

Industrial Co-operation.

However optimistic a man may be, he would hardly dare to make the assertion that we have entirely freed ourselves from the ancient idea that labor is a necessary evil, or indeed a punishment inflicted upon because of our fall from the perfect condition in which we were created. Of course the artist, whose every picture is an expression of his inner being which has been illumined by a high sentiment, or a noble thought may speak of unfeignable joy of his labor. Indeed he is living upon that high plane.

of wrool life in which, with the
votive form of swotion, he translates
incarnates noble truth and and
the finer conceptions of life and
life's surroundings into the objective
productions of his labor. Each bit
of work is an expression his own
inner life, and although he has
wony hours of hard chudgery
and flain every day flockling
he fore he finds himself able
to exfer freely, yet he can
offord to say "blemed be chudgery"
because already he has gained
a glimpse of that highest truth
of human life, that by the sweat
of they brow, thou shalt unfold
thine expanding soul. The

philosopher whose life is one of
 comparative ease, may also say this
 some thing, that labor is the medium
 of expressing the best that is within us.
 It is especially noticeable that
 among modern writers this
 idea of the dignity and grandeur
 of labor is met with very
 frequently. It is, I think, an
 evidence of a strong healthy
 minded point of view.

Yet one must admit that
 to many of our people this high
 conception of labor ~~is~~ seems
^{to be} some what of irony. To him whose
 labor is but the maximum of
 effort with the minimum of
 intelligence, whose daily task seems
 to be were a repression and are

than an expression of high thought
and noble sentiment. This talk
of the dignity and grandeur of labor
~~seems to be~~ savor somewhat of
insincerity, and bowdler. The
day work is just the opportunity of
earning money, and its pleasure
is in its termination to many
of the people who make up our
population.

~~Now what I have to say consists~~
~~simply of a few facts, and ideas~~
~~that I have gathered together in my~~
~~readings, and observations.~~ The thing
that interests me is the possibility
of ^{extending} ~~of~~ this high conception of labor
which belongs to the artist, so that
it may become more universally
appreciated, and afford more

commonly among those whose
labor is less exacted than that of
the artist. What I have to say to—
consists of a few facts and ideas
gleaned from various sources, which
seem to me to be a very suggestive
as a means of accomplishing
this very desirable result.

In presenting what I shall present
I am particularly anxious that I
do not give the impression that I
am promoting a faracea. The
popular notion that every principle
must be carried to its logical
conclusion, is reprehensible for many
a sad failure, and woe a lost
opportunity. This grievous folly
still obtains in spite of the fact
that the whole world is

covered with the dead birds of 6
theory, which in their blind flight
touch the cornfields of logical
conclusion, have come head of
against the ~~cornfields of logical~~
the stone wall of facts. It
may be perfectly true that
the Guinea Pig is one of our
most prolific animals, as the
author of Pigs is Pigs. points out. Assume
for convenience sake that he is the
most prolific animal in the
universe, what follows? Does
it follow that we must carry
this fact to its logical conclusion
and predict that a time will
come when the Guinea Pig
will be all in all, having con-
verted the entire universe into

a complete system of Guinea Pig?
who suspended in space squeal in
perfect harmony their passion of
victory in the struggle for existence.
If, indeed, we could carry this
biological fact to its logical con-
clusion, we would have here in
the magnificent Guinea Pig, the
paradise for all our moral, commercial
and religious difficulties. In order
to solve these pressing, and after
distressing problems of state, and
church, of labor and capital, of
good and evil, of the congested
city, and the lonely country, of
the overworked state Treasury, and
the underworked New England
farm, all that ~~would be necessary~~
we ^{would} need to do ^{would be} to carry to
its logical conclusion this one

biological fact of the Guinea Pig. &
Preach the Gospel of the Guinea Pig.
and practice your preaching. Just
give the Guinea Pig a chance. In
due process of time he will
overrun the entire earth, and will
gradually extend his influence, until
he has transformed in Guinea Pigs
all the world, and its inhabitants
thereof, and their problems included.
This I submit would be a very
attractive way out of our difficulties,
and assure us of the solution of
our problems with the least possible
exertion on our part.

