

(2 pgs.)

DEFLATION NOTES.

Mr. Shutts is very interested in this matter. He says that it was the binder boys that brought the developers to their senses. He thinks it was the best thing that could have happened to Miami to have them pour in; that and the embargo. By the summer of 1925 Tampa and Miami and their neighbors had an over-supply of people for which they did not have beds. People slept anywhere; in tents; in or under their cars; lucky indeed to have a roof. Out at Coral Gables there is a whole row of brown topped tents built for construction gangs, that is called "Millionaires Row", because the cars parked in front of it are Cadillacs or better. The owners wept with joy when they found they could rent a tent in the workers' camp.

In Miami something like one hundred million dollars of construction was planned and the supplies could not be obtained, particularly along the East Coast. Single track roads, shallow ports with narrow entrances did very well for the easy-going old times, but now they meant scores of loaded boats standing outside the harbors; hundreds of cars unloaded on the sidings. People had to be fed, and by the early fall embargoes had been laid on all kinds of freight except perishable food stuffs. This they had to bring in. "It was the best

thing that could have happened to us," declares Mr. Shutts. "Being forced to hold up gave us time to consider what was happening to us." The embargo, which at this writing (February 1926) has just been lifted, lasted for five or six months, and all this time the sober-minded were blessing it. Miami was helped by the blocking of the channel. Early in January a ship turned over in this little waterway, and for forty-two days there lay outside seventy or eighty loaded vessels, and those inside who were concerned with the deflating of the boom, rapped their hands in glee. Anything accidental or natural that would hold up the excitement was welcomed. The North in many quarters was beginning to lend active aid in the deflation. Your Floridian who finds fault with the bankers and builders of the North cannot be really great business man, because he lacks the imagination and fervor to dream and dare - are apt to say

deflation was either jealousy or scare. There isn't any doubt that all over the North and Middle West bankers were becoming concerned about the amount of money that was being taken out of their bank deposits to

story of Mr. K. Woman whose banker refused to let her leave
her money - always been an advice -

Deflation Notes.

be turned into those of Florida. Their safe and sane citizens that owned homes on the best street and had built up businesses so solid that they could leave them for two or three months were selling investments and coming down here, and the bankers were beginning to get anxious about it and the editors were beginning to caution, and Florida, bas as she needed their aid at the moment, resented it. Men like Frank Shatts, who are interested in the deflation, are very sure that growth will go on; have to go on, and here is the way he puts it: "Our peak crowd of tourists in Florida is at the first of March. Now, the population of our town at this peak is just about twice what it is after the tourists have retired. I believe now Greater Miami, by which I mean the telephone area served from Miami, is about 225,000 population. That shows an enormous growth. That growth has come from the people that have come down here to see what we had and stayed. You can lay it down as a fact that everybody that comes, comes back and brings somebody with him. The only thing that can stop our growth would be a wide-spread period of depression in the United States. Even then, in a depression money

only changes hands, so that while depression might prevent the people that once came from coming, those that got there money would come instead. I figure out that there are twelve million people East of the Rocky Mountains rich enough to take a vacation in Florida in the winter. That is the result of our great prosperity. We count on that twelve million for our growth. There are a great many of them that are learning that it is better for them to take a vacation down here in winter instead of going away from home in summer, as they have been accustomed to do. You can be more comfortable at home in summer than you can anywhere else, and you are pretty sure to be uncomfortable in the winter in the North. The vacation period is shifting, then, and we count on that. Of course, we count on our land available for cultivation. There is not eight per cent of Florida developed. Although it has so developed that there are even times when we send a solid carload of fruit and vegetables across the border every three months. *month* All our waste places we are gradually learning how to use. The Everglades are not swamp. And you must not forget that what is being done down here is done by young men for the most part, and they have all the fervor and faith of youth. More efficient youth than we have ever had; trained both in business management and in construction. Nothing is going to happen to our real development. Our finances are soundly grounded.