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by

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DEPARTMENT OF ECONOMICS

STEPHEN F. AUSTIN STATE COLLEGE

NACOGDOCHES, TEXAS

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The objective of the Department of Economics in publishing the SFA Economist is to provide information and interpretative comment of interest to the business Community located in the Piney Woods of East Texas. The emphasis on local events will be tempered by references to regional and national developments.

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INFLUENCE OF GEOGRAPHY ON ENROLLMENT AT
STEPHEN F. AUSTIN STATE COLLEGE

by

Lawrence T. Franks *

Studies concerning enrollment of colleges and universities have shown that a high percentage of the students attending a given institution live within fifty to one-hundred miles of that campus.

A great deal has been said in recent years concerning Stephen F. Austin State College as a "Regional College." The following information leads to the conclusion that Stephen F. Austin State College serves primarily a geographic region which has a radius of fifty to seventy-five miles from the campus.

The data for this study came from the Office of the Registrar of Stephen F. Austin State College and is based on annual (long-term unduplicated) enrollments for a twenty-five year period, 1932 - 1956 inclusive. The sixteen counties used in the study were selected because of their geographic proximity to the campus. In no instance is a county seat town located more than seventy-five miles from the college and most of them are well under fifty miles.

Table 1 gives the data used for this study. The sixteen counties are presented alphabetically with the following information concerning each county:

*Dr. Franks joined the faculty of Stephen F. Austin State College in 1946. He holds the B.S. and M.A. degrees from S. F. A. and the Ed.D. from Indiana University. Dr. Franks is Associate Professor of Education and Director of Student Placement and Alumni Services.

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Stephen F. Austin State College

COUNTY	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943
Anderson	5	3	10	10	10	9	8	13	8	13	7	2
Angelina	113	67	85	75	81	71	88	102	107	83	61	42
Cherokee	43	41	59	56	42	46	52	64	63	31	22	15
Gregg	6	12	20	10	9	14	23	17	15	11	11	9
Houston	15	7	5	4	1	1	1	2	2	5	0	0
Jasper	9	8	13	6	16	16	13	10	9	6	5	1
Nacogdoches	356	276	320	343	341	351	355	363	348	308	221	140
Panola	43	22	34	34	24	32	28	27	35	26	13	7
Polk	21	11	20	17	22	19	18	17	18	10	5	1
Rusk	69	42	68	61	72	60	55	79	72	63	48	28
Sabine	34	16	34	31	21	17	25	26	23	21	10	8
San Augustine	25	9	15	18	17	19	21	17	15	23	16	13
Shelby	94	73	79	73	79	86	111	111	122	71	42	26
Smith	18	8	19	18	11	9	8	10	12	10	5	5
Trinity	16	5	7	13	8	8	8	4	6	7	1	2
Tyler	17	5	9	13	9	4	6	13	15	15	6	3
Total County Enrollment	884	605	797	782	763	762	820	875	870	703	473	302
Total College Enrollment	937	644	849	831	830	844	920	1001	983	780	513	418

TABLE 1. STEPHEN F. AUSTIN STATE COLLEGE ENROLLMENT OVER A TWENTY-FIVE YEAR PERIOD

1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	TOTALS
4	4	7	12	12	15	21	14	18	17	19	33	23	297
41	68	155	182	192	256	252	167	152	166	219	291	299	3,415
17	35	62	88	106	145	148	109	105	100	108	129	164	1,850
3	8	13	22	19	56	78	82	92	58	49	83	115	835
0	1	11	13	14	23	27	20	10	5	15	22	14	218
3	5	10	15	27	32	60	46	30	18	21	34	22	435
179	269	464	507	472	550	517	394	351	366	418	526	537	9,272
12	14	32	63	54	47	46	38	33	45	57	71	79	916
3	2	5	8	14	15	15	12	6	13	15	21	19	327
26	41	83	84	108	148	160	146	133	101	134	145	158	2,184
8	13	17	38	56	52	65	41	42	47	61	44	51	801
8	19	21	70	54	66	53	52	32	27	32	35	29	706
29	62	124	152	133	154	158	131	99	97	122	136	137	2,501
1	2	4	10	15	27	21	30	32	28	37	58	67	465
1	1	5	5	7	2	9	11	9	8	7	6	12	168
5	15	17	24	12	18	19	20	29	21	19	23	25	362
340	559	1030	1293	1295	1606	1649	1313	1173	1117	1333	1657	1751	24,752
358	614	1171	1433	1508	1852	1926	1549	1403	1324	1570	1933	2081	28,272

