price controls, the Director of the Bank of Mexico, Eduardo Villaseñor, made a startling speech (two weeks before President Roosevelt's visit). Outlining in detail some of Mexico's problems, especially inflation, Mr. Villaseñor placed the blame squarely on the U.S. Although his past record is free of any gringo-baiting, anti-American speech or act, Mr. Villaseñor could not have been harsher in his accusations had he been a leader of Mexico's strongest antidemocratic group, the Sinarquistas.

He clearly implied that had Mexico remained neutral she would have fared better economically. Complaining that the U.S. arbitrarily refused to send the small quantities of machines and equipment necessary to keep the Mexican economy from collapsing, he bitterly attacked the BEW-State Department machinery in Mexico City that controls priorities and Mexican imports. This large bureaucracy he charged with ineffectiveness, and suggested that much money could be saved if it shut up shop. He then sarcastically recommended the substitution of a single, small office to be called "The Office for the Refusal of All Requests." Insisting on more supplies, Villaseñor, in an "or else" tone, threatened to call a halt to further entry of American capital, and hinted that Mexico might revalue the peso. To put the peso at four to a dollar instead of the present 4.85 would almost certainly result in a revision upward of the prices the U.S. now pays for strategic minerals.

In a final warning to Mexico itself, he said, "We should exercise the utmost care that the influence of a practical civilization like the American, an influence at once powerful and

irresistible, shall not . . . bring about the obliteration of our own national culture without at the same time achieving something to raise the level of our own civilization." Villaseñor has argued on subsequent occasions, as do other Mexicans, that his country's economy is so feeble that the U.S. cannot now permit it to be further weakened—war or no war—if the good-neighbor policy means what it says.

True, it is as illogical and unjust for Mr. Villaseñor to blame the U.S. for all Mexico's economic problems today as to blame Americans for the war itself. And it is extremely difficult for the U.S., with its responsibilities on all the battlefields of the world, to remedy Mexico's war-caused troubles. Yet some answer must be found. Unhappily the ills no longer can be nursed or cured by loans. It is, in fact, the presence of too much money in Mexico that is the core of the trouble.

THE DELUGE OF DOLLARS

Within one year Mexico's problem shifted from an acute shortage of dollar exchange to an embarrassing surplus. As recently as the fall of 1941 the U.S. found it necessary to set aside \$40 million to help Mexico stabilize her currency; but that money was never needed or used. During 1941 Mexican purchases were greater than ever before, and were far larger than her sales. She had lost export markets in Europe, and the U.S. had not yet filled in the gap by heavy purchases. Retailers and wholesalers in Mexico stocked up against the probability of higher prices and U.S. participation in the war. For a while, in 1941, the Mexican Government considered putting the brakes on imports. Instead, the unfavorable trade balance was allowed to rise freely. It finally reached nearly \$50 million.

But the year 1942 was almost precisely the opposite of 1941; it ended with a *favorable* balance of \$50 million. The \$40 million stabilization loan obviously became unnecessary, since Mexico was building up a big excess of dollar exchange. Imports had continued to be enormous through the first half of the year, because Mexico was not dependent on the sea lanes for her U.S. purchases. Of all U.S. goods sent to Latin America in 1942, Mexico got 20 per cent (Brazil with a population over twice as large received but 12 per cent). Only in the last few months of the year did Mexico's imports shrink; meanwhile shipments to the U.S. rose enormously. Exports of cattle rose 18 per cent; vegetables, 18 (green peas, 1,000 per cent); minerals, 135.

By the time Mr. Villaseñor spoke up, dollar exchange, for which fewer and fewer U.S. products could be bought, was piling up at the rate of \$20 million a month. In addition to dollars for goods there was an accumulation of capital that had entered during the last two years. Throughout 1941-42 Mexicans, who had customarily invested abroad, had brought their money back home to find safer and more profitable havens. Europeans had entered, from King Carol and Axel Wenner-Gren to many less famous, less wealthy individuals.

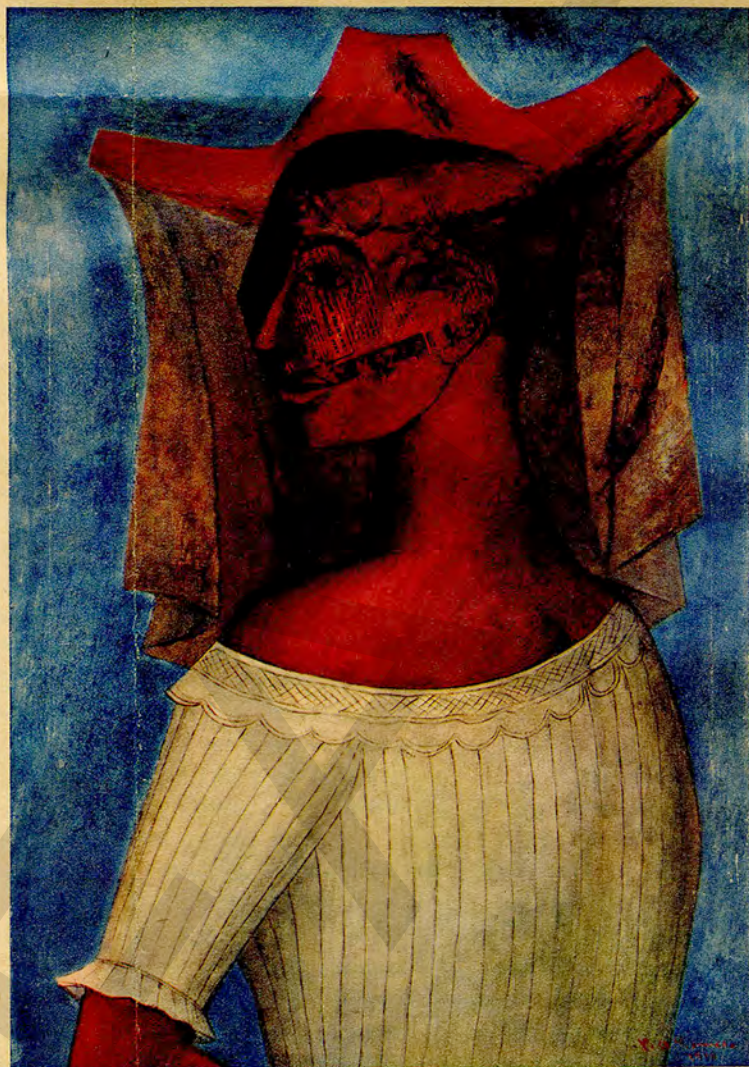
Wenner-Gren had been invited to Mexico in the fall of 1941 by Maximino Avila Camacho, brother of the President and Minister of Communications. Soon the local newspapers were talking in breathless, Hollywood terms of a gigantic plan—first it was called a \$100 million then a \$500 million "syndicate"—which Wenner-Gren and various Americans were about to form. John A. Hastings, former state Senator in New York, was the most articulate spokesman for the proposed "empire." Glorious seaside resorts, a chemical plant, a paper mill, a



