

ANNUAL REPORT
OF THE
GOVERNOR OF
THE VIRGIN ISLANDS

FOR THE FISCAL YEAR
ENDED JUNE 30, 1926



PRESENTED BY MR. BINGHAM
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TO THE LEGISLATIVE ASSEMBLY

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GOVERNMENT HOUSE,
Saint Thomas, Virgin Islands, October 1, 1926.

SIR: The following report of the Governor of the Virgin Islands, for the fiscal year ended June 30, 1926, is herewith submitted.

POLITICAL

As outlined in the governor's report for the fiscal year 1925, the colonial council of St. Croix had been declared, by the governor, to be not legally organized. This condition still existed when the present governor took office. The colonial council had refused to recognize the governor's right to decide upon the qualifications of his appointed members in the council. Soon after the present governor's accession to office, a conciliatory letter on the question at issue was addressed to the council of St. Croix. This, however, brought no results. As required by law, regular meetings had been set for the council. They came and went without a quorum.

Early in 1926, the chairman of the colonial council, through the governor, addressed a letter to the President of the United States in which he asked for a "ruling as to whether the colonial council has the right to decide upon the validity of its appointed members." To this, the Attorney General of the United States replied in part:

I am therefore of the opinion that the colonial council at St. Croix is without authority to pass upon the qualifications of members nominated by the governor.

Accordingly, at the meeting of the colonial council set for July 12, 1926, and over a year since its last legal meeting, a sufficient number of council members attended, a quorum was declared, the protested members seated and the council began anew its legal operations.

The governor is pleased to note that the colonial council of St. Croix is now in legal operation and is functioning normally.

The colonial council of St. Thomas and St. John has been characterized by its friendliness to the government and its keen appreciation of the various problems with which it has been confronted.

LEGISLATION

During the year there were introduced in Congress several bills to provide an organic act for the Virgin Islands.

That these islands should be governed by laws purely American in spirit, can not well be denied. But this spirit must be interpreted in terms of local possibilities, economically and politically. It is trusted that no legislation which does not carefully weigh these insular elements be seriously considered by the Congress.

It is believed that the inhabitants of the Virgin Islands should be given United States citizenship. They expected it with the purchase of the islands and it would appear that their expectations were translated into favorable terms in the treaty of cession. This interpretation was later decided to be erroneous so that they are now "inhabitants of the Virgin Islands entitled to the protection of the United States." If this small outpost in the West Indies is to be a credit to the Nation their aspirations to citizenship and naturalization should be heeded. With such favorable action on their desires, there should not of necessity follow unlimited franchise without at least an educational qualification. Conditions in the Virgin Islands bear little or no resemblance to those in the States.

EDUCATION

Though there is much to be desired which only ample funds could supply, yet the system of education as a whole is satisfactory for the needs of the youth of the Virgin Islands. Though he is handicapped by insufficient funds and personnel, the director of education has a loyal and efficient force of coworkers and his results bear fruit in the appreciation of parents and of visitors alike.

One hundred and thirteen teachers were employed and the school attendance was 3,107, there being but little variation during the last four years in the number of teachers or pupils.

Fourteen per cent of the children of school age in St. Thomas were born outside the American Virgin Islands while in St. Croix but 10 per cent were born away from St. Croix. This has an interesting bearing on the several immigration problems to be touched upon later.

The most serious factor in educational problems in the Virgin Islands is lack of money. On the other hand, the government's desire to Americanize the islands must conform with budgetary possibilities and the enthusiasm of its officials kept within financial possibilities. Repairs to many buildings are urgent, while the extension of manual training facilities, including an agricultural school, are most needed and would be more nearly suitable to the characteristics and needs of Virgin Island children.

There is particular need for a trade and agricultural school. It is a matter of common knowledge that the best mechanics and workmen have long been leaving the islands for the States where they are tempted by more lucrative employment. Thus apprentices anxious to learn a trade are now practically without adequate facilities for manual training. Though some manual training is given in the schools, it is not sufficient for the proper development of skilled workmen.

