LIFE INSURANCE, SAVINGS BANKS, AND THE INDUSTRIAL SITUATION.

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Having occasion recently to borrow five hundred dollars, I applied for a loan to one of our successful life insurance companies, which has amassed assets amounting to many millions of dollars. I was informed that, whatever the security I might offer, the rules of the company forbade a loan for so small a sum.

Now that the regulation of the company was not wise, for its own convenience and protection, and for the interest of all those, myself included, for whom it was acting as trustee, I do not for a moment maintain. But this transaction represents a state of affairs to which I should like to call attention. We may find by investigation upon it some clue to the monetary stringency of the times—possibly some explanation of the malignant aspect of the labor horizon.

In common with, say, forty thousand other men, I had been paying to this company small sums of money for a long series of years. Yet when I, or any one of my forty thousand fellow policy holders, wanted a loan for less than a thousand dollars, no matter what evidence we might give of financial soundness to the extent of the money desired, we must look elsewhere for it.

The funds of this company, as of all other companies, are largely made up from the contributions of the poorer class of young men—young men who are struggling for a competence, and who have taken out one or a few thousand dollars of life insurance, to secure creditors of whom they have borrowed small sums, or to tide a wife and children over the shoal of poverty in the event of death.

Now whatever the intent of life insurance may be, and however excellently it may serve certain purposes, yet here is a state of facts inviting reflection not only from the large army of policy holders in the United States, but from any one who will try to
ravel intelligently the complications of our industrial condition. The men of humbler means, in putting their little savings into life insurance, have been aggregating vast sums with which large capitalists might operate, but from which they themselves could not get a cent for their lesser and, we shall maintain, equally safe enterprises.

The capitalists not having legitimate enterprises in which to put the larger sums which the insurance companies have placed at their control, have become speculators, have lost their ventures, and swamped the insurance companies loaded with bogus, insufficient or depreciated securities; and the insured and his money and insurance have been forever parted.

The working masses must reflect that the plethoric millions, which they boast of as constituting the assets of their favorite company, are so much money collected from themselves and put beyond the possibility of their own manipulation. More than a billion of dollars within a generation have been gathered from all quarters of the country; from all pursuits and occupations; from farm and country village, and massed for use in the large cities.

If this enormous aggregate were distributed to, or could be handled by, the people from whom it came, financial relief would at once be widely felt. The wheels of the humbler enterprises would be speedily oiled. When it becomes possible for them to secure accommodations, we shall start anew in industrial prosperity, and out of the sum of small movements we shall reach the possibility of great ones without peril.

It is in industry as in nature — you cannot have rivers without rills.

The facts are the same with reference to savings banks. They may serve the poorer classes well in some respects, but in others, and they are important ones too, they are an injury. They may help each individual to save his own, but they hinder each individual from being helped with the little surpluses of his neighbor. It is easy enough to deposit five dollars in a savings bank, but no poor man can get an accommodation of five dollars from a savings bank.
The man who loans the bank a small sum is welcomed. The man who wants to hire a small sum is recommended to the pawnbroker.

The aggregate sum in a savings bank is just so much money removed from the possibility of use among the poor and handed over to the rich to help them widen the distance already separating the poor and the rich. It is so much contribution to speculation under whose influence the value of wages is uniformly depressed as against the commodities the laborer needs to buy.

It is easy enough to see the road over which the savings banks have gone to the wide-spread ruin which is their recent history.

Many littles have made much; and the bank officers have found themselves in position to enter into operations to which wild times and greedy ambition invite.

Before any war of labor against capital, there has been a war of capital against capital — capital bidding against itself for the supposed profits of great enterprises.

If the best of these great enterprises could not be secured the next best must be and so on. The best has proved to be none too good, and the rest it is useless to try to characterize.

The poor in putting their surpluses into savings banks, have simply been standing idly by while capital has been employing their earnings in this interesting game of outwitting itself and them.

A savings bank for the poor is a great "How not to do it."

Men of small means need accommodations as well as those engaged in larger enterprises.

If an institution is for the benefit of the poorer classes, they ought to have a chance to get something out of it as well as to put something into it. This want a savings bank, if managed with ever so good intent, cannot in practice meet.

