

# THE NEW OIL INDUSTRY OF ILLINOIS AND ITS IMPLICATIONS IN THE SOCIAL AND ECONOMIC LIFE OF SOUTHERN ILLINOIS

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## ABSTRACT

Southern Illinois, during the past three years, has witnessed an intensive and highly successful campaign of oil exploration and development. Since 1937 the daily average production of petroleum in Illinois has jumped from 15,000 to 430,000 barrels, raising this state from its obscure position as the fourteenth ranking oil state to its present position (May, 1940) as the third ranking state, surpassed only by Texas and California.

During the initial period of discovery of new Illinois oil production, 1937 through 1938, oil men were attracted to Illinois from nearly every oil producing region in this country. This movement soon developed into a mass migration of major proportions and the housing of these welcome oil people soon became a problem. Hotels, tourist cabins, vacant houses and apartments were quickly filled in each of the principal towns in the Illinois Basin. Rents throughout this area went higher, by far, than they had ever gone before. Hundreds of automobile trailer houses were bought by the oil people, and many a vacant lot in these new oil towns accommodated several of these trailers, with families living in each one. In Centralia alone, 150 trailer houses provided living quarters for over 400 people. Although accommodations of one kind or another provided these new Illinois residents with shelter, these crowded living conditions endangered the public health. The sudden appearance and growth of the oil boom, 1937-1938, made it physically impossible for the new oil towns to adequately cope with the housing problem.

The principal construction during this period consisted of temporary quarters housing the many oil field supply and service companies. These frame and corrugated steel buildings are clustered

along the outskirts of the principal oil towns and although they are a symbol of the new prosperity which oil has brought to southern Illinois, they themselves present a rather unsightly appearance and materially lower residential property values in their neighborhood.

During the period of intensive development of the new Illinois oil fields, 1939 and 1940, the influx of oil people to southern Illinois has reached a maximum, and the economic and social significance of this is manifest in the new problems and conditions found in each of the above named oil towns. The housing of the oil men and their families is still a problem, but permanent relief is being sought in the wide-spread construction of houses and small apartment buildings. The present building boom in each of the southern Illinois towns also includes the construction of additional office facilities for the oil industry, as well as improved and also new accommodations for the many local business concerns which have so prospered under the impetus of the oil boom as to require new quarters.

No less significant are the social implications resulting from the migration into southern Illinois of thousands of oil people from the southern states. To this region these new comers have brought the culture, the habits and customs common to Oklahoma, Texas and the other oil states. Southern Illinois is thus the scene of many contrasts between old established customs and those of the invading oil people. Oil people are characteristically sociable and cooperative, with the consequence that in our new Illinois oil towns they are found actively participating in every local activity, whether religious, cultural, or social in nature. Through the stimulus given to civic movements by the energy which

they have displayed in their active co-operation, the oil people have given new strength to many an organized group. From a social view point, a significant consequence of this invasion of southern Illinois is an adjustment in the sense of values as is evidenced by a rejuvenated interest in social service, in movements for civic betterment, and in a broadened cultural outlook. There is no doubt but what the people of southern Illinois have and will continue to profit, in the broadest sense, by their close association with these thousands of newcomers.

**Outlook for the future of the new oil industry of Southern Illinois.** Based upon his familiarity with the geological aspects of our newly-found industry, the writer is firmly of the opinion that the industry is here to stay,—for many years to come. Over a three year period, discoveries of new Illinois oil fields have averaged better than one a month and there is every reason to believe that new discoveries will continue to be made in the future. Although the great migration of oil men into southern Illinois from the oil states of the southwest is essentially

over, these thousands of newcomers now look upon Illinois as their adopted home.

The new oil industry has greatly improved the economic position of southern Illinois: business conditions generally have been improved, much private indebtedness has been wiped out, new modern schools have been built, as well as new homes, stores and office buildings, and many municipal improvements, such as the paving of streets have been undertaken. The oil industry has clearly brought prosperity to southern Illinois. This newly-found wealth, in the form of "black gold" from nature's storehouse, is properly referred to as a wasting asset, since the underground supply of oil is limited and when once exhausted cannot be replaced. Clearly, then, the permanency of the new prosperity of southern Illinois can be said to be very largely dependent upon the manner in which we exploit this great natural resource: If guided by established principles of oil conservation, this great industrial development will continue to bring prosperity to the state of Illinois for many years to come.

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