FIGURE 1. PERCENTAGE OF TOTAL ENROLLMENT FURNISHED BY SIXTEEN COUNTIES FOR TWENTY-FIVE YEAR PERIOD, 1932-1956, INCLUSIVE.

college enrollment for each of the twenty-five years and total enrollment from each county for the entire period. The composite enrollment from the sixteen counties and the total college enrollment for each of the twenty-five years is shown at the bottom of the table. These figures reveal the high percentage of annual enrollment which comes from these nearby counties. The percentage of enrollment from these counties for the twenty-five year period is 87.5. The highest percentage for a given year was 94 in 1932, 1933, 1934 and 1935, the lowest percentage was 74 in 1943.

Figure 1 depicts graphically the percentage of total college enrollment furnished by each of the sixteen counties for the twenty-five year period. Nacogdoches County was highest with 32.8 per cent, followed by the adjoining counties of Angelina (12.08 per cent), Shelby (8.8 per cent), (Rusk 7.7 per cent), and Cherokee (6.5 per cent). These five counties furnished 68.6 per cent of the total college enrollment for the twenty-five year period. Although, the records of the Registrar's Office indicate that Stephen F. Austin State College is drawing from a wider geographic area, it is largely a regional college, meeting the needs of young men and young women in the central East Texas area.