CARLOS MERIDA COLLECTION MRS. KATHARINE KUH, CHICAGO



DAVID ALFARO SIQUEIROS PIERRE MATISSE GALLERY



CARLOS OROZCO ROMERO AMERICAN BRITISH ART CENTER

EXPOSED TO FOREIGN IDEAS, THE PAINTERS REMAIN MEXICAN

Mexico has attracted painters from other countries and made them her own; and her artists, after living abroad, have come back with deeper roots in Mexico than ever. Carlos Mérida (above, left), Guatemalan by birth, has spent most of his life in Mexico, builds his abstractions out of Mexican motifs. Siqueiros (above) is the most stormy and revolutionary of all the painters. Now, while the Revolution is "in equilibrium," and the artists less active politically, Siqueiros continues battling. Unlike Rivera's, the quality of his work has been sustained and is never sacrificed to the political ideas he serves. At fourteen he was a sergeant in the Batallón Mama, a revolutionary army of children. Again and again thereafter he fought and plotted, was put into jail, and disappeared into exile. Charged with complicity in a plot to kill Trotsky, he is now in Cuba. Among the "soldier painters" organized by Siqueiros in 1919 was Orozco Romero (left). These two, with a few other left painters, went to Europe in 1921 in search of new ideas. But from Barcelona, Siqueiros issued a manifesto calling upon Mexican artists to shed Europe's influences and explore instead their own rich Indian origins, which, indeed, they have done. Tamayo (right) spends his winters in New York, returning to Mexico every summer. He has been less political than most of the painters. He has pleaded for a deeper, less journalistic use of Mexican material than was characteristic of the muralists in the twenties. Today, when Mexico's easel painting is of better quality than its murals, Tamayo ranks at the top.

VALENTINE GALLERY

RUFINO TAMAYO





Mexico: One Year at War

[Continued from page 121]

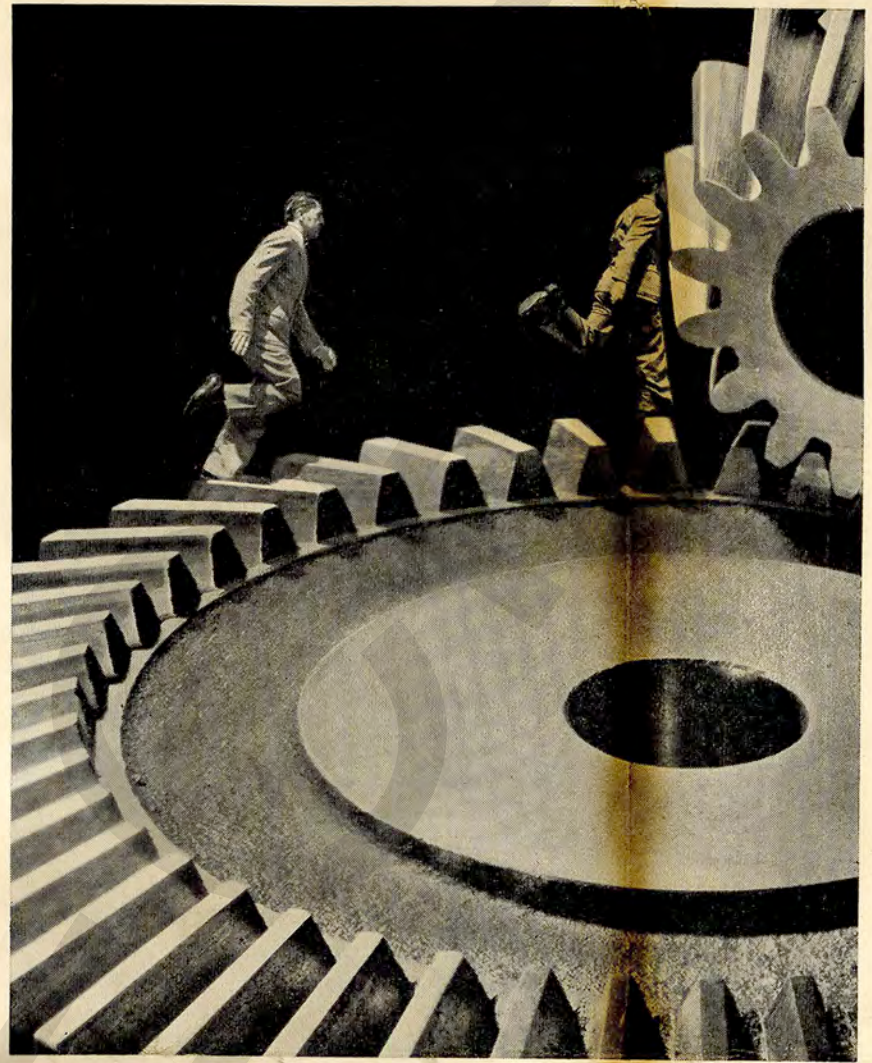
railroad were only fragments of the Wenner-Gren dream. (Possibly Hastings and the newspapers were responsible for some of the extravaganza, but they *seemed* to be speaking for Wenner-Gren.) In January, 1942, Axel Wenner-Gren was put on the American black list, and a number of U.S. citizens, in and out of Mexico City, were deeply embarrassed. He is not black-listed by Mexico, and seems to be a close friend of Maximino Avila Camacho today.

The total of refugee capital is difficult to ascertain; estimates vary from \$25 million to \$50 million for the year 1942. During that year scores of new mines were opened and mining security prices rose 154 per cent. Shields & Co. of New York in August bought from an old-time Mexico City resident, Harry Wright, all the common stock of Consolidada, a steel-fabricating plant, for \$5 million. A miscellany of smaller investments from city real estate to minority shares in a variety of companies soaked up smaller sums of flight dollars. Money also accumulated in the tills of American companies operating in Mexico, which preferred to keep the profits south of the border for income-tax reasons.

Manuel Avila Camacho, who took office in 1940, had led Americans to understand that the days of expropriation were over. Mexico seemed like a good place in which to make money quickly, at a time when nearly all U.S. industry was being pressed into war production. Maximino Avila Camacho was even more friendly to U.S. capital than his brother, the President. Hopeful promoters and plungers, during the winter of 1942-43, boasted in the Ritz bar of their connections with either Maximino or his son-in-law. Without these "contacts" an American was considered ill-equipped. By this spring opportunities for investment were few, no matter how good one's connections. Lack of new machinery stifled the possibility of many an economically desirable industry. A few men left their money in pesos, hoping that Mexico would revalue.

With capital in search of investment, pesos in search of products to buy, and both industrial and agricultural income rising, the signs of inflation became alarming. During 1942 bank deposits increased from 517 million to 813 million pesos, while money in circulation rose 40 per cent, and early in 1943 stood at the total of 1,920,000,000 pesos. Beginning in the fall of 1942 Mexico made efforts to check credit expansion. At first bank reserves were limited to 20 per cent of deposits, then were raised to 30, and finally in January, 1943, to 33 per cent. Early in 1943 a further restriction was imposed: a bank's loans must be kept down to the October, 1942, level, no matter how high deposits had risen. But these measures looked better in theory than in practice. Private loan institutions did a roaring business and so did individual lenders, at interest rates as high as 3 or 4 per cent a month. One banker estimated that, in spite of the controls, there was more credit available in March, 1943, than in the previous October. In April Mexico decided to issue gold coins to encourage hoarding by the people, who have a profound trust in gold resulting from valueless paper currency issued during past revolutions.