But upon second thought it occurs
to me that this one biological fact
is not the only fact of the Guinness.
The Belgian Stone must be considered

and forcibly the tenants along 9
Archie Road might have something
to say ~~two~~ ^{about} the adoption of this
method of ~~fixed~~ procedure. A few
facts may serve as a very insuffi-
cient further against the one idea
favoured. It is a wise thing to look
in more than one direction. Not
every stray idea that we pick up
can be carried to its logical con-
clusion, but most ideas have
some value, and some ideas have
great value. It does not of necessity
follow that because we have an
oil trust, that the whole universe
will be transformed into a
beautiful ocean of oil watered
stock upon which the exclusive
society of P. H. Underbush will
sail in their ship of trust, basking

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in the light furnished by the
Standard oil, while the favour-
able floger backs the Plunder-
bund doctrine in its rendering
of "moral Christian Soldiers."

On the other hand it does not
follow that, because a Socialist
Party is trying to exist upon the
Guinea Pig idea that Private
Property is the root of all evil, the
Miner will be transformed into
a Machine Square Gardener, where
"the People" may sit in comfort and
luxury, while self fried potatoes,
automatic beef-steaks, and spontaneous
combustion mint-jelies come walking
into the dining Room to trifle the
folate of the soul of art.

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While the logical conclusion of a single idea becomes a work of authority, the idea properly related and understood may have great value.

I have taken some time speaking of this necessity of recognizing the just limits of ideas and theories. Because it is especially desirable in considering such a ~~vast~~ ^{question} as we are dealing with to night. I do not present this thought of industrial co-operation, either to myself or others ~~with the~~ in the belief that it is a universal answer for all problems, but I am convinced that it is worthy of much more consideration than has hitherto been accorded it, not only from its ~~social~~ ^{social} but also because of its ~~social~~ ^{economic} but also because of its economic

worth,-

Industrial Co-operation in a general way includes within its scope all tendencies which in industrial life which have as an end, ~~the~~ the closer organic ~~connection~~ relationship of the factors of production. ~~In~~ In any business enterprise, whatever may be its size or nature, there are three essential elements involved, viz. labor, capital, and working ability. In the simplest and most primitive forms of industry these three elements appear in their closest organic relationship. For example the farmer is at once owner, manager and laborer upon his farm. As owner of the farm, he appears in the capacity of capitalist. As he plans and executes

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his flour, he appears in the capacity
of wouager. As he does the work
for which his flour call, he appears
in the capacity of workman. If we
analyze this simple situation into
its component parts, we discover that
Mr. Jones, Capitalist, and owner of the
farm and tools, hires Mr. Jones, as
wouager to run the farm, and
again Mr. Jones, wouager hires Mr.
Jones laborer to do the work.

In varying proportions these three
elements are present in every pro-
ductive industry, and each is an
absolute necessity. The struggling farmer
without little or no capital is a familiar
sight. Many such a farmer has met
with failure in spite of good wouage-
ment and ceaseless labor. On the other
hand ~~worshimney has been ruined~~

many a farm is the busy^{ing} place of ^{14.}
good capital, and the cause thereof is
mismanagement. Anyone can tell
the tale of the necessity of labor on
the farm. But under such a simple
arrangement as the farm, these three
factors are so organically related, that
no conflict arises in the shouldering
of responsibility, or in dividing the
profits or sharing the loss. Either in
one capacity or another, Mr. Jones, farmer,
capitalist, wage earner and laborer takes
all the profits, and sinks under the
loss.

But the situation is much more com-
plicated when one comes to consider
the average inductive plant of the
times. While the illustration which
I am about to use may be extreme
in many ways, yet I think that

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it is very suggestive in its presentation
of certain characteristics of industrial
conditions. ~~It may not be typical, but~~
~~it is certainly very common situation.~~

A certain electric Railroad of a neighboring
state was purchased by men of powerful
ability. It passed into the hands of
receivers, as every one knew, and
thereby became the property of a large
banking house of a neighboring city.
As the situation now is. The road is
owned by men, who have no interest
whatever in the towns through which
the road runs. They are not even
men who would be interested in the
road as an engineer might. It simply
means to them just so much property
that must pay the interest upon the
bonds they sold. It is a clear cut
case of absentee ownership, which
is becoming so common. The only

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question which interests them is how
to make the road pay the largest profits
upon the capital invested.