HEALTH AND SANITATION

Thirty per cent of the islands budgeted funds are devoted to health and sanitation in the Virgin Islands. This situation is reflected by the oral reports of many tourists who have traveled through the West Indies and who comment most favorably on the comparatively favorable conditions existing in these newly acquired American possessions.

The death rate per thousand of inhabitants during 1925 was the lowest on record, being 19.2 per 1,000. It has varied but little since American possession of the islands but compares most favorably with the years 1911-1917 (prior to the purchase of the islands) when it averaged 35.4 per 1,000.

These favorable statistics are a direct result of the policy of the Navy Department in detailing for duty with the civil government of the Virgin Islands eight naval medical officers and eight Navy nurses.

The municipal hospital in St. Thomas and the new one in St. Croix are well equipped for the care of the sick. There are no institutions in the lesser West Indies rendering such service to their respective communities. Reports from patients and from outside sources confirm this gratifying fact. Every patient requiring treatment, study, or observation, besides many indigent persons, secure, generally free of charge, the best medical and surgical treatment available. A day and night service is also maintained so that the natives may secure, at any time, medical assistance, even out in the country districts. In fact it is only in such outlying possessions as Guam, Samoa, and the Virgin Islands that the people receive so much gratuitous and excellent medical attention.

The department of health maintains dispensary clinics for patients not sufficiently sick to require hospital treatment, training schools for nurses, infant clinics, surgical service for those requiring operations, a clinic for venereal diseases where treatment in many cases is compulsory, a clinic for mental and nervous cases, a laboratory service. In both municipalities there is a municipal dentist who is required to examine and to treat, free of charge, the school children of the municipality. These activities exert a profound and beneficial influence upon the communities they serve.

SANITATION SERVICE

In both St. Thomas and in St. Croix this department maintains a sanitation service. The night-soil removal service continues to improve and its operations have been extended. The sanitation service makes property inspections, and during the year in St. Thomas alone 2,179 insanitary conditions were made sanitary. The inspection of cisterns, pools, cattle and swine, bakeries, soda-water plants, and milk has produced excellent results. The school children were again examined, as is done every year, and those with correctable defects referred to the chief municipal physician for such treatment as was needed.

The mosquito problem, though not solved, is being well handled, as the almost total absence of malaria would indicate.

The department of health maintains in St. Croix an insane asylum as well as one for lepers, and has charge of the poor farm. Inmates of these institutions come from the three islands, though patients afflicted with leprosy, with one exception, originate in St. Croix. The leper asylum has at present 78 patients. The handling of leprosy cases seems adequate and effective.

Ninety-eight inmates comprise the number of indigent cared for in the poor farm. The difficulty of getting the poor of St. Thomas to go to St. Croix for admission to the poor farm there is responsible for the fact that 91 per cent of the inmates are natives of St. Croix.

DEPARTMENT OF PUBLIC WELFARE

This department of the civil government is concerned almost solely with the care of the poor, their welfare and the distribution of several legacies in addition to moneys annually budgeted for the poor. From public funds and legacies there are 532 beneficiaries in St. Thomas and 433 in St. Croix. The determination of the degree of poverty and admissibility to the poor farm rests finally with this department. The American Red Cross, through its local and national representatives, is invaluable in its assistance to the poor of the municipalities.

Generally speaking it is believed that the poor of these communities receive a consideration and treatment not elsewhere accorded them in the Caribbean, and that, accordingly, their lot is a happier and healthier one.

AGRICULTURE, COMMERCE AND LABOR

This department is busily engaged in compilation of data required for a preliminary study of the economic conditions of the Virgin Islands; the preparation of graphs tending to facilitate the comprehension of trend of the several phases of trade, commerce, and industry in the islands.

A detailed agricultural survey has been started, that for the island of St. John having already been completed.

The work of this department in conjunction with the agricultural experiment station maintained in St. Croix by the United States Department of Agriculture, will in time be productive of good results. Much can be done along agricultural lines in the islands, since both St. Thomas and St. Croix import considerable amounts of food supplies and fruits which can and should profitably be grown in the American Virgin Islands.