The cost-of-living index, the Ministry of Economy itself admitted, was rapidly rising. In March it stood at 219 (the base, 100, is 1934); in May it was 247. The C.T.M. (Confederation of Mexican Laborers) had been shouting for months for a 50 per cent wage increase and effective price controls. Both the press and labor insisted that withdrawal of essential foods from the market by speculators was largely responsible



You won't have to catch up, if you get ready now to

meet the competition that will return with war's end. War Production is settling "in the groove." Your designers and engineers are beginning to emerge from the pressure of overtaking demand. The pace of bond buying has been stepped up and the spirit of free men is inspired to greater and protracted effort by the assurance that Victory can be speeded.

Full Victory will be attained only after the war has been won, by preparation for filling the pent-up and repressed needs of millions of people, here and abroad—needs that will call imperatively for satisfaction.

Manufacturers will face new tasks, new pace, the need for new productive equipment—some of it entirely new, with greater capacity, closer tolerances, more accurately controlled, with more of the characteristics that justify the expression "nearly human." . . . Such a machine may even be emerging from your mind as an embryo model.

Let FIDELITY help you incubate this model into a practical unit so you can enter the race for peace production with a running start.

Meanwhile, write for our booklet, "Automatic Machines."

Designers and Builders of Intricate, Automatic Precision Machines



32 YEARS' EXPERIENCE



FIDELITY MACHINE COMPANY

3908-18 FRANKFORD AVENUE, PHILADELPHIA, PA.

[Continued on page 152]



Hitler and his Nazi "supermen" counted on their super-highways to carry their war transportation load. In their vaunted opinion, railroads were secondary.

Now, these "supermen" are learning too late what America knows. They are learning that mass railway transportation is vital to mass production and movement of war materials and mass movement of fighting men. They are learning that a vast network of 400,000 miles of steel rails crisscrosses and unites every part of this land. They are learning and feeling the effects, of America's overwhelming war production and military power, which keeps the rails of this nation humming every hour of the day and night, with the efficient movement of one and one-third million tons of freight a mile every minute and 2,000,000 fighting men a month. They are learning the hard and bitter way how the American railroads, with their efficiency and coordination and their loyal employees, are performing the biggest transportation job the world has ever seen.

Above all, Hitler and his "supermen" will learn in the months to come that free enterprise and the free people of the United Nations will win unconditional surrender from their enemies.

BUY MORE WAR BONDS

NORFOLK and WESTERN Railway

ONE OF AMERICA'S RAILROADS . . . ALL UNITED FOR VICTORY!



Mexico: One Year at War

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for artificial shortages and price rises. There were repeated hints that much of the speculation was with the knowledge of high officials in the government, and could be abruptly stopped.

BLAMING IT ON THE GRINGO

Yet, when Mexicans asked the storekeeper (usually a Spaniard, often pro-Franco) why the price of rice, bread, salt, or anything else had risen, he was apt to say, "The gringos are buying up everything." In the big, open markets where fresh foods are sold, usually by Indians, the reason given for the high prices of potatoes, meat, tortillas, or any other food was the same. Only those Mexicans who took the trouble to look for the truth knew that such accusations were well-disseminated canards. The gringo is not to blame for the food crisis.

Corn (for tortillas) and frijoles (black beans) are the basic foods of the Mexican people and neither is exported. Rice, which might be considered the third food, has gone north in infinitesimal volume. One small shipment purchased by the U.S. Government, of which everyone heard early this year, was actually destined for Cuba.

Live cattle and meat from Mexico's northern states have been moving across the border under close supervision by the Mexican Government. This area, however, is not the normal source of supply for the middle and southern parts of Mexico; it produces expressly for the U.S. market. Exports have been heavy during this year—and possibly some were bootleg. In May the Mexican authorities imposed new restrictions—limiting American purchases to 500,000 head a year. Fresh vegetables, too, are specifically grown for the U.S. Tomatoes, for example, could not be shipped all the way south to Mexico City, nor is there demand for them. They are not the food about which Mexicans are now worried.

Although the U.S. State Department has been fully aware of the persistent grumbling in the market places, it has remained inexplicably silent on the clear policy of its government, to wit: avoidance of buying the basic foods of Mexico; the fullest cooperation with the Mexican Government in restraining excess purchases of any commodity whatever that is needed south of the border. Those Mexicans who have studied the food problem without political bias attribute high prices and shortages of food to two causes: speculative operations, and transportation difficulties due to the overloaded, worn-out condition of Mexico's railroads.

Although anti-gringo feeling is, in a sense, traditional to Mexicans, some of it evidently results from deliberate campaigning. The misinformation about food is only one example. There are other anti-American stories so detailed in their form that they must have been carefully planned. For example, there is the tale that General MacArthur has asked for 250,000 Mexicans to serve in the South Pacific. The story continues with the explanation that Mexican soldiers are brave; they don't eat as much as gringos; and they could save the lives of many blond American youths. There are statements that Mexican soldiers will definitely be sent immediately to this or that front. There is a vivid story about the Japanese releasing three big bombers from an oversized submarine, and bombing Los Angeles severely. And a similar one about German destruction of New York City.

Where do such explicit and malicious stories come from? One must assume that antidemocratic groups in Mexico invent and spread them. Mexico permits considerable freedom of

[Continued on page 154]

AMPCO CASE HISTORIES



In Ordnance AMPCO Bronze Parts Give Added Strength

You must have strength in an anti-aircraft gun carriage—strength to resist the shock of recoil, the rough treatment imposed by rugged terrain, the strenuous service of combat conditions. The equipment must not fail.

The material for each part must be selected carefully to give the utmost in strength for this vital task of warding off death from the skies.

That's why Ampco bronzes have been selected by so many ordnance manufacturers, for critical parts where strength and wear-resistance are vitally important.

You find Ampco bronzes used in Army and Navy ordnance, in aircraft, in marine service—wherever there is need for an alloy that can "take it." For your war work, where bronzes meeting Government specifications are used, there is a grade to meet your requirements and to deliver results that are creditable to you.

Send for "Table of Bronze Specifications to Government Requirements" and data on Ampco Metal. Free on request. Write today.

AMPCO METAL, INC.

DEPARTMENT F-8

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**AMPCO
METAL**



THE METAL WITHOUT AN EQUAL

Mexico: One Year at War

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expression to various types of political organizations and movements. The Sinarquistas are the most dangerous and expanding of Mexico's antidemocratic groups, working particularly in the small towns and rural districts. Their appeal and their purpose are quite like Father Coughlin's Social Justice. Violently anti-Communist, thoroughly rightist and pro-Church (although the Church disclaims any alliance), they have a six-year history of opposition to the aims of Mexico's social revolution and to democratic principles generally.

Then there are the pro-Franco Spaniards, the Falangists, the devotees of Hispanidad yearning for a Franco union of all Spanish-speaking peoples, and, of course, restoration of the privileges of both the Church and the landowners. With food distribution largely in the hands of Spaniards, it obviously serves a dual purpose for many a retailer and wholesaler to blame the U.S. for high prices: it explains away their own profiteering and feeds the anti-American, antiwar spirit in Mexico. The more acute Mexico's problems, the more fertile the ground for cultivation of fascist propaganda and the more ominously powerful such groups as the Sinarquistas become.

MEXICO HERSELF CAN ACT

Every thoughtful Mexican admits that there are steps that only his own government can take to curb inflation. One of them, exclusion of undesirable American capital, was mentioned by Villaseñor. Practically all of the recent influx of foreign capital is patently undesirable because of the channels into which most of it has gone. When Americans buy up shares in sound Mexican companies, skimming off the cream of local investments, the equity held by the nationals is decreased. No farsighted American or Mexican wants to see this happen. Mexican capital, displaced from the well-established companies, is apt to gravitate into more speculative operations such as high-interest loans and unsound building.