The road is managed by a young
man, who has no share in the
ownership of the road. As engineer
his interest would naturally lead
to develop an efficient high
grade road. But every attempt
at improvement meets with an
objection from the owner, viz. we
want net earnings. In short the
road must be run upon the lowest
possible basis of efficiency, comfortable
with the largest net returns. As a
matter of fact the attitude of the
owner, forces the manager to a
position wherein his only interest
in the road is one of dollars and

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cents, and an increase in Salary
the brightest outlook.

But beyond that the same attitude
which the owners have assumed
and forced upon the workmen, becomes
also the attitude of the workmen. The
owners are in the game for what they
can get out of it in net income.
The workmen is in it for what he
can get out of it in Salary, and
very naturally the workmen are
in it for what they can get out
of it in wages. In short in this
instance the three factors which
are essential to the enterprise, are
combined upon the lowest possible
basis of efficiency. This instance
is so characteristic of present

methods and tendencies, that it might
serve to throw light upon the condition
and standard of efficiency in many
industrial plants. For example it
appeared at the strike in Fall River a
few years ago, that the owners and
managers of the mills had been
so short sighted in their greed
thirst for net profits, that they
had permitted the running
efficiency of the plant to fall very
below standard. During the past
year it has come quite apparent
that ~~on~~ some of our railroads
have been tropped into the
same ~~stated~~ short sighted greed
and are apparently in a very un-
survivable predicament so far
as the general efficiency of

the flange is concerned. I think that²⁰
it is but a statement of fact to say
that the ~~conditions~~ unsatisfactory
conditions above referred to, are
the natural result of the relation-
ship which labor capital and manage-
ment bear to each other in the
ownership and operation of the woods.

Now Industrial Co-operation is an
attempt to supplant this inefficient
relationship, by bringing into our
complex business conditions something
of the spirit and principle which
prevailed in the days of our simple
industrial relationships. If capital
and management, and labor
can become more amicably
related, upon a basis which shall
openly recognize their interdepen-

fundamentally, a great step will have been gained, is the thought behind Industrial Co-operation. To those who believe in its practicability it offers great possibilities in overcoming the intolerable friction and uncertainty, and the unsatisfactoriness of the present situation.

Perhaps the best way of presenting its features is to use a concrete illustration, and to point out along the way some of its most interesting features characteristics. Industrial Co-operation is to be distinguished from that superimposed paternalism and welfare work, which at best is but charity, and at its worst is a sort of disguised employment.

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to soothe the discontent of the work-
men. The Duxton Cosh Register Co
and the Pullman car company are
notable illustrations of the latter
type of Paternalism, while there
are many less distinguished
examples of that charitable kind
of Paternalism which seeks to
force upon the workman in the
form of a gift, the way or
its equivalent, which ~~the~~ he
has been withheld from them as
a wage.

Perhaps the best way of presenting
the Industrial Cooperation idea is
to use a concrete case or two
where it has been successful.
and to point out by the way how
it bears upon the above men=

turned problem.

Co-operative Industrialism is to be found in an undeveloped stage in the profit sharing system of the House of Leclaire, who is called the Father of Profit Sharing and his system of profit sharing develops quite naturally into the Co-operative system proper.