The diversification of crops, especially in St. Croix, where sugar is still king, appears to have been proved feasible and is certainly warrantable. Small planters have difficulty tiding themselves over during the 18 months generally needed to harvest a sugar crop. The Department of Agriculture is endeavoring to convince the small farmer of the wisdom of diversification of crops to coincide with seasonal rainfall.

Connected with this department is a tourist exhibit which is opened during the winter months, and which was visited by hundreds of tourists from the nine tourist ships coming to St. Thomas during the winter of 1925-26. Many interesting examples of Virgin Island manufacture and handiwork were on exhibit and for sale. Pamphlets detailing Virgin Island attractions were freely distributed, while arrangements were made to open the tennis and golf clubs and bathing beaches to all tourists desiring to take advantage of their facilities.

This exhibit and the courtesies extended by this department to visitors were greatly appreciated and resulted in numerous requests for further data, additional sales and increased interest on the part of continental Americans generally.

As a means of advertisement, this work has been pre-eminently successful.

The small, though attractive, Virgin Island exhibit at the Sesqui-centennial Exposition has proved another source for local pride and satisfaction.

The climate in the American Virgin Islands is admitted by visitors to be almost unexcelled for the tropics, especially in the late fall, the winter and the spring months. In fact only during the hurricane season does the steady and cooling influence of the normal trade winds show signs of diminution.

Medical authorities are loud in their praise of the islands as a health resort and point out their numerous advantages.

Seldom do you find the torrential downpours which inundate most tropical places. There is rainfall sufficient, however, for local needs.

SUGAR-CANE INDUSTRY

Adequate rainfall in St. Croix is necessary before an average sugar crop can be planted, grown, and harvested. In fact the rainfall must be so distributed during the several months as to insure consistent growth of the cane without undue periods of drought and the effects of the great evaporation from the sun's rays. An average rainfall of 46 inches will, if fairly well distributed, insure the growth of a good sugar crop. The almost unprecedented drought of 1920, 1921, 1922, and 1923 caused a loss to sugar interests in St. Croix from which they will be long in recovering and which has caused a decrease in the acreage planted to sugar.

The two water-supply systems in St. Croix will not be sufficient for agricultural purposes. The government, encouraged by the insistence of the planters, the past seriousness of their plight, and the present low price of sugar, is giving attention to the problem of an irrigation scheme for the island. This will presumably require a loan from the Federal Government and its repayment over an extended period of years.

PUBLIC WORKS

Twenty-one per cent of the budgetted funds for the year went to this department. Despite the handicap of insufficient funds, considerable work was done on the roads in St. Thomas, those in St. Croix requiring little else than patching and occasional repairs.

The roads in St. Thomas are in wretched condition, and considerable money is needed for their rebuilding and maintenance. Most of them being on the hillsides are subject to heavy downpours and consequent partial destruction. Often they soon thereafter become well-nigh impassable. The great natural beauties of St. Thomas attract thousands of tourists annually, and ample means for their transportation around the island should be provided. Here, more than in most communities, good roads are mandatory. Passable roads which will open new areas to agriculture and enable the small farmers to market their produce are particularly needed in St. Thomas. The taxpayers of the United States would probably not object to a small annual appropriation for roads in the Virgin Islands. This subvention would well repay them for the money invested and would prove an additional delight and source of national pride for Americans. It would also accomplish the most laudable result of affording regular employment to many deserving poor in the municipality and instill in them the desire for and habit of work and reducing poverty.

The water-supply systems of St. Thomas and of St. Croix are now nearing completion. Thanks to the generosity of Congress and the careful administration of funds in the islands, this important feature of insular welfare is about to be consummated and the people assured of an adequate supply of water in time of drought.

At the time of writing this report there are not sufficient funds to complete one of the units of the system according to the modified plans. This will not interfere with the other independent units which are either completed or nearing completion, and for which the distribution systems are completed.

Many of the public buildings are in need of both major and minor repairs. Hitherto the civil government has expended as little as possible of the budgeted funds for repairs and as much as practicable for elemental necessities. These buildings have now reached such a state that repairs must be made to them in order that their usefulness and general appearance may be decently maintained.

