

Some Wastes of Our
Industrial Systems

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To the student who reflects upon the meteoric career of this nation from its early meager beginnings to the exalted place it now occupies among the great powers of the earth, the question will arise, What are the causes, the great natural and economic factors which have combined to produce this prodigious growth, unprecedented in the rise of nations? And in his attempt to answer it, he is likely to give too much credit to our form of government and industrial system, and lay too little stress upon the fact that we have enjoyed natural advantages and opportunities for the production of wealth perhaps never before equaled by any people.

The United States represents an aggregate wealth of \$65,000,000,000; and surely, you say, an industrial system which shows up such results as this, must be among the wisest and best ever contrived by the genius of man. And so it seems. But let us look deeper into the question, and, after we

have seen all the hardships, wastes, and disadvantages this system has entailed upon us, think of what we might have accomplished with the same natural resources at hand, but working under a better mode of utilizing human energy.

The first, and perhaps the greatest waste we shall consider is that arising from competition and mutual hostility of the industrial hosts. The business world today is a battle-field in which the contestants enter the struggle with all the fierce earnestness, and endure all the mental agony and physical suffering of actual warfare. If all the energy expended in assailing one another could be united in co-operative action, what might we not accomplish? Sentiment and sympathy have as yet little place in this fight.

It is a selfish struggle for individual supremacy, without regard to the public welfare. Each is battling for himself at the expense of society, and if he at the same time adds to the aggregate wealth, it is purely incidental and unintentional. Private profit is the motive for production. To lessen the supply increases the price. Hence every

man's hand is upon the throat of his fellow tradesman, determined to crush him to the wall by fair means or by foul. The most successful business man is he who can kill off the most competitors, and then combine with those he cannot kill and corner the market, and raise the price to the highest point the people will stand before going without the goods. By controlling the supply he commands famine prices for all he produces. It is more a system for the prevention of production than for the encouragement of it. Those entrusted with the duty of producing for society are directly interested in starving it.

Those who look upon this process of industry as an admirable money making machine, must admit that it is money making to the individual chiefly, and the wonder is that society has ever been enriched at all. It is not sufficient to say that society prospers by the prosperity of its individuals, because so very few of the individuals succeed in the mad struggle of selfish combat. Today one twelfth of one

per cent of the population have prospered till they own three fifths of the entire wealth of the country, while eight per cent of the population are tramping the country, out of employment, and suffering for want of the necessaries of life. Competition is so fierce, and so little mercy is shown in the business world, that men must either fight or die, — eat, or be eaten. They cannot afford to be too scrupulous as to principles. The anxiety and strain under which they are placed wrecks both body and mind; drives many to insanity, crime, and the loss of souls; and all of these eventually become burdens upon society rather than helpers.

Another great waste arises from the lack of industrial organization and cooperation, which results in great loss by mistaken undertakings. The constant and painful efforts to bring supply and demand together, are rendered futile by the lack of a general view of the field of industry and consumption, and accurate data as to the demand and supply of any given class of products. The chances are two to one in favor of the failure

of a new enterprise because its projector cannot tell just what the demand will be for his products, or to what extent other capitalists are preparing to supply it. There is little co-ordinate development of industries, and the first notice we have that any one is out of relation to the demand is the crash of prices, reduction of wages, or discharge of workmen, stoppage of production, and the bankruptcy of the employer. The power of these laborers to purchase other goods not naturally glutted in the market, is thus lessened, and such other goods become artificially glutted. Prices go down in these second industries, workers are thrown out of employment; and thus, once started, no power on earth can stop the crash till the whole business world is engulfed in the throes of a terrible panic, which absolutely ruins the weak, and seriously cripples the strong. These periodic disturbances, which are of themselves sufficient to deplete a nation's wealth, are then followed by long years of dull times, during which the army of unemployed tramp the country, starve and riot, and are at last driven to crime and depredation. Causes over which they have

no control, force them to prey upon the wealth of society or starve. More peace officers, jails, and courts are necessitated, which is a severe tax upon a community already overburdened. The cost of the police force of New York City is now annually \$4,800,000, and is increasing just in proportion to the increase of the army of unemployed in that city.