Leclaire was somewhat of a genius. Born in 1801 about one hundred miles southeast of Paris in a little village in which his father earned a scanty living as village stove woker, the very best, as Jack London so pointedly says, ^{of his own life} no outlook, only an outlook. At the age of ten, his school life was completed, and he found himself a tender of herds of cattle and swine in the fields about the village. At this occupation he continued

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until he was 17 years old, when one
day the road leading to the old
city of Paris attracted his attention,
and thither he went to seek his
fortune. In Paris he took of the
trade of house painter and decorator.
In eight years time he had achieved
in the proficiency of his trade to
such an extent, that he had established
a shop of his own. Two years as his
own master seemed to establish his
business reputation, and assure his
success as a writer painter. But this
erstwhile tender of swine was by no
means an animal himself. Arise
from his achievement in business, he
had found time to satisfy his thirst
for knowledge, and he became a keen
student of economic conditions and
problems. This knowledge of

economic theories, conflicted with ⁽²⁵⁾
a thoroughly human interest in his
workmen led him to make a trial
of the method of sharing with his
workmen the net profits of his
business. The public in general
and his workmen in particular
were suspicious of his motives
in this matter. Also he had to con:
tend with police regulations which
prohibited the assembly of men
for consultation. However in 1842
Feb 15 he issued a circular letter
to his workmen in which he
said "The entire plan is to distribute
among a certain number of
workmen, who will be wise
enough to deserve this advantage,
a part of the profits produced by labor"

This plan was put into operation, and 26.
on the 12th of February 1843, Leclaire
assembled his 44 partners who
were entitled to a share in the profits
of the years work. He turned down
on the table before them 12,266
francs in gold, as their share in
the net ~~gross~~ profits of the year. Each
was received about \$50.

This marked the first successful
years operation of the profit sharing
system. ~~I cannot go into~~

I cannot go into the history of
this concern, except to say that the
first year was the least successful
of this most interesting business house.
The death of Leclaire renewed his
personality, but with very slight
changes the same general plan
is in operation at present. I believe

As an illustration of the extent to which this concern developed, I will give the total figures for the year 1886. In that year there were 716 men to share in the profits. Their wages for that year were 869001 francs, with a bonus of 182500 francs, or 21 per cent of ~~the~~ increase in wages.

"The management of the business is in the hands of two active partners, who hold $\frac{1}{2}$ the capital stock. They are personally liable for losses to any extent. The mutual aid society or Partner, "en commandite," and having no control over the business is liable only to the extent of its capital; while the liability of the workmen is confined to their interest in the

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reserve fund, a fund maintained
to meet losses.

The results of this arrangement
have been especially significant.
A point which is worthy of attention
is this, - It is said that an incor-
pated workman cannot hold his
job for 48 hours. Very little money
is expended for superintendents etc,
because the men take such a vital
interest in the business, that the
need for there is reduced to
a minimum. There are no
loafers or slack heads. There never
has been a strike. Consequently
there has been no loss either to
the workmen, or the locking owners
because of ~~idleness~~ idleness of labor

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of labor or capital. Another point, worth
noticing, involving a factor which
is likely to be more important as the
years go on, is the fact that the
high grade of workmanship assumes
the carrying of all the work that
it can do. If I mistake not this
touches a very weak spot in the
industrial conditions of the present
day. It may be easy enough to
secure sufficient quantities of
labor, but to secure the quality
is indeed another thing.

But this is not industrial Co-operation proper, but it has served to force the way for the consideration of a manufacturing company in this country which is developing into an industrial Co-operative plant.

The Leclaire Company recognizes the organic relationship between the three factors of production, and raises the efficiency of their contribution to each other's welfare, by openly recognizing their interdependence.

The company to which I am about to refer takes a step in advance of the Leclaire Company, in that it tends towards what is strictly speaking a Co-operative basis of production.

I refer to the H. C. Nelson Mfg.

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Company of St. Louis. The concern
manufactures steam and water
pump goods, rubber and leather belting
pumps, engines, boilers, and plumbing
fixtures. Several hundred workmen
are employed.

In 1886. March 20. Mr. Nelson sent
a letter to his workmen stating that
one year from January first he
would divide profits with the
workmen. The basis of this arrange-
ment was as follows. "Capital should
receive 7% interest, and the remain-
ing profits should be divided between
capital and labor wages in the pro-
portion ~~in the~~ which they bore to
each other. Six months service
would give a claim to share in
the profits. The men were

invited to have ~~one of their~~^a representatives examine the firms books at the end of the year, and assist in offortuning the profits. As a result of the years business under this simple arrangement. \$4828, was divided among the men. One hundred and fifty men were qualified for a share. The shares ranged from \$27 to \$46 per man. At this time the men were given the option of taking the dividend in cash, or permit it to remain in the hands of the firm and bare interest. About 2/3 of the men left their money with the firm.