TABLE I. STEPHEN F. AUSTIN STATE COLLEGE
ENROLLMENT OVER A TWENTY-FIVE YEAR PERIOD

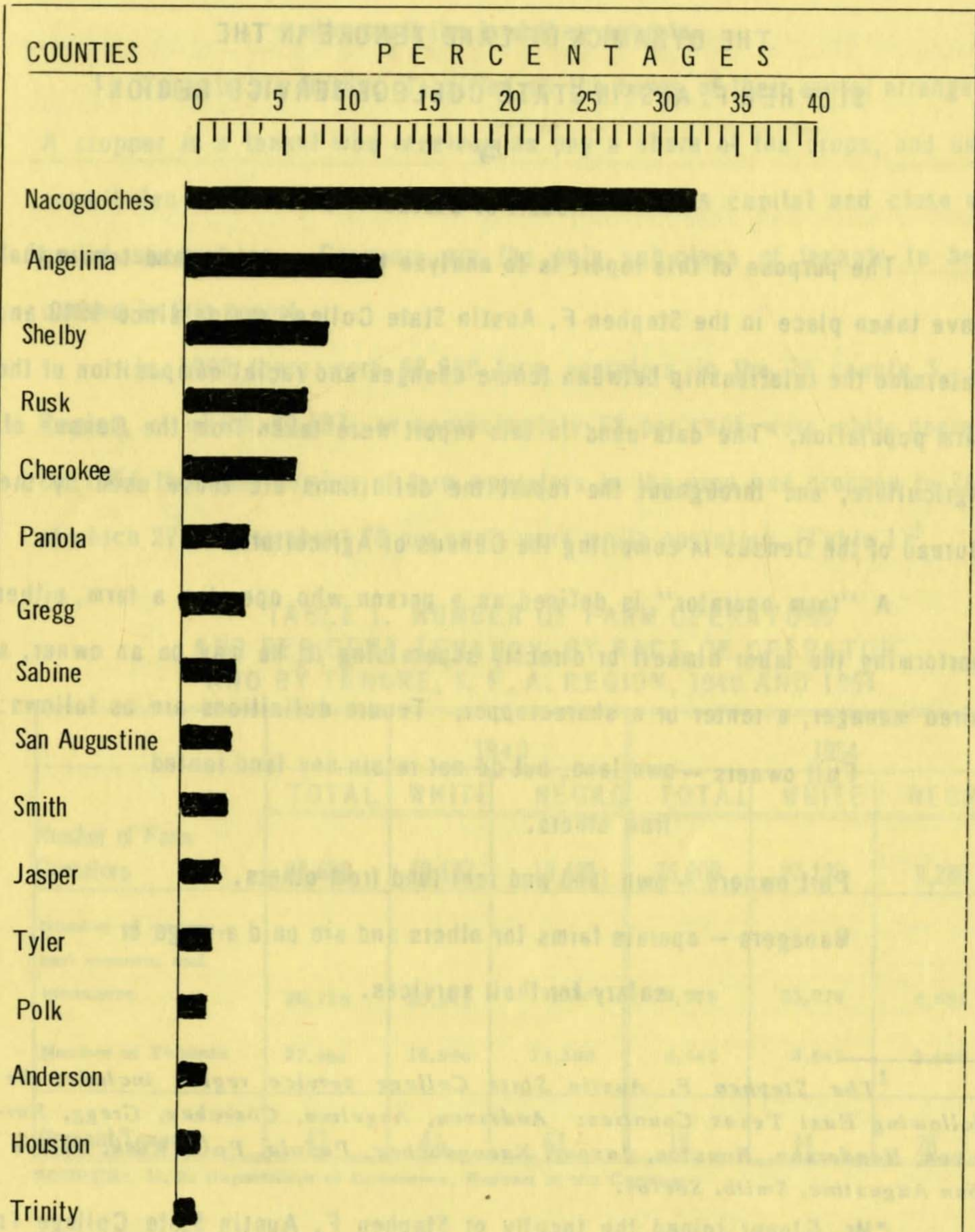


FIGURE 1. PERCENTAGE OF TOTAL ENROLLMENT FURNISHED BY SIXTEEN COUNTIES FOR TWENTY-FIVE YEAR PERIOD, 1932 - 1956, INCLUSIVE.

THE DYNAMICS OF LAND TENURE IN THE
STEPHEN F. AUSTIN STATE COLLEGE SERVICE REGION¹

by

Robert S. Glover*

The purpose of this report is to analyze the changes in land tenure that have taken place in the Stephen F. Austin State College region since 1940 and determine the relationship between tenure changes and racial composition of the farm population. The data used in this report were taken from the Census of Agriculture, and throughout the report the definitions are those used by the Bureau of the Census in compiling the Census of Agriculture.

A "farm operator" is defined as a person who operates a farm, either performing the labor himself or directly supervising it; he may be an owner, a hired manager, a renter or a sharecropper. Tenure definitions are as follows:

Full owners -- own land, but do not retain any land rented
from others.

Part owners -- own land and rent land from others.

Managers -- operate farms for others and are paid a wage or
salary for their services.

¹The Stephen F. Austin State College service region includes the following East Texas Counties: Anderson, Angelina, Cherokee, Gregg, Harrison, Henderson, Houston, Jasper, Nacogdoches, Panola, Polk, Rusk, Sabine San Augustine, Smith, Shelby.

*Mr. Glover joined the faculty of Stephen F. Austin State College in 1957. He holds the B. S. degree from Austin Peay State College, and the M.S. degree from Alabama Polytechnic Institute. Mr. Glover is Assistant Professor of Agricultural Economics.

Tenants-- rent land from others, or work on shares for others all the land they operate.

Tenants are further classified on the basis of their rental arrangement. A cropper is a tenant who receives as pay a share of the crops, and usually contributes only labor, while the landlord furnishes capital and close managerial supervision. Croppers are the only sub-class of tenants to be discussed in this report.