The American Embassy, recognizing the danger to the Mexican economy, would doubtless have welcomed any move of Eduardo Villaseñor, as head of the central bank, to check the 1942-43 influx of speculative money. The U.S. has every reason to regret the activities of many Americans in Mexico today. The recent purchase of a half-interest in Mexico City's Hotel Reforma, by A. C. Blumenthal (who left the U.S. in 1941, before he was to testify in the Joseph Schenck trial) is the latest transfer of Mexican interests to U.S. investors.

The Mexican Government could have called a halt, early in 1942, to the building of the Hipódromo, and can today pounce on many a U.S. businessman traveling on a tourist card issued by a Mexican consulate in the U.S. The tourist card specifically forbids any activity beyond pure vacation pleasures and threatens, in black and white, serious punishment for violation of its terms. Yet there have been Americans buying up alarm clocks, bobby pins, and Swiss watches for shipment to the U.S., thereby nearly closing out Mexican supplies and causing fantastic price rises. Only the Mexican Government can decide when the purchase of its textiles by droves of American buyers, entering as tourists, causes too serious a depletion of Mexican supplies.

The U.S. can ration travel or, if passports were required for Mexico, the State Department could sift and limit the number of people who go to Mexico. This would obviously help curb inflation by weeding out many a "tourist" heading south for dubious purposes. Mexico must, however, first indicate that

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TERRY *the horse with the comptometer-mind*

Several years ago, a farmer discovered that one of his horses could add and subtract numbers up to ten, which is considerable smart for a horse.

But the farmer allowed that horses were supposed to be plough pullers and not cost accountants, so he up and sold the critter to a circus.

The circus changed the horse's name from Dobbin to Terry, and billed him as "The horse with the comptometer-mind." In no time at all, Terry was a sensation from coast to coast.

But one day a man with a brief-case walked into Terry's stall. He looked and spoke official-like.

He explained that "Comptometer" is a registered trade-mark, owned by Felt & Tarrant Manufacturing Co., and should be spelled with an *upper-case* "C." It is *not*, he insisted, a generic term. He presented Terry with a cease-and-desist order.

Terry listened to the man for a while, and then kicked him ears over tincups. Later a riot squad arrived and removed Terry to the local Bastille.

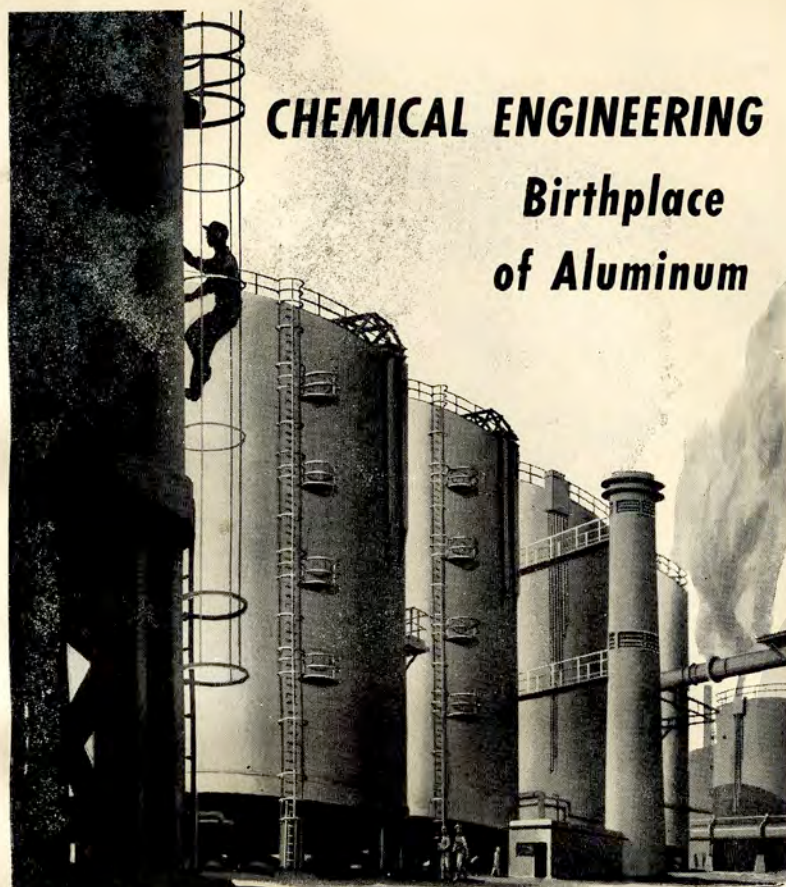
Today, Terry is a decrepit old plug. If it weren't for the rubber situation, he would probably be unemployed. Two butchers have already looked him over and said nix. He hauls a milk wagon, and counts milk bottles just for the hell of it.

And he still doesn't understand why the word "Comptometer" can't be used by everybody.

Felt & Tarrant Manufacturing Company, 1732 North Paulina Street, Chicago, Illinois, makers of Comptometer Adding-Calculating Machines.

CHEMICAL ENGINEERING

Birthplace of Aluminum



EVERY ton of the aluminum now produced in such tremendous quantities is dependent upon *chemistry* for its extraction. For before its electrolytic reduction to shining metal, the essential aluminum content must be separated from the unwanted residue—by *chemical* means.

This holds true regardless of the source of raw material—whether it be bauxite, clay, or alunite. As lower-grade raw materials are used, the wanted aluminum content becomes increasingly difficult to extract, and the *chemical* methods employed assume even greater importance.

Today Dorr equipment and methods are used for these processing steps in the production of over 90% of the nation's aluminum...and are making important chemical engineering contributions to the production of such diverse products as alum, caustic soda, cement, phosphoric acid, paper pulp, potash and many other chemicals!

If you have problems involving wet processing in the Chemical, Industrial, Metallurgical or Sanitary fields, you will find the experience of a Dorr engineer helpful.



THE DORR COMPANY, ENGINEERS
 NEW YORK, N.Y. . . . 570 LEXINGTON AVE.
 ATLANTA, GA. . . . WM. OLIVER BLDG.
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 DENVER, COLO. . . . COOPER BUILDING
 LOS ANGELES, CAL. . . . 811 WEST 7TH ST.
 RESEARCH AND TESTING LABORATORIES
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 research • engineering • equipment

Mexico: One Year at War

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she is willing to give up a good hotel, resort, and souvenir business in the interest of checking inflation. To date, the Mexican Government tourist bureau evidently wants to hang on to the business, and proudly states that some \$25 million will be spent this year by American visitors in Mexico City, Cuernavaca, Taxco, Acapulco, and the other resorts.

The Mexican Government alone could have braked the building boom that will almost certainly cause many of its citizens painful financial losses. Mexicans, not Americans, can curb the expansion of credit and the large-scale hoarding and speculation in foods. If meat intended for the U.S. market is urgently needed to feed the capital, the Mexican Government must see that it is routed south. Many a well-informed Mexican is convinced that the government has hesitated to take drastic steps because politicians themselves, or their close friends or relatives, are mixed up in the businesses that might be affected whether it be food speculation, building construction, or operation of a race track or hotel.