For the second year some more modifications in the arrangements were made. One tenth of the

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profits left after deducting all costs
interest on capital, wages, salaries,
etc. should go to a fund for the care
of disabled, sick, ^{and} for the care of
the families of deceased employees;
one tenth should be set aside for a
fund with which to meet losses
and for dividends in bad years;
 $\frac{1}{50}$ part was to be set aside for a
library fund. The employees
who had left their dividends
of 1886 in the firm were given
an advantage of $\frac{1}{4}$ greater dividends
in 1887. At the result of the
second year Mr. Nelson thus speaks,
after making full allowance for
wear and ~~tear~~, for all bad
debts, interest on capital etc. there
remained something over ^{\$}30,000

to be divided. Of this, ^{\$}3000 was ³⁴
set aside for the relief fund, and we
are now regularly caring for the families
of those who have died or are disabled.
This is done under the supervision
of ~~the~~ a committee of the employees.
^{\$}3000 were set aside as a special
surplus fund. This fund will be
kept growing during good years,
and thus be on hand to help make
up for losses, or help for dividends
in good years. Six hundred dollars
were set aside for the library fund.
..... after ~~this~~ ~~there~~ all these deductions
there remained a dividend of 10%
on the preferred men, i.e. those
who had left their dividend
of 1886 in the hands of the firm.
All others received 8%. Thus the
second year the invested capital

received 7% fixed interest, and 8% bonus, or a total of 15%. The workmen who had received the dividends in 1886, and left the money in the plant received in 1887, in addition to their wages, 7% fixed interest on their dividends, plus 8% efficient dividend on capital, plus 10% dividend on wages for 1887.

At the end of the second year about 80% of the men left their dividends in the business. The shares of the individual workmen for the year 1887 ranged from \$60. ~~to~~ to \$25. To make a more concrete statement of the effect of this arrangement upon the prospects of the workmen, any man who earned \$1.50 per week in 1886, and left his

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his dividends in the business, taking
a certificate therefor, earned in 1887
in wages and dividends, \$21.43
per week."

Mr. Nelson, in speaking of the success
of the first two years says, - "There
is a most perfect satisfaction on
both sides, and a perfect unity
of feeling. I am satisfied beyond
any question that the system is
right and judicious, whether re-
garded from a moral or a purely
commercial standpoint. . . . Our
belief is that the additional
care and effort of the entire
force will make up the dividend
paid. I look upon the plan as
business and duty."

In this way the W. L. Nelson Company

entered upon its business career
on the basis of free and full
recognition of the interdependence
of the factors of production, tending
towards an industrial co-operation.

Before passing to consider the
subsequent history of the firm,
there are one or two observations that
might be noted.

From the point of view of the
employer of labor, if one may judge
from present conditions, there are
three pressing problems. 1st is
the problem of securing good workmen.
2nd to secure their interest in
the welfare of the firm, and last
of but not least to retain them
in our employ.

It is the author's opinion that the

dividends paid to the workmen represents
 no more the production of their in-
 creased efficiency. i.e., this method
 for seemed to draw out latent effi-
 ciency. The increase in wages thus
 indirectly produced, ~~does not~~ does
 not indicate a withdrawal from
 the net profits of the inverted money.
 But is simply the workman's
 return for his own increased
 efficiency. In other words the
 workman realizes that his own
 returns depend upon his contribution
 in efficient labor, and he will
 not tolerate a poor workman about
 him.

This leads to the second point,
 viz., the problem of arousing the interest
 of the workman in the welfare of
 the firm. By this arrangement

not only his wages which are current rates, but also his dividends deferred upon the welfare of the firm. The payment of wages by the hour or day, regulates the time quantity of labor. The payment of dividends upon the basis of net profits regulates the quantity and quality of production, so that it is for the owner's interest not merely to come up to the standard of time quantity, but also of ~~good~~ productive quantity, and quality. In short, the owner is an organic not a mechanical part of the firm and he recognizes the fact that the firm's interests are his own.