A radical fault in the savings bank system is that it is an attempt to relieve the poor from the necessity of taking care of their own funds — from the exercise of their own brains upon their own finances. The system promises to take care of the poor when they should be taught to take care of themselves. It prevents the poor from using what the naturalist would call the providential instinct.
The good savings banks accomplish is very much over estimated.

The statistics of amounts deposited are often taken as an exhibit of savings which would not otherwise be made.

The probability is that almost all that ever appears on the books of a savings bank would have existed as savings, only it would be loaned out in such ways that no statistician could reach it.

A thing that will astonish you, as you become acquainted with the depositors in a broken savings bank, is not the number of imbeciles that have been ruined, but the number of intelligent, capable, saving people that have been duped. Some of us can remember a generation of factory-girls who made close savings when no savings banks were within their reach.

The first spare money that came into the New Hampshire town in which I was raised, was the savings of our factory-girls. Almost every home took on a new appearance from the surpluses sent back by the girls at work in the factory. When fathers and mothers got in a pinch for money to keep a boy or girl at school, the first resort was to the savings of the factory-girls.

These young women were their own bankers. They did not ask any favors of savings banks. They found out to whom it was safe to loan and to whom it was not. They knew whether a man who sought to borrow their earnings had a mortgage on his farm or a chattel mortgage on his stock, and, if so, for how much and to whom. Some of these women remaining single and managing their own funds came to possess the large fortunes of their locality.

Now what a savings bank would have done for these factory girls would simply have been to make them babes in finance instead of self-sufficing bankers.

It would have led them to surrender to others an intellectual exercise in the highest degree profitable to themselves. Their earnings would have gone into a vast aggregate to be swallowed up by a kite-flying banker in the "down east" speculation which did ruin so many venturesome capitalists; and the clap boards and shingles would have rattled in the wind on the old houses which
were spruced up, by their thrift, with white paint and green blinds.

If savings banks teach people to save (which is very doubtful), they still are an evil in that they paralyze the very faculty we most need to cultivate, and that is the ability to manage savings.

When representatives from half the families of a great city abandon the use of their own intellect by delegating to others (and these others, all told, numbering no more than a score) problems they themselves ought to solve, they ought not to be greatly surprised if the end of the transaction is catastrophe.

There are moral evils which demand consideration. The moral element plays an important part in finance. And by moral or morals in this discussion I refer to general intent, purpose, quality of life.

We substantially tell the poor by the savings bank system that they need take no care, on the score of morals, relative to their finances. The bank stands as a moral insurance company and takes the risk in that department. We say the difficulty of the times is want of confidence. But that want of confidence arises fully as much from fear of the moral meaning of men as from distrust of their intellectual ability or executive energy.

Whom to trust is the great question, and the ictus of it falls on the moral realm. But morality is strictly an individual matter. You cannot create a moral corporation.

Yet respectably intelligent people, by tens of thousands, have acted as though they supposed this had been done. They have gone like birds to the snare of the fowler to put their earnings in a savings bank, unsuspecting and without inquisition as to the morals of the men who were to handle their funds. A bank was a bank, and a bank was safe—a savings bank was safety itself come down to dwell among men, incarnated and apotheosized.

When you come to consider the question of safety it will be found that you cannot solve that matter until you have resolved moral elements. There the basis of safety will be found to rest in the good sense and honesty of the individual man—a man who can explain himself and his whole financial situation to the lender of money.
If banks are safe, it is because they are officered by such men. It is better to put on each individual the burden of finding out this honest man, in order to deal with him, than it is to delegate the search.

There are no safer sums than the majority of small loans, such as are made from man to man in the processes of small enterprises. The moral element comes to the front in such cases. There is an element of personal faith in them worth more than any mere pride of financial honor that rules on change—more secure, pro tanto than the property values of the greater capitalists.

When men have been trained to find an honest and capable individual, they may be expected to be able to find corporations of similar character, if there is advantage in dealing with corporations. But to create corporations with an implied understanding that by them the poor are to be relieved from the exercise of moral providence, is an ethical blunder on its face, and we might have expected from it just what the history of savings banks in this country shows, failure distinguished, conspicuous.