In 1940 there were 58,630 farm operators in the 18 county S. F. A. Region, of which 40,137, or approximately 68 per cent, were white operators. By 1954 the total number of farm operators in the area had dropped to 36,400, of which 27,120, or about 78 per cent, were white operators. (Table 1)²

TABLE 1. NUMBER OF FARM OPERATORS AND PER CENT TENANCY, BY RACE OF OPERATOR AND BY TENURE, S. F. A. REGION, 1940 AND 1954

	1940			1954		
	TOTAL	WHITE	NEGRO	TOTAL	WHITE	NEGRO
Number of Farm Operators	58,630	40,137	18,493	36,400	27,120	9,280
Number of owners, part owners, and managers	30,726	23,541	7,185	29,959	23,278	6,681
Number of Tenants	27,904	16,596	11,308	6,441	3,842	2,599
Percent Tenancy	47	41	61	18	14	28

SOURCE: U. S. Department of Commerce, Bureau of the Census

²A change in the definition of a farm for the 1954 Census explains a small part of the decrease in the number of farms in 1954 from the 1940 level.

Table 1 indicates that tenancy declined in the region during the period studied. In 1940, 47 per cent of the farms were operated by tenants. By 1954 only 18 per cent of the farms were operated by tenants. Apparently race is not a major factor in the rate of tenancy decline, as the percentage decrease in the number of white and Negro tenants during the period is 77 per cent in both cases. (Table II)

TABLE II. NUMBER OF FARM OPERATORS IN THE S. F. A. REGION, AND PERCENTAGE CHANGE BY RACE AND BY TENURE, 1940 TO 1954

RACE AND TENURE OF OPERATORS	1940		1954		PERCENTAGE CHANGE 1940 - 1954
WHITE OPERATORS		40,137		27,120	-32
Full Owners	20,541		18,709		-9
Part Owners	2,910		4,439		+52
Managers	90		130		+44
All Tenants	16,596		3,842		-77
Croppers ⁽¹⁾	3,641		317		-91
NEGRO OPERATORS		18,493		9,280	-49
Full Owners	5,894		5,085		-14
Part Owners	1,286		1,583		+23
Managers	5		13		+140
All Tenants	11,308		2,599		-77
Croppers ⁽¹⁾	5,230		558		-89

(1) A sub-class of tenants, therefore this number is included in all tenants.

SOURCE: United States Department of Commerce, Bureau of the Census.

The number of croppers decreased at a faster rate than the tenant group as a whole; and the data indicate that white and Negro croppers are leaving the farms of the area at about the same rate.

The great decrease of tenant operated farms is due in part to farm enterprise shifts that have occurred in the area. Cotton is no longer an important

enterprise in much of the region, having been replaced by enterprises requiring less labor. Also, industrial expansion has induced many tenants to leave the farm.

There has been a decline in the number of full owners (Table II). This decline is probably a result of increasing job opportunities off the farm and advancing technology on the farm. Many full owners who had little capital may have migrated from the farm, selling out to farmers who did have access to capital and who wanted to take advantage of the technological advances by increasing the size of their farms.

The number of Negro full owners declined more than the number of white full owners; the decreases being 14 and 9 per cent respectively. This difference may be due partially to the fact that Negro farms tend to be smaller and Negro owners have smaller capital investments than white owners.

Table II shows that while the number of tenant and full owners decreased during the period, the number of part owners and managers increased. These changes hold true for both races. These shifts away from the extremes of either full ownership or tenancy could be a result of full owners leaving the farm and either selling a part interest to (or hiring) an individual who had been a tenant; which would mean that there is a group of farmers in the area moving up the agricultural ladder.

The changes that have been taking place in the region will probably continue in the future, but the speed with which these changes occur depends on a number of variables including: employment opportunities off the farm, the rate of technological progress, and government farm policy.

A NEW INDICTMENT OF MONOPOLY

(OR, HOW WE CAN HAVE RECESSION AND INFLATION AT THE SAME TIME)

by

David Townsend*

I.

Monopoly has been the traditional target of the professional economists' wrath. For over half a century college students have listened to Professors of Economics inveigh against business monopoly. They were told that the growth of business monopoly would result in restricted production, higher prices, waste and inefficiency. Nevertheless, the concentration of economic power flourished; and it seems quite probable that the general public associated economic progress and the "American way" with the growth of giant firms.