The telephone systems have suffered similarly and have therefore reached a state where need for extensive repairs and alterations is urgently necessary.

POLICE

In both St. Thomas and in St. Croix public conduct has been excellent, though there were 939 arrests, against 752 for the previous year in St. Thomas, and 497 against 725 in St. Croix. The vast majority of these cases were of a minor nature, such as disturbance of the peace, while 41 were for violations of the national prohibition act.

The police departments of the island suffer the same difficulties encountered in all small communities where the members of the force personally know practically every individual in the towns. This renders modern police methods and the enforcement of law at times difficult. Despite this well known disadvantage, the police force performs its duties creditably. There are many minor complaints in course of adjustment at all times. The natives, especially those of alien extraction, are prone to carry petty troubles to the

police courts and are frequently unduly contentious. Much of this is diplomatically handled in the offices of the Directors of Police and further litigation avoided.

PENAL INSTITUTIONS

The Richmond Penitentiary in St. Croix holds most of the major offenders against the law. This has accommodations for 127 prisoners. Ample acreage enables the prisoners to cultivate vegetables either for sale or for consumption. The food served there is more abundant than that received by many hundreds of poor people in the islands. The discipline, though strict, is enforced with consideration.

Smaller prisons exist at St. Thomas and at Frederiksted. These are situated in the old Danish forts erected in the eighteenth century. These are used for transitory and minor offenders, and seem to be conducted with satisfaction.

The government also maintains a reform school for boys in the island of St. John. Its comparative inaccessibility renders the location almost ideal. Abundant work and study are required of the boys, many of whom upon eventual discharge seem to have profited by their experience. A similar institution for girls of a wayward nature has been advocated from time to time. The need exists, but the money for purchase, construction, and maintenance can not be found for a long time, since other projects of a more pressing nature demand a prior consideration.

JUDICIARY

The judiciary continues to operate with despatch and efficiency. The district court handled 65 cases during the year, several requiring juries and consuming considerable time. In the police courts of the islands 784 were tried in St. Thomas, 226 in Frederiksted, 396 in Christiansted (622 for St. Croix), and 15 in St. John. Four appeals were carried to the third circuit court in Philadelphia; the great expense involved, especially in a poor community, will long deter some people who for less expense would carry many cases to the higher court.

From observation and local comment, it is believed that the judiciary system in the islands adequately handles such cases as come before the several judges, and that for expedition and justice the Virgin Islanders have no reasonable grounds for complaint against the systems now in legal effect.

FIRE DEPARTMENT

The fire department of St. Thomas possesses neither adequate equipment nor personnel to combat fires on any large scale. The salt water pumping system, an installation of recent years, gives sufficient pressure for small conflagrations confined within the town limits, while the cooperation of the marine fire brigade has proved of great value when needed.

In St. Croix the equipment is less modern—two chemical fire engines, two large and four small hand engines, hose, ladders,

buckets, and fire hooks, comprise the equipment. Many of the fires had their origin in cane fields due to carelessness of squatters.

PROHIBITION

This department, in charge of a retired officer of the Marine Corps, has been most effective in its operation. The population of the Virgin Islands, through racial and alien antecedents and customs, is overwhelmingly antiprohibition. It may, however, safely be asserted that the American Virgin Islands, though sentimentally opposed to prohibition in all its phases, present a prohibition situation deemed satisfactory judged from continental American standards.

BAY RUM

This department is also responsible for the compliance with all regulations governing the manufacture of bay rum. This industry, suffering from a momentary depression during the early days of prohibition enforcement in the Virgin Islands, continues to expand. Despite reports and published propaganda that prohibition had ruined the bay rum industry for which St. Thomas was so long famous, the following tabulations of export are of immediate interest:

Gallons sold and exported

Fiscal year:

Danish occupation—

1909-10	15,866
1910-11	19,975
1911-12	8,068
1912-13	13,650
1913-14	15,399
1914-15	14,107
1915-16	32,839

American possession—

1916-17	47,208
1917-18	28,719
1918-19	52,519
1919-20	89,105
1920-21	79,415
1921-22	73,859
1922-23	65,524
1923-24	74,574
1924-25	79,730
1925-26	85,148

It will therefore be noted that the islands are, generally speaking, selling nearly three times as much bay rum as during the best years before we purchased the islands, and that even during our possession, and subsequent to the sudden slump following upon prohibition, the islands exported and sold a yearly increasing amount of bay rum.