Although Mexican bankers have advised the government to cut down its expenditures on public works, it is scarcely sound to curtail defense works, roads, or irrigation—which absorb most of the public spending. (Waste could, of course, be cut down.) Extension of the Pan-American highway south toward Guatemala is justifiable more for defense than economic reasons. Mexico now spends about 10 per cent of her budget on irrigation—and so she should. Most of the 20 million population extract a miserable living from the earth, yet only about 4 per cent of the country's area is under cultivation. Even with irrigation works installed wherever possible, only about 8 per cent of the land can be brought into use, since most of Mexico is dry, bony, high, unyielding earth.

TOUCHY ISSUES

Granted that Mexico is not doing enough to tackle her own problems, still her bill of complaints against the U.S. contains some legitimate grievances. Others, though insoluble, are understandable causes for friction. When the U.S., for example, promises to help open up 500,000 new acres for the cultivation of castor and other oil-bearing seeds Mexico shrilly demands the necessary tractors, trucks, and other farm equipment. When she fails to get them she is understandably indignant.

Certain other demands are less reasonable. Mexico has promised to deliver tree rubber and guayule to the U.S. in exchange for American-fabricated rubber for use in her tire plants. This spring the Mexican Government, through the press, accused the U.S. of failure to send down the promised rubber. Rubber inventories for tires were down to a mere two-month supply, and the factories would shortly have to close. The press failed to mention that tree rubber expected from the southern state of Chiapas had failed to materialize.

Today in Mexico City a tourist can rent a car and drive as far and wide and fast as he cares to. Meanwhile both tires and automobiles are being worn out at an extravagant rate, even with the new six-day ruling. But it would be extremely painful for the Mexicans to ration gasoline since the petroleum industry is state-owned. To cut down the sale of gasoline, and the taxes therefrom, would not only seriously reduce government income, it would put a further strain on Pemex, the national monopoly that Mexico wants very much to prove a success—to its own people and to the outside world.

When Mexico complains that she sends minerals north to

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PROTEUS RIDES THE AIR-WAVES

... for variety is the spice of radio. Changing its form at will, like Proteus, the living-room becomes news room, concert hall, cathedral, classroom, opera house, test kitchen, theater, banquet hall, army camp, vaudeville stage, listening-post between government and governed, grange, night club, police station, town hall, and market place. Any or all, as the listener likes.

Westinghouse Radio Stations Inc exercises constant care to maintain the highest standards of American broadcasting. From dawn to yawn, 19 hours a day, programs are geared to the public good. Brightest stars

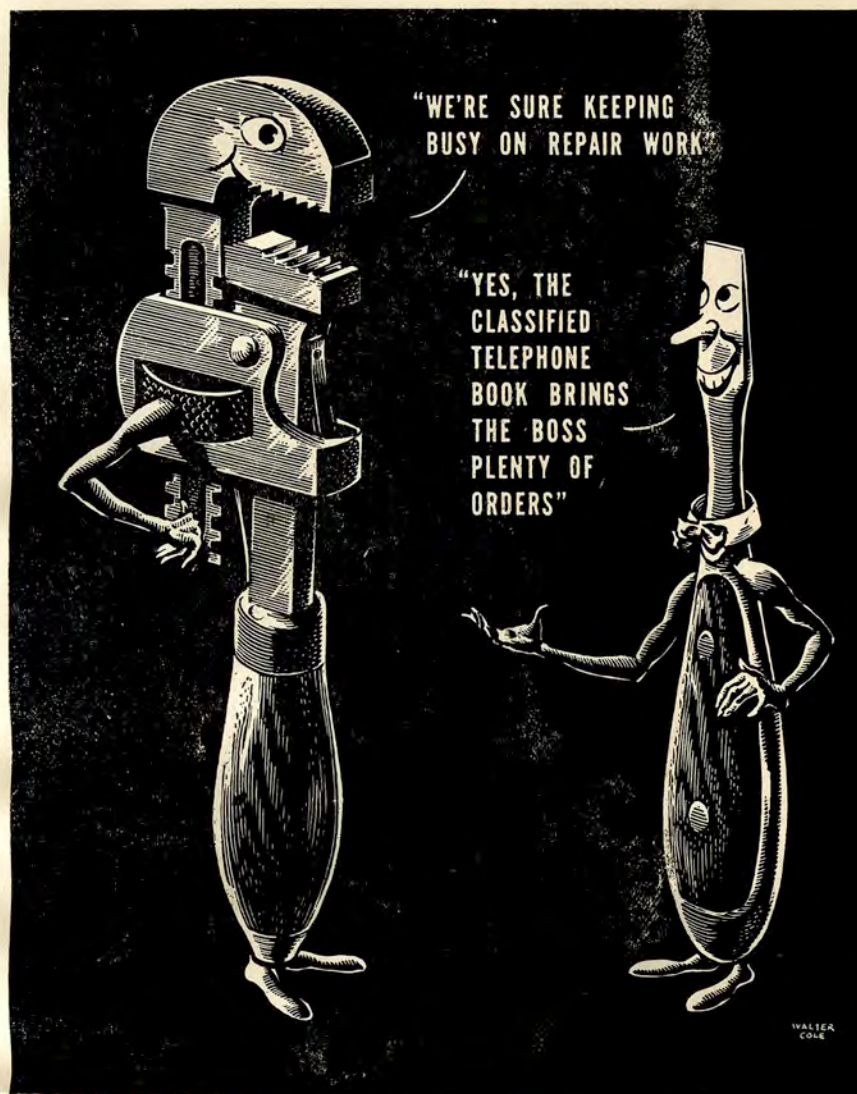
of the radio world are brought to Westinghouse audiences through programs of the NBC and the Blue Network. Programs produced locally are planned to reflect community interests and preferences.

Full coverage from the world's finest news-gathering agencies insures the latest authentic news, and alert special-events staffs are on the spot where things happen. In short, the listener comes first at Westinghouse, and the sponsor buys a known quantity... ears that hear, and purses that discriminate.

WESTINGHOUSE RADIO STATIONS Inc



WOVO • WGL • WBZ • WBZA • KYW • KDKA



Send more service business to your dealers

With production of many consumer goods curtailed, more and more dealers are depending largely on service business. Here's a way to help your dealers get more of it.

Use Trade Mark Service in the Classified section of telephone books. This places your trade mark under the classification of your product followed by a list of your local outlets. (Here's how your trade mark heading would look.)→

People who have your product and need to keep it in good order for the duration can find a man qualified for the job—because he will be one of your authorized dealers.

It's a national habit to "look it up in the Classified." Take advantage of this. Identify your dealers or distributors and send them service business now and new sales after the war.



Mexico: One Year at War

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the U.S. in constantly larger quantity, yet gets back copper bars, sheet metal, hardware, copper wire, etc., in diminishing volume, she fails to recognize the problems of war. In fact, civilian industry has been affected less in Mexico than anywhere else in the hemisphere; but the pinch is inevitably coming. Hard as it may be for Mexico to curtail a few manufactures, the wartime necessity for just that must be faced.

Underlying the question of supplies is another more serious if less obvious friction between the Mexican Government and our own. Some Mexicans choose to call it the issue of "sovereignty." When the U.S. offers an outright grant to rehabilitate the Mexican National Railways, every precaution must be taken that the expenditure of precious locomotives, rail, and every other item of equipment is used to the fullest advantage. This means that Mexican laborers on the national lines must be induced to give up some "privileges," like their prohibition of mixed passenger-freight trains. It means that bribery, by which a shipper has been able to get a few cars for nonessential goods, while freight more vital to the war is held up, must be stopped. To insist on these and many other reforms means something akin to U.S. operation of the railroad.