The acceptance of monopoly as a national way of life seemed to be complete in the 1930's as the federal government threw its support behind the organization of many new economic power blocs. The rapid growth of labor unions since the 1930's, and government control of agricultural output and prices has meant that Big Labor and Big Agriculture have joined Big Business in the practice of monopoly policies.

II.

In the meantime, . . . economists became preoccupied with diagnosing the causes of the business cycle (prosperity and depression), and in developing a cure for the disease of economic instability. The search for the cause

*Dr. Townsend is the Head of The Department of Economics.

generally ignored the rapidly developing monopolistic settings for determining output and price and focused instead upon the total demand for goods. Insufficient total demand for goods results in unemployment and depression, and excessive demand means inflation.

The economists' cure for this imperfection in the behavior of aggregate demand is counter-cyclical monetary and fiscal policy. In time of depression or unemployment the federal government should use appropriate monetary policy (easy money, low interest rates and down payments, etc.) and appropriate fiscal policy (tax cuts and increased government spending) to increase total demand and eliminate unemployment. In time of inflation the federal government should use appropriate monetary policy (tight money, high interest rates and down payments, etc.) and appropriate fiscal policy (higher taxes and lower government spending) to reduce total demand and halt or reverse the upward movement of prices.

III.

The deliberate use of monetary and fiscal policy to eliminate the cyclical swings of business was radical and upsetting to many during the 1930's; however, such governmental policies have become the height of orthodoxy in the 1950's. The public now receives assurances from economists and politicians that the new monetary and fiscal tools can do the job and they will be used.

These assurances create a warm -- good-all-over-feeling -- until your breakfast coffee partner blurts out her impatience with rising prices in the face of deepening recession. In addition, there is a growing

number of economists who tell us that counter-cyclical monetary and fiscal policy will not work.¹

The reason the new monetary and fiscal tools are doomed to fail, according to the critics, is to be found in the monopolistic price and output policies of the power blocs (i.e. big business, big labor, and big agriculture). When government reduces total demand to halt inflation, the result is lower output and unemployment and, at best, a slowing down of the inflation spiral. (The steel industry is now² operating at less than 50 per cent of capacity and increases in steel prices are anticipated for this summer). When government moves against recession by increasing total demand, price increases absorb much of the increased purchasing power while a portion of the nation's men and machines remain idle.

As the power blocs become more proficient in the art of controlling production and in pushing prices up, the government's stabilization policy makers would seem to face two equally undesirable alternatives.

- (1) Provide enough purchasing power to achieve full employment,... accompanied by galloping inflation.
- (2) Restrict total demand enough so that inflation only creeps,... but at a cost of unemployed men and machines.

If events bear out the validity of this new indictment of monopoly perhaps the congregations will begin to pay attention when the economists of the future attack their favorite sermon subject -- Monopoly

¹ Two recent and popular discussions of this view are:

Bach, G. E., "Inflation in Perspective," The Harvard Business Review
Jan. - Feb. 1958 and

Williams, Harry, "A New Economy?" The Business Review, April 1958
Published by The University of Houston.

² April 1958.

EDITOR'S NOTES --

The selection of articles for The SFA Economist represents an attempt to follow the stated objective of emphasizing economic developments in the Piney Woods, supplemented by comments on national economic problems. We welcome criticism from readers which will help us increase the usefulness of this publication.



The Department of Economics is primarily a service department offering courses to students majoring in other fields. Most of the students enrolled in Economics courses are candidates for the Bachelor of Business Administration degree.



The Stephen F. Austin State College Library is now receiving the complete Moody's Investors Service. This unique service provides comprehensive financial data on over 26,000 business corporations and governmental jurisdictions and agencies. The service also includes Moody's weekly Stock and Bond Surveys which provide expert analyses of market trends, and studies of industries and companies from the investor's point of view. This valuable service is available to the public, as are all of the library's holdings.



A special feature of the Fall issue of The SFA Economist will be a report on the commercial and non-commercial art activities in East Texas by Dr. Karl T. Schlicher, Head of the Department of Art. An analysis of state and local government debt trends in the nation and in East Texas is also planned for the next issue.

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