But there is a moral fault lying behind the one discussed. Now that we have had so many disasters with savings banks, every body has fallen to work to devise some double-sure, iron-clad, adamantine-bolted system of safety for the poorer classes.

We might pause on our way to ask who the poor are for whom we are to make such certain provision.

Where is the dividing line between the poor and the rich? Perhaps it is where the insurance companies draw it so that a man who cannot swell his wants to upwards of a thousand dollars, shall be regarded "hors de combat financier."

We in Illinois have passed a statute that no savings bank shall receive on deposit more than four thousand dollars from one individual.

Society then to compensate a man for his inability to borrow, will step in and insure the safety of his loans to these amounts.

Why is it not the business of society to help a poor man borrow as well as to help him to lend?

But the moral question comes up: is the selfishness of the poor to be insured?
We are pretty careful to teach the rich that they are to regard themselves as stewards, and sometimes to take a little risk to help struggling worth upon its feet.

How far down the scale shall we come in pressing this duty? If a man has five thousand dollars to loan shall he have the moral responsibility of helpfulness loaded on him, while he who has five dollars only to lend shall think only of his own safety?

The truth is, the poor can help the poor as well as the rich, or the rich the poor, and they ought so to help one another.

The men of humble means ought not to be relieved from the responsibility of helping their fellows in the struggle for existence as they have opportunity.

The poor are on the war path against capital. What have they done with their own little surpluses? The chances are that in the scramble for safety they have shut their hands and their hearts against some humble enterprise, which might have been saved from ruin, in order that their little sums might further inflate the balloon of some rascal who ostentatiously paraded himself as a great capitalist.

We are wondering when "easy times" are to come again. They ought not and probably will not recur till "judgment begins at the house of God;" till the poor begin to be willing to help the poor; till they cease to regard safety to themselves as the ultimate good; till they are inspired to help others as well as to protect themselves.

When the poor have canonized selfishness by looking only for the safety of their own means, is it any wonder that a selfishness of broader grasp has confiscated all they have put in its possession? The game has been, "keep what you have and catch what you can," and at that the dozen directors have beaten the forty thousand depositors.

Life insurance takes its place in the savings bank system, and in the same way in respect to it the people have gone crazy.

The legitimacy of life insurance, under certain exigencies, and within certain rational limits, I should not wish to deny. I should even want to assert it. But the claim has been made that life insurance was the best form in which men could lay up property;
and thousands and tens of thousands of our young men, abdicating their own financial skill, have been cramping themselves and rendering themselves useless to everybody and everything in their own day and vicinity by carrying large policies on their lives. The aggregated premiums have constituted vast sums for which the directors of the company could not or would not find safe investment, and so we have had the recent history of insurance, and the end is not yet.

There is absurdity on the face of the matter that the directors of an insurance company can make and keep fortunes for forty or fifty thousand families. Propitious circumstances in singular instances may accomplish prodigies in this direction. But if that style of fortune making can be long and widely carried on with success, then most men were made in vain; man is a botch, and it is idle to reason about him or his affairs.

Well, this system of delegating to others what intellectually and morally pertains to ourselves, having failed on the old plans, the air is full of new schemes. The only one which we can notice is the one which puts the national government into the breach.

The secretary of the treasury proposes a subdivision of the interest-bearing national debt minutely enough to put it into the power of the poor to utilize it as a savings bank system. That, for its own purposes, the government did not long ago do this is a wonder. But for the poor it is simply a proposition to tie the times up tighter; to take another twist on the screw of constriction under which the poorer classes already groan.

The result will be to collect all the little rills and send them just where all the greater streams have gone, to swell the vast amounts locked up in U. S. bonds, insurance assets, securities and stocks of all sorts—amounts removed partially or entirely from participation in the living enterprises by which society is supported and out of which wages are paid. It may be best under our present circumstances to adopt the plan. But let us clearly understand that the policy is a make-shift any way. Suppose, as all honest men mean it shall, the government sets the high example of paying its debts, what will become of this system of savings banks? Must the government keep in debt in order to main-
tain it? Then again, the very last thing we want to do is to add to the force of the feeling among the poor that the government is to take care of them. Even a government system of savings banks, in the long run, will be no kindness to the poor.