At the same time that these hordes of suffering humanity are crying for an opportunity to labor and satisfy their own wants and build up homes, vast tracts of land are held idle for speculative purposes. Our present system of taxation puts a fine on the man who improves land and protects him who selfishly holds it away from others. This waste to society is burning the candle at both ends. The community is not only deprived of the wealth which these willing workers would produce if given an opportunity, but is also called upon to support them either by charity, in the penitentiary, or otherwise.

The waste of resources in our great cities is appalling, owing to a division of forces, and the dissipation of energies in a

narrow system which cannot look beyond a man'sful of bread for the hour. How can we ever enrich society with from twenty to thirty per cent of our population always struggling with the desperation of despair to keep the wolf from the door, with the issue forever in grievous doubt? Upon the prostrate forms of the poor, the privileged classes are rising to greater opulence, and "are being enabled to indulge in the gratification of passion, appetite, and vanity to a degree of prodigality never before witnessed in a government which retained the form or shell of a republic."

Riches debauch one class with idleness, while poverty hampers and lessens the efficiency of the other. The wants of the race are infinite; the demand for genuine utilities is ceaseless. From the depths of penury the human soul cries out in clamorous tones for an opportunity to satisfy its longing for a higher and nobler life. All the beautiful tints and shades of culture, art, refinement, and morality are being bleached out of it by this confinement in the basement of its being.

A great proportion of our capital steers aloof from all productive enterprises and seeks safer investments in fixed securities. The great wastes, displacements, and losses of these transition times make even purely productive capital very timid. The three great factors of production, land, labor, and capital, cannot get together. Labor starves and riots in the cities while the fertile, virgin soil lies idle in the country. The very roads over which the weary tramp wends his way from house to house in search of work and food, are almost impassable for lack of capital and labor to improve them.

One of the follies of our day is the indulgence of the belief that a fixed indebtedness is a social blessing. The national, state, county, and municipal debts, with their interests, are today one of the heaviest drains upon society. Yet we continue to increase the national debt in a time of profound peace, and thus force our children to pay the running expenses of our present government.

Another great leak is discovered in our

wasteful system of distribution. A large amount of energy is expended in interminable handlings and needless transportation. The beef grown in Kansas cannot be prepared for consumption here but must be sent to Kansas City, or Chicago, and there killed and packed by Tamours, and then shipped back for Kansas people to eat. The breakfast food we have on our tables this morning is perhaps made from the grain we shipped east last year. Before reaching the retail dealer who sold it to us, it has paid profits to the buyer of the grain, to the railroad that hauled it east, to the wholesale dealer, to the manufacturer who prepared it, to the wholesale dealer who sent it west, and to the railroad for hauling it back. In order to pay all these charges, the farmer must take a very low price for his grain, the retail dealer must make a low profit on his sales, while the consumer pays a high price for his finished product. So many stand between producer and consumer, and live by pilching from each. It would be a great saving if we could manufacture at home all that we consume, and as far

as practicable, place the surplus in the manufactured condition before sending it to other markets for consumption.

One eighth of our entire population is now required to carry on our system of distribution, a large per cent of which are worse than useless so far as production and adding to the world's wealth is concerned. Competition necessitates a vast army of commercial travellers; and this, together with the boards spent in advertising is a constant drain upon productive industry.

Let this pass as a mere running view of some of the crying social evils and industrial wastes which we at present foster.

The question following immediately is, What is the remedy? Our brightest and most progressive thinkers are slowly, one by one, waking up to a realization of the fact that we are facing a new morning. A new time is dawning ahead, and it is with the immediate succeeding generations that we must leave this problem. But certain it is that, whether we like it or not, everything seems tending toward the realization of the fund

and fancied hopes of that school of reformers which present fossilized and self-satisfied conservatives are teaching us to shun, — the socialists. Nothing is to be feared from a judicious extension of government functions; and it seems to be the only means of escape from the present galling system of corporation socialism, than which it is doubtful if there has ever been a greater curse visited upon the civilized world.

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