As U.S. export and priority restrictions become tighter, Americans, through the BEW, have an ever-greater power of decision over the internal economy of Mexico. In addition to checking and rechecking every request for scarce materials, the U.S. Government tries to make certain, later, that the tractor and the ton of copper bars actually have gone to the intended destination. Thus to control not merely what Mexico buys, but precisely what she does with it is, to many a Mexican, a violation of sovereignty. The future implications are understandably alarming, but the irritating checkup is necessary because of political conditions in Mexico.

The Mexican Government has always been cursed with *mordida*. (The word means "bite.") Public funds leak away in graft, big and small; public officials engage in dubious private business. Labor leaders as well as government officials are cynically considered by the Mexican citizenry to be in on the *mordida*. When a Mexican charges that a member of the Cabinet has 1,000 suits of clothes, he adds, justly or unjustly, that the country's most important labor leader has thirty—all alike. There is an adage that Mexico will never have a clean government until a requisite for the presidency is that the candidate be brotherless. Many Mexicans are convinced (although they scrupulously make exceptions for their President, Manuel Avila Camacho, and for ex-President Cárdenas) that most men in public office, where money is handy, take it.

These days copper, tractors, trucks, etc., are more valuable than pesos and dollars. Few Mexicans will deny the need for a checkup, to make certain that the trucks and tractors earmarked for a new agricultural area are not sidetracked to the motor agency of a politician's relative; or that copper destined to make shells in the national arsenal does not wind up in a real-estate development. Proper use of these supplies, in wartime, is more important than the feelings of individual politicians whose "sense of sovereignty" may be offended.

POLITICOS—IN AND OUT

As inflation grows, Mexico's regime faces an uneasy, restless people. Under Manuel Avila Camacho the Mexican Revolution is said to be "in equilibrium." The compromise government has encouraged foreign capital to enter and has made

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WHAT ARE YOU GOING TO DO WITH IT?

GOT A DOLLAR on you? Pull it out of your pocket and take a good look at it. *There* is a piece of sound money. It's good anywhere in the world, and always has been.

But what about the currency of the occupied countries, France, Netherlands, Belgium and others? You could bring a bale of it into your bank today, and not get a cent for it. No one is willing to buy this money. The Guilder, for instance, was once one of the world's soundest monetary units. It was quoted at 53 cents before Holland was invaded. As this is written, this unwanted currency has an official exchange value of less than three quarters of a cent.

What are you going to do with that dollar in your pocket? How

will you help to maintain its worth and prestige? Today there are fewer ways of spending it, and

every dollar squandered contributes to the danger of inflation.

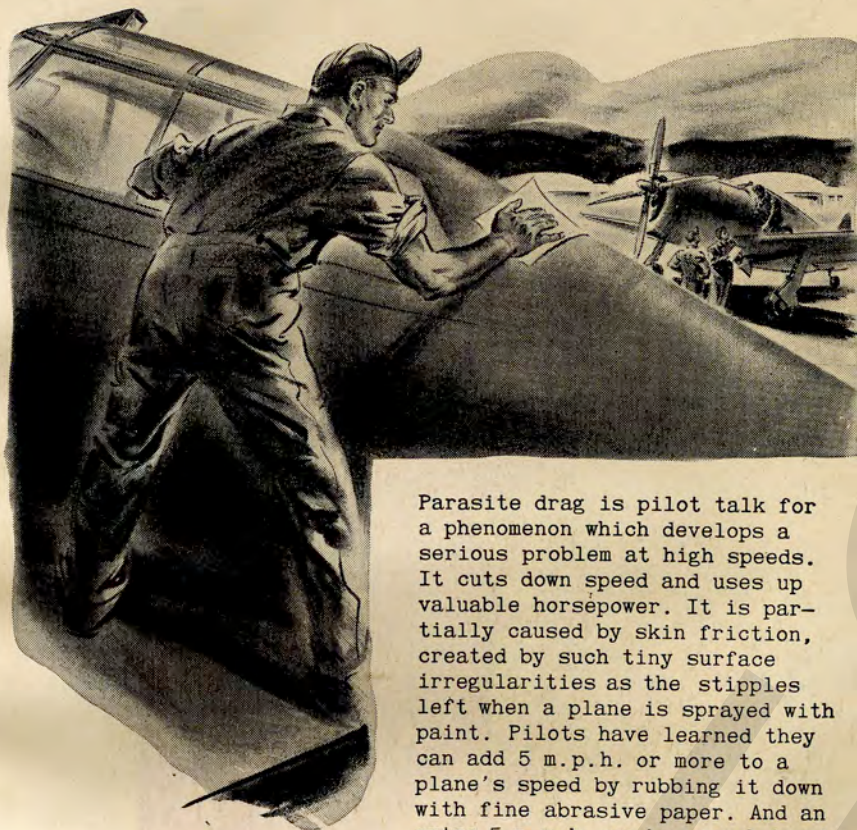
The answer is, buy War Bonds. Only Victory can save the American dollar. And only adequate war financing can give American forces and their Allies what they must have to see the war through.

Unless your dollars join the fight, they may be as worthless as Francs later on. If they go to war, they'll come back to you . . . with interest.

The choice should not be difficult.

This advertisement contributed by the York Corporation, York, Pennsylvania, to the U. S. Treasury Bond Campaign

What's good for PARASITE DRAG?

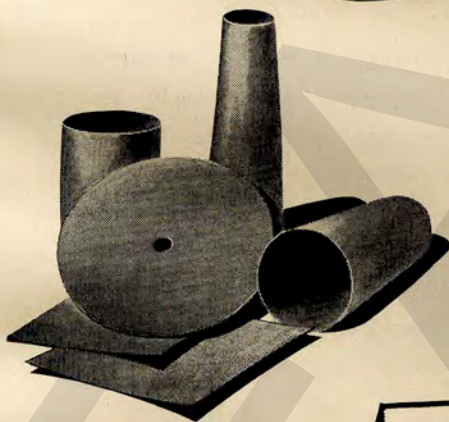


Parasite drag is pilot talk for a phenomenon which develops a serious problem at high speeds. It cuts down speed and uses up valuable horsepower. It is partially caused by skin friction, created by such tiny surface irregularities as the stipples left when a plane is sprayed with paint. Pilots have learned they can add 5 m.p.h. or more to a plane's speed by rubbing it down with fine abrasive paper. And an extra 5 m.p.h. can be enough to win a dog-fight when the action is hot.

This illustrates why plane manufacturers are so meticulous about surface finish. To reduce skin friction to a minimum, the surfaces of fuselage, wings and propeller are carefully finished with coated abrasive products such as manufactured by The Carborundum Company. Motor driven belt and disc sanders as well as the hand sanding method are used.



Pilots' lives and production records too, often depend on industry's use of abrasives. That's why we ask you to remember that each abrasive tool is a "Weapon for Production"...use it wisely. The Carborundum Company, Niagara Falls, New York.