We are drifting all too rapidly to the notion that the government is to take care of us all. Here is even a religious newspaper of some note, advocating the idea that since we have lost faith in men because of bankruptcies and failures, we must now put the nation where before private enterprise stood. The poor, this journal says, will trust the nation as employer and paymaster.

Has not all this been tried over and over again to the overthrow of the nation that tried it—its rich and poor together? Rome stood in the gap and found corn for its people till the Goth came and "destroyed them all;" and that just because he was up to the problem of providing for himself and the Romans were not. "Lost faith in men?" why we have not put faith in men; that is just the thing we have been trying to avoid. We have been seeking safety on a property basis only, and have made no account of faith in men; and the men whom we have entrusted with our funds have known it, and have exhibited the same heedlessness respecting moral considerations we ourselves have shown.

We have lost our wits as to where the problem of industrial reconstruction is to begin. We are looking for it to begin at the top instead of the bottom; looking for it to begin where we left off, instead of starting anew.

We were looking for wars in foreign lands to create a demand for our products. Thank God, the European war last past proved that resource a broken staff!

We are looking for an era of railroad making to spring up again. But that era will not come again, as a private enterprise, till we have earned, from bottom dollar to top, the money to put into such kind of expenditure.

We are looking for the government to start a great system of internal improvements; to build the North and South Pacific railroads; to embank the Mississippi river; to dig a ship canal around the lakes or through the heart of the country.
By engaging in such enterprises, in the present condition of things, the government would simply break its own back, and take the burden off the back of nobody.

That is not the road to easy times. We shall strike that road when every man, rich or poor, will look about him, and try to put in practice in his own neighborhood some very old and humble wisdom, "To do good and communicate forget not." Then, like Bunyan's pilgrims in the bogs of the enchanted ground, we may "make a shift to wag along."

To this line of argument the reply may be made: The division of labor and the combinations of capital resulting in our large system of industry, have made the system of small savings and their management by individuals, as well as the system of small industries, no longer practicable.

It is said that as the factory has superseded the distaff and loom of our grandmothers — the railroad, the postman, the ox cart and the horse waggon — the reaper, the cradle and the sickle — so the bank and the insurance company have put an end to the feasibility of individual manipulation of money. This will lead us to take a look over the manner of our industrial condition. It is true we have very largely superseded the individual by the corporation — the man by machinery.

But the question will recur, after all, how much we have made by the process.

Somehow in spite of our division of labor and combination of capital we are all at the stand still. There is a hitch in affairs evident enough notwithstanding all our power to mass men and money.

There is a limit to the profitableness of combination, and the question I raise is, whether we have not in a great many things, reached and gone far beyond that limit. The question I raise is, whether our way out of our present complications is not, not by crowding ahead along the lines of combination on which we have been operating, but by taking the back track and paying more attention to the individual and less to the corporation — encouraging enterprises of individual and local character rather than those which attempt to do the world’s business in the gross.
If a colonel can manage a regiment so splendidly, what would he not do with a million of men? Very likely lead them like sheep to the slaughter.

If a drive wheel of so much weight and diameter would do so much work, what would a drive wheel of a thousand times its weight and diameter do? Fly to pieces.

We have been massing men in the industries till the power of our generalship is exhausted, and your industrial army is breaking up into Mollie Maguires and tramps.

We have made our drive wheels so large that they are flying to pieces of their own momentum.

When coal and iron mining can be carried on only a few months in a year, and then at a rate of wages that would not be very enticing to a gopher, it is evident that capital in that business has passed the limits of its own safe management.

The same thing is evident, too, when the spindles and shuttles of our factories stand idle half a year, and are only operated the rest of the time by women and children at rates of wages that can scarcely support life for the time being.

Under such circumstances the sceptre of ability profitably to manage large masses of men has passed from the hands of capital, and the sooner that fact is acknowledged and acted on the better it will be for it and for civilization.