ST. THOMAS HARBOR DEPARTMENT

Taken as a whole the fiscal year 1926 was an excellent one for this department. All the major items of revenue in the budget exceeded the estimates, while the collections from ships' dues exceeded the estimates by about \$6,000. This can be taken as an

index of a fairly prosperous year. Four hundred and thirty two vessels, with a gross tonnage of 1,657,213, visited the port of St. Thomas during the fiscal year. This is a slight increase over the previous year.

St. Thomas, as a shipping port, has seen its best days. During the World War the weekly Hamburg-American Line service was withdrawn as well as that of the Compagnie Generale Transatlantique. Even before the war, their interests had been seriously affected by world-wide changes in shipping, so that it was only a question of time before the expected decline would set in. Recent advertising in a leading maritime journal, pamphlets distributed to tourist ships, the free use of our harbor craft for tourist vessels, have all added to make the port of St. Thomas somewhat more popular. The extension of this method of advertising will bring even more favorable results.

The looks of the harbor and waterfront are greatly marred by the unsightly remains of a sunken dry dock and several hulks on the beaches. It is hoped that the Federal Government will be willing to assist the civil government of the Virgin Islands in an effort to clear up this unsightly condition which leaves an unfavorable impression upon visitors.

GOVERNMENT SECRETARIAT

This office is, by law and regulation, charged with a multiplicity of duties, comments on which are hereto made.

(a) *Budgets*.—Budgets for the two municipalities of St. Thomas and St. John and of St. Croix were drawn up late in the winter of 1926. The greatest difficulty every year is experienced in estimating the probable tax return upon the sugar exports in St. Croix. The harvesting of the sugar crop in the latter part of the fiscal year and its sale either immediately thereafter or in the next fiscal year, presents a formidable problem for so small a community and one in which the revenue derived from the export tax on sugar represents the largest single item of local revenue and some times as much as one-third of the total revenues including the allocation of the Federal appropriations. Drought seriously affecting the sugar crop can never be anticipated and a serious lack of rainfall would wreck the government's budget programs, since there is no authority for a surplus carried forward except for special building or road projects approved by the President, and the law does not contemplate any sinking or other fund from which to meet unexpected reversals in a financial way. There is every reason for asking Congress to make the appropriations for the Virgin Islands continuing for two-year periods, if not available until spent. The demands upon the Federal appropriations are so great, the sudden failures in crop returns so serious and so fraught with irremediable danger to the insular finances that the revision of appropriation procedure as relating to the Virgin Islands should command the attention of the Congress.

(b) *Dry dock*.—The governor regrets that the dry dock purchased by a local firm and now at Jacksonville, Fla., can not be brought here

for lack of funds. It is an ambitious project but one which, with sufficient capital, should amply repay its backers, restore in some considerable degree pristine shipping in the harbor of St. Thomas and cause to flow into the colonial treasury and that of the harbor board taxes and moneys not now received. A general betterment of the whole community would result.

(c) *Immigration.*—A large part of the population of the Virgin Islands, especially that of St. Thomas, is composed of aliens who, during recent years, have migrated thither from the neighboring British Virgin Islands. This is estimated to be about 21 per cent of the inhabitants of St. Thomas. Probably 50 per cent of the inhabitants, however, have relatives in these British Islands. The wages and possibilities of employment are far superior to those in the British Virgin Islands, so that there is ever a strong tendency to migrate to St. Thomas in the expectation of bettering their conditions and of reaching, eventually, that haven of all nations, the United States. Upon this background is reared the difficulty of enforcing the immigration laws of the United States. These were placed into effect throughout the Virgin Islands on June 1, 1925. While complete compliance with the letter of the law is rendered impracticable through lack of funds for immigration purposes, the laws are being enforced in an adequate manner. Several court actions and other legal checks have deterred aliens from attempting to prove by false affidavit their status as citizens of the Virgin Islands of the United States. This procedure is producing results and it is consequently believed that few get past the barriers imposed by the immigration authorities and the watchful eyes of the steamship companies.