We now pass to the third observation from the point of view of the employer, viz, the problem of retaining good labor. Aside from a comparatively

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small per cent of inherently voracious
workmen, the great bulk of the
struggling from place to place, is
the result of the workman's desire
to better his lot. Really the effect
of such an arrangement as above
outlined upon this problem of the
permanency of employment, can
best be seen by looking at the
flow from the workman's point
of view.

The principal cause of the dissatisfaction
and unrest of the workman is
not that he does not receive enough,
but that he has no prospects
ahead of him, He has to content
himself with settling down
to the dead level of a wage that
is not likely to increase.

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many, if not will reach the high
work of attainment in a few
years. Lacking in the capacity for
large and more responsible positions
their only hope is to maintain their
standard of wages, and hold their
own. At best it is not inspiring
sometimes it is foolish.

Now here is a plan which offers
the workman the possibility of
looking forward to, and actually
realizing the fact of an increasing
income, depending upon his own
thrift and faithfulness. Give
not workmen that opportunity
and little will be heard of strikes,
lockouts or labor troubles. Give
the workman that prospect, and
the anarchic idea will disappear

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the favorama of changing workmen
will be a thing of the past.

But light will be thrown upon these
generalizations, by returning to the
history of the W. C. Nelson Company.

The tendency of development has
been in the direction of making
the company more strictly a
~~profit sharing~~ cooperative plant.

In 1896, the workmen in the shops
of the W. C. Nelson company at Delaine
and St. Louis numbered something
over 400. The majority of the
four hundred are stockholders
and draw dividends upon their
stock, in addition to wages, and
dividends upon wages. Whenever
an employee leaves the employment

company, the company stands ready
to redeem the stock at face value.

For the ten years from 1886 to
1896, the following dividends were
paid to labor, and like percentages
paid to stock over the 7% fixed
rate. 1886. 5%; 1887. 10%; 1888. 8%
1889. 10%; 1890. 10%; 1891. 7%; ~~1892~~
1892. 4%. 1893 nothing. 1894. 5%.

1895. 5%. 1896. nothing. In an
editorial in the January number
of a periodical published by the
workmen, Mr. Nelson, that Nov. 30,
1906. closed the 20 years of operations
of the firm. He speaks with
high praise of the success of the
arrangement not alone from the
point of view of the workmen, but
from his own point of view

as the heaviest stockholder. He ⁴⁴points
out especially the fact that during
the hard times of 1893 & 4, the company
was able to pay its fixed standard
of dividends to ~~the~~ outstanding
stock. During the ~~thirty years~~ ²¹ of
the company's existence upon this
basis, besides maintaining the
the standard dividends and
standard wages, they have been
able to declare bonus dividends
ranging from 4 to 10% every year
except two. From the point of
view of the workmen, he points
out the fact that any workman
who has been with the company
during the 21 years, has received
in dividends on stock and labor

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an amount equal to between two
and three years of his wage
income. In as much as Mr. Nelson
holds, and supports his claim by these
years of experience, that the dividends
to labor represent simply the just
return to the workmen for their
increased efficiency, it would
seem that the corresponding bonus
dividends to stock represented
the increased earnings due to
the greater working efficiency of
the plant. To make a rough estimate
based upon an average wage of
\$15 per week, and upon the basis
of an average of 300 workmen, it
would not be far out of the way to
say that the actual dollars and cents
results of increased earnings due

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to general increased efficiency
for career alone mentioned, is
\$108,000. This sum has been shared
between stock and labor proportionately.