CARBORUNDUM
ABRASIVE PRODUCTS

Carborundum is a registered trade-mark of and indicates manufacture by The Carborundum Company

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some important concessions to the Church. In the President's Cabinet are both ex-President Lázaro Cárdenas who expropriated the oil companies and divided millions of acres of land, and Maximino Avila Camacho whom many Mexicans consider a reactionary ally of both foreign and domestic business.

For some time there has been growing anxiety that Maximino Avila Camacho is grooming himself to succeed his brother in 1946. The lefts have viewed this possibility with real horror; they can imagine no more thorough betrayal of Mexico's revolution. Even the rightists are now skeptical of Maximino, because of the widespread popular distrust he has incurred. In May, in a long, inspired interview published in the Mexico City press, he elaborately denied the various charges made against him as a man who had become enormously rich during the last few years. He likewise disavowed any ambitions for the presidency, but the Mexicans were by no means reassured.

As Minister of Defense, Cárdenas, still the untarnished hero of the lefts, and of many in the middle, has an important job, which he is doing quietly. He studiously avoids any activity or speech that could be interpreted as politics, and has nothing to do with the internal economic problems worrying the government. He is quoted as saying, "We know how to deal with ex-Presidents who meddle." (In 1936 he deported ex-President Calles.) By remaining quiet Cárdenas is, in fact, gaining stature. Although his reelection is not permitted, he can, at the right moment, exert a strong influence.

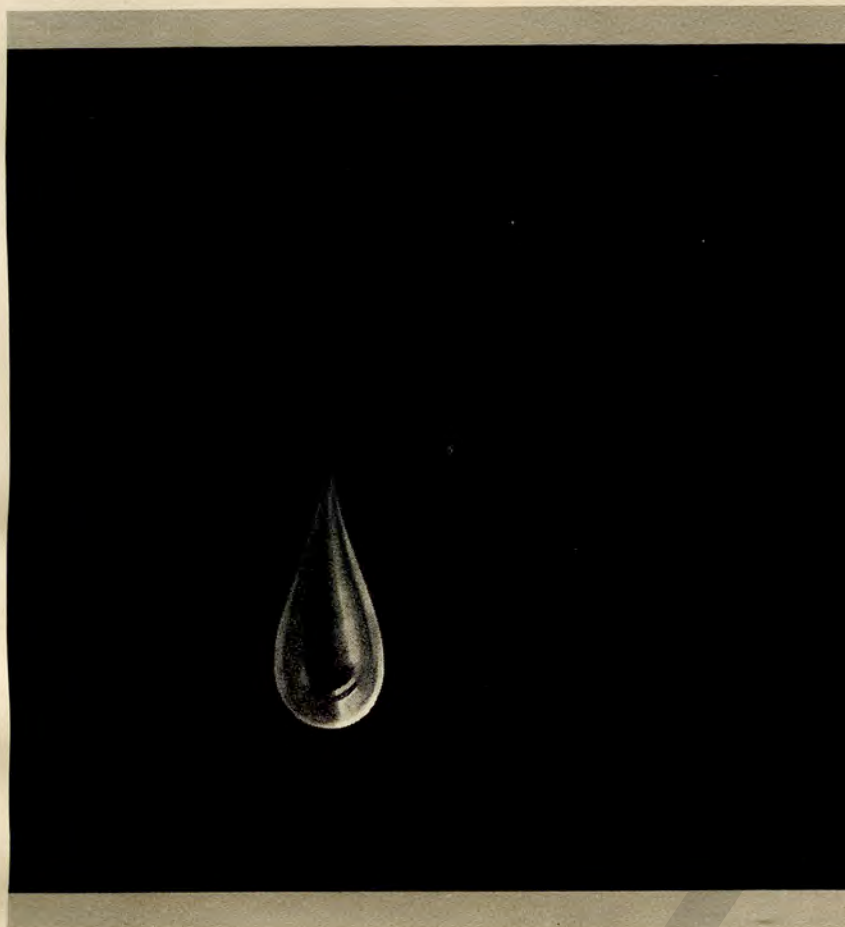
Mexico's most important labor leader, Vicente Lombardo Toledano, has lost the power he once had in C.T.M. but he is by no means finished. More of a fellow-traveling left than a home-grown radical, he roots loudly for Mexico's war effort, and for wartime cooperation with the U.S. He is important as Mexico's ablest and sharpest critic of the government's failure to meet its domestic problems. Lacking the purely native quality of revolutionary thinking characteristic of Cárdenas, Lombardo Toledano still has an appeal to the people, who may well become fed up with the Avila Camacho government by 1946 when a new President will be chosen. It is naive to believe that the Mexican people choose their President. They do not, but their dissatisfaction can be clearly felt in the higher councils where Presidents are made.

To Mexican labor and to thousands of *campesinos* in the agricultural areas, the thirty-three-year-old revolution is a living movement that must not be arrested. In the Mexican language *La Revolución* is a term used in the present tense and in capital letters. Possibly a million men have already died in it—yet the living standard is still incredibly low. With inflation it tends to go lower. Only vigorous action to stem price rises can revive in the people what confidence they had in President Avila Camacho's middle-of-the-road government just before a splendid prosperity turned into dangerous inflation. Today the President himself wrestles with price controls and during May and June showed signs of tightening up enforcement. The job is hard in any country; we have not been able to control inflation in the U.S.; it is much more difficult in a less organized, less disciplined nation.

WHAT CAN THE U.S. DO?

Soon after President Roosevelt visited Mexico, the two governments announced that a joint economic commission would be set up, half Mexican, half American, to find ways of helping Mexico in her present problems. Someone in Mexico made a

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Oil for Cooling, Too!

A few drops of oil, used occasionally in the right places, can do much toward keeping you cool and comfortable this summer—in the home, office or factory. The method is very simple . . .

★ Today, and again later in the season, apply light machine oil to the oil holes of your breezy R & M electric fan. And if the fan is of the *oscillating* type, better refill the gear box with grease. All R & M fans are so sturdily built that this little lubrication chore should insure continued perfect performance. If your fan fails to operate for any reason, get in touch with the R & M dealer or distributor from whom you bought it. In spite of the shortage of copper parts, he will do his best to see that it is repaired.

★ Because so many fans are needed for military and hospital use, we are not permitted to produce fans for residences or offices. But we *can* continue to help you solve war-production problems involving ventilating, materials handling, pumping, conversion of machines to direct drive, and special motor applications. *Write us!* The address is Robbins & Myers, Inc., Springfield, Ohio. In Canada: Robbins & Myers Co. of Canada, Ltd., Brantford, Ont.

ROBBINS & MYERS  **INC.**
FOUNDED 1878
MOTORS • HOISTS • CRANES • MACHINE DRIVES • FANS • MOYNO PUMPS

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remark that Eduardo Villaseñor, like Admiral Standley, had spoken out of turn and too boldly; but he may have precipitated action. Whether he did or not depends on the effectiveness of the new four-man commission.

Like the Mexican Government, we have been slow to see the trouble brewing and to muster what few resources we could. The most difficult job is to find something for Mexico to buy from the U.S. Secondhand but still useful machinery no longer needed in the U.S. could be continually surveyed in relation to Mexico's needs. Chile, for example, has been most enterprising about this. Keeping a representative in the U.S. constantly in search of useful machinery, she has been able to pick up and ship considerable quantities. Possibly, as construction of war plants and Army bases slows down, idle cement machinery may become available. This would be useful to Mexico for her road building, irrigation works, and a probable postwar construction boom. Ice-making plants, supplemented with small factories turning out the simplest form of old-fashioned wooden iceboxes, could be helpful in a country virtually without refrigeration. Textile (cotton and rayon) machinery, cotton gins, and equipment with which to make newsprint and glass have all been available from time to time. A few secondhand steam turbines have already gone down. Although only a fraction of the dollar balances could be absorbed by secondhand machinery, it would be worth the effort to explore every possibility applicable to Mexico's economy.