Some easier procedure should be made effective for aliens who, residing in the neighboring alien islands, desire to acquire residence in or to pass through the Virgin Islands of the United States. Most of these applicants are from the British Virgin Islands. They are now required to appear in person before the American consul in Barbados, several hundred miles to the southward. It is seldom more than once a month a steamer makes the necessary passage and only too frequently lack of space prevents accepting these particular passengers. Some legal method should be devised which will permit, say the immigration authorities in St. Thomas, to handle and pass upon these cases. It would involve, necessarily, some change in the United States immigration laws.

(d) *Real and personal property taxes.*—The real and personal property taxes now in force in St. Thomas and St. John yield a revenue nearly twice as great as the taxes in force prior to 1922, when the new law became effective. The old Danish law is still in effect in St. Croix, that municipality not having adopted similar tax laws.

The report of Mr. Roswell F. Magill, the tax expert sent to the Virgin Islands by the Treasury Department, indicates the possibility of raising some increased taxes in the islands. Most beneficial of his suggestions is, however, the proper standardization of tax returns by some proper modern method obviating the old-fashioned methods partially in vogue in these insular possessions.

CONCLUSION

The diversion of commerce consequent upon economic changes throughout the world, the increasing area devoted to the cultivation of sugar in many countries, and the resultant low prices for that necessity, have left an indelible impression upon the smaller islands in the Caribbean and in particular upon the American Virgin group.

The governor, therefore, regretfully concludes that some measure of annual financial assistance from Congress will continue to be necessary for these Virgin Islands. The maintenance of any form of civil government approximating an ideal thoroughly American and the continuance of the standards set for education and for health and sanitation will cause deficits in the local treasuries which should continue to be met by a Federal appropriation.

Complete self-support can not be expected in these islands for many years. Signs of improvement there are. Any greater measure of financial independence than that now existing must, of necessity, be slow to materialize. Increased economic prosperity, will, in all likelihood, depend upon:

1. Diversified crops in St. Croix with the possible establishment of an irrigation project large enough to furnish planters and farmers alike with an adequate supply of water for agricultural purposes.
2. Increased development of agriculture in St. Thomas to which good roads would lend encouragement.
3. The location of a floating dry dock in St. Thomas Harbor.
4. Encouragement of tourist travel to both St. Thomas and St. Croix, and the location in those islands of health resorts.

Respectfully,

MARTIN E. TRENCH,
Governor of the Virgin Islands.

His Excellency, THE PRESIDENT OF THE UNITED STATES,
The White House, Washington, D. C.



CHAPTER I

The history of the United States is a story of the growth of a nation from a small colony to a great power. It is a story of the struggle for freedom and independence, and of the development of a government of the people, by the people, and for the people.

The first step in the history of the United States was the settlement of the eastern coast by the English. The Pilgrims and the Puritans came to America in search of a better life, and they found it. They established colonies, and they grew into a nation.

The next step in the history of the United States was the struggle for independence. The colonies fought a war with Great Britain, and they won. They became a free and independent nation, and they established a government of their own.

The third step in the history of the United States was the development of a federal government. The states came together and formed a union, and they created a government that would be for the benefit of all the people.

The fourth step in the history of the United States was the growth of the nation. The territory of the United States grew, and the population increased. The United States became a great power, and it played a leading role in the world.

The fifth step in the history of the United States was the development of a democratic system. The people of the United States became more and more active in the government, and they established a system of checks and balances.

The sixth step in the history of the United States was the development of a social system. The people of the United States became more and more concerned with the welfare of all the people, and they established a system of social justice.

The seventh step in the history of the United States was the development of a world system. The United States became a world power, and it played a leading role in the world.