Possibly one of the most interesting
and pertinent incidents is connected
with the business depression of
1893 + 14. This company with others
felt the general depression of 1893,
and found itself in a very
serious situation. The company
found itself compelled to reduce
wages 25%. The manner in
which this reduction was effected
called forth the heartiest support
of the workmen. According to
agreement, the workmen, including
salaried officials were to divide

Unfortunately with stock, all
 net income above ~~7%~~ the fixed
 stock dividends. Now in 1893, when
 it became necessary to curtail
 expenses, the salaries, wages, and
 fixed stock dividends were
 reduced 25%. ~~This reduction~~
~~was to be reimbursed.~~ Labor and
 capital were to be reimbursed
 for all losses because of the reduction.
 Before a bonus should be declared,
 all bonds took hold to full the
 concern through this period of
 depression with the result that
 before the end of the year, the
 old notes had been restored, the
 workmen, salaried men, and
 capital had been reimbursed
 to the full amount of their reduction.

While the year 1893 netted them
no bonus, the standard of wages
had been maintained, and the stock
invested received its 7% fixed
dividend. I submit that this
is a very striking illustration
of the strength of the Co-operative
idea, and will go far towards
refuting the objection so often made
that the co-operative company is
never able to meet adverse
conditions.

What I have tried to do is
to call to your attention this busi-
ness house, which is run upon
the principle of recognizing the
essential nature of the three factors
of production, and organizing

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upon the basis of their organic
relationship. I have tried to show
that there is a noticeable difference
in efficiency between the organic
and mechanical basis of organization.
Personally I believe that there
is much of value to be learned
here. At least the picture, the
uncertainty, and the inefficiency
of open warfare, or at best, periods
of truce between the parties who
represent the factors of production
is intolerable, and must give way
to conditions of peace. The peace
must be the peace of justice.

While I realize the great difficulties
involved in the matter

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adoption of this method of
conducting business, a method
which has been eminently
successful in a few cases, yet
I am certain that it is not a
case to be laughed out of court.

But after all, in considering any
problem of this nature, we have
to bring it to the test which
Purkin applies to all wealth.
"Wealth is that which avails
for life". As already pointed
out this company has been
successful in increasing its
financial returns, but the
question of whether or not this
increase of wealth has availed

for human life for we have 51.
touched directly. I will not
for here the moral and esthetic
result of this method upon the
lives of those involved in its
history. The worst illustration
will serve us here. In 1890, the
business interests of the company
lead it to establish a plant
outside of St. Louis. A tract of
land was secured about 125
acres in all, 18 miles N. East of
St. Louis. Ten acres of this land
was reserved for factory purposes,
and public interests. The remainder
was laid out in winding streets
and avenues for residences,
lots 5 to 100 feet front, and

130 to 180 feet deep were staked ⁵²
out. They were put for sale
in the open market, and the
workmen, and others bought
them and built their houses.
While others besides those con-
nected with the company
took advantage of the opportunity,
about half of the employees
now own their own houses
in this little village of Leclaire.
The houses and lots are theirs to
do what they please with. The
company stands ready at any
time to buy the ~~has~~ any house
should any workman care to
move away.

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I don't know why it is but when
people wish to make an estimate
of the moral condition of a town,
they always turn for evidence to
the question of drink. However
in this town of Leclaire, where
population is made up of the
variety of nationalities, which
is especially characteristic of
western towns, presents some
interesting facts. The village
itself, says Mr. Nelson, is very
solitary, ^{and} ~~but~~ it has few teetotlers.
But the neighboring towns, which
bear about the same relation to
~~the~~ Leclaire, that the Morning
side district in Pittsfield does
to North St., has plenty of them.
However one never sees one

staggering war in Lebanon.
and in 15 years there never
for him an arrest in the village
for any offence. Mr. Nelson says.

These people are of all nationalities,
drawn mainly from the city
workers - women of living. They
have improved by no influence
but themselves, and their neighbors
and the public facilities, such
as every city and town aims
and tries to have for its people.

There are no rules or regulations,
no law except that of the state,
and the county. No one is even
asked to cut his grass or keep
in his babies or chickens,

But being wholly free, he and
his family chose to stand as
well as any of his neighbors,
and fashion his home and
his ways accordingly."

It is not this one alone seems
to say, that the organic relation-
ship of the factors of production,
and a frank recognition of
their interdependence, not only
avails for the increase of wealth
producing efficiency, but also
for life producing efficiency.
So be sure it for him it others,
but it also for possibilities.