From these imports small industries, preferably with all Mexican or mixed capital, could help in the present crisis. Obviously they should be planned solely in consideration of Mexico's needs, with BEW and the State Department resisting every pressure to protect future exports of the U.S.

In recent years the U.S. has given tangible evidence of just this approach toward industrialization in Latin America. Right now both Brazil and Mexico are building, with technical and credit help from the U.S., nationally owned steel industries. Mexico's mill, called Altos Hornos, will be in partial operation at the end of this year. The U.S. Government is now negotiating with Mexico to find ways to modernize the oil industry; if possible, to provide machinery for a high-octane gasoline plant. If American private capital is involved one can only hope that the terms are so fair to Mexico that there can be no backfire if a left government succeeds Manuel Avila Camacho.

What little we can do seeps down, as it always has, only in dilute form to the people, who are fed Sinarquista propaganda, who are congenitally disposed to believe the worst of the gringo, and who are desperately poor. Possibly there are opportunities to reach the 70 per cent who make their living out of the land, with only a slight margin from starvation. The U.S., through Rockefeller's office, is already helping nine Latin countries to increase food production. The distribution of better seed, provided by the U.S., and simple agricultural tools manufactured in large quantities with Mexican materials in Mexican factories, might result in bigger corn, bean, and rice crops. Six million dollars' worth of seeds and tools, or \$6 million put into sewers and water systems might mean more than the same amount of money loaned to the Altos Hornos steel mill. If the U.S. could help organize and implement an effective, widespread program of food and health, it might convince the people as a whole that gringos, too, believe that the Revolution must go on toward a constantly better living for all Mexicans.



DOUGLAS DAILY DISPATCH DE AGOSTO 19 DE 1943.

Bowman agasajado en un banquete en Agua Prieta.

Wirt G. Bowman, Recaudador de Aduanas por el Distrito de Arizona (Administrador) y Herbert R. Chatham y Jacob Rochlin, todos de Nogales, fueron huéspedes de honor en un banquete dado en el Café Cristal por un grupo de quince miembros de la Cámara de Comercio de Agua Prieta, el martes en la noche.

Los oradores fueron Arturo M. Elías Cónsul Mexicano en Douglas que conoce al Señor Bowman desde Hermosillo hace cuarenta y un años, el señor Chatham, el Sr. Rochlin, el Presidente Municipal electo José Ruiz y el Sr. Bowman.

El Sr. Bowman dijo que su puesto como Recaudador de aduanas le daba la oportunidad de fomentar mejor las relaciones entre los Estados Unidos y México y recalcó de que a los empleados de su departamento se les pedirá que extiendan todas las cortesías posibles a los mexicanos en la frontera.

Hizo saber que las medidas drásticas y severas dañaban las relaciones entre los dos pueblos y se reflejaba en el Gobierno de los Estados Unidos; añadiendo que la política de los empleados de la Recaudación de Aduana sería la de servir a las personas residentes en ambos lados de la línea divisoria.

*Después escribiré - Bowman se acordó
mucho de ti - En el Banquete en su peroración
dijo que tú eras su mejor amigo, y te conservaría
hasta la muerte - Esto no lo hizo el periódico.*

Arturo

Cuernavaca, Mor., julio 24 de 1944.

Sr. Arturo M. Elias,
Consulado Mexicano,
Douglas, Arizona, EE. UU. de A.

Querido hermano:

Desde hace algunos meses tengo al Nanis sufriendo de una incipiente lesión tuberculosa que, aunque va cediendo lentamente, deseo una curación más rápida y tener la seguridad de que la desaparición de este foco sea absoluta y definitiva; y para este objeto he pensado en la conveniencia de internarlo en un sanatorio para niños y que sea especializado para esta enfermedad. Me han informado que en Tucson, o en algun otro lugar de Arizona, existe un sanatorio como el que yo deseo, donde el clima es apropiado y los médicos que lo atienden son especialistas en la materia. Mucho te voy a agradecer tomes, desde luego, las informaciones del caso, informándome detalladamente de todo lo que a este respecto conviene saber. De no haber en Arizona un establecimiento de esta naturaleza, procura averiguar en qué otro Estado de la Unión Americana existe alguno. Yo espero le des a este asunto toda la atención que requiere, pues me urge resolver este caso a la mayor brevedad posible.

Deseándote todo género de satisfacciones, queda --
tu hermano que mucho te quiere.

Distribución del crédito hipotecario del que se ha dispuesto mediante las solicitudes presentadas a la Central Hipotecaria S. A. de C. V.

Ingresos:

Importe de la primera solicitud	\$2.600.00	
" " " segunda "	<u>600.00</u>	\$3.200.00

Egresos:

Mem. No. 23 del 14 al 20 Dic. -
de 1941.

Ciavo y alambre	\$9.70	
10 Tons. cemento	720.00	
1 Ton. fierro	380.00	
Destajos albañiles	66.68	
Raya Alvarado	<u>17.50</u>	1.193.88

Mem. No. 24 del 21 al 27 Dic. -
de 1941.

Arena y flete cascajo	38.00	
D. Alfaro labrado piedra fachada	80.00	
Destajos albañiles	40.00	
Fundidora Monterrey fierro	<u>720.00</u>	878.00

Mem. No. 25 del 28 Dic. de 1941
al 3 Enero de 1942.

Acarreo cascajo flete	32.00	
D. Alfaro labrado piedra fachada	<u>90.00</u>	122.00

Mem. No. 26 del 4 al 10 de Enero
de 1942.

Blocks cemento para colado bóveda	198.00	
Destajos albañiles	117.60	
Raya Alvarado	17.50	
Varilla fierro	<u>60.00</u>	393.10

Mem. No. 27 del 11 al 17 de Enero
de 1942.

Confitillo y arena	118.00	
Piracal	76.00	
Destajos albañiles	250.00	
Rayas Alvarado y velador	42.00	
Alambrón	40.00	
Botes	12.50	
D. Alfaro labrado piedra fachada	<u>200.00</u>	738.50
		<u>3.325.48</u>

Cantidad a cargo del crédito hipotecario restante	<u>\$125.48</u>
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LUGAR

Documentos relacionados con la hipoteca

This image shows a single sheet of aged, yellowed paper with vertical ruling lines. The paper has a textured, slightly mottled appearance with some minor discoloration and small dark spots. There are 18 vertical black lines spaced evenly across the page, creating 19 columns. A faint, large watermark is visible in the background, consisting of the letters "C" and "K" intertwined. The overall tone is warm and historical.

[illegible]

PREFIERA UD. SIEMPRE ESTA MARCA EN ACCESORIOS Y SISTEMAS PARA ARCHIVO.

Porque:

LOS MATERIALES EMPLEADOS SON A BASE DE GRAN CALIDAD
SUS MEDIDAS SON EXACTISIMAS
LA PERFECCION EN SU ACABADO, RESPONDE SATISFACTORIAMENTE A CUALQUIERA EXIGENCIA.