So when every one of the savings banks of a great city goes by the board, it is useless to talk about the profitableness of gathering up small savings and massing them that they may figure in the combinations of capital. "Suum cuique" would certainly work more satisfactorily than that.

And when wrecking and scaling are the order of the day in insurance, it is about time to take notice that combination in that way has passed feasible limits.

It is a pretty tough thing after all to abolish the individual, and we are not so near it as we thought we were with our great process of combination. And all our financial and industrial distress will pay for itself, when once that fact is seen and befitting action taken.

There are possibilities in man beyond any possibilities in machinery.
Notwithstanding all the genius that has been expended on the sewing machine, hand sewing is still the most popular. The deft hand has still the advantage in the struggle for existence.

There are machines to sew and peg boots, but the men are few who will not willingly pay more to have the foot measured and a fit made by a journeyman as of old. And the journeyman who can meet this want has good prospect of daily bread—a better prospect than the man who tends a machine.

Notwithstanding the perfection to which the processes of the reaper have been brought you can find successful farmers who will testify that forty acres of grain are more cheaply secured with the cradle than with the reaper—consideration being had to the amount of money you must put in a reaper, its interest, and the cost of repair.

The reaper has the advantage on the larger tract. But that larger tract calls for broad generalship, and the tendency of our development must be toward its subdivision.

The Hon. Hugh McCulloch called attention the other day to the Gwynn farm in California. It has thirty-six thousand acres in wheat, which is cultivated and secured, we may say, entirely by machinery.

But the ability to manage thirty-six thousand acres of wheat with whatever help from machinery, will be as rare as the success of Choate and Webster at the bar, or of Beecher in the pulpit.

Agricultural machinery has altered man's relations to the markets, not essentially to nature. It has made it possible for skillful generals to make large fortunes from farming. But since "Adam delved and Eve y-span" it has been possible for a man with the rudest implements to make a living from a few acres of ground, and, will be in spite of all machinery, till men "shall hunger no more."

This is society's answer to the tramp.

This fact casts light on the inevitable redistribution of population between city and country—on the rearrangement of industry between manufacture and trade, and agriculture; and on comparative property values.

It is true that in this light the prospects for wealth do not glitter. But we are likely for the next twenty years to talk
more of making a living and less of making a fortune, and society will be the healthier for it.

One would think that the combination of capital might secure the monopoly of the cutlery market—that it would be impossible for a man without capital to maintain himself against Sheffield and Meriden and Shelburne Falls; yet F.A. Seaver and son of Lake Mills, Jefferson County, in this state, carrying their steel and wares back and forth over land seven or fourteen miles, with next to nothing for capital, can make a living, and have a nice little margin to spare, on the single article of butcher knives. The reason is because they bring to every piece that leaves their hands an amount of personal care and skill that cannot be secured in the great establishment.

Within six months a tinner has come to the suburb of Chicago in which I reside—the last place where you would have said such an artisan could get a living—and has been more than busy every day since his arrival. Personal facileness in his art is the secret of his success.

Mass capital and lose genius in manipulation is the rule.

The civilization that depends on massing its capital and is not alert to foster native talent, sporadic in its appearance as it may be, goes to the wall.

It will take only a little more loading cloth with starch, earths, gums and dyes, on the part of the factories to make it profitable to bring the old hand looms out of the garret to make cloth once more that would go from year to year, if not from generation to generation.

Capital, in its combinations, has pushed out so far in many directions that it can sustain itself only by fraud, and fraud is an inverted pyramid.

When ninety-four per cent. by weight of silk is dye to six per cent. of fibre, it will become profitable and popular to wear hand-made cloths instead of such silks; and the process of making them will be as fashionable as worsted work, perhaps even as fashionable as painting in water-colors.

I believe the remedy of our present industrial stagnation is to be found in just the opposite direction from that we have been
pursuing. Instead of trying to make great combinations in which the care shall be loaded on a few individuals, we shall go back to our local enterprises and put in some care for them. Instead of trying to find some Rothschild—shall I say Jay Cook & Co., Duncan, Sherman & Co., Ralston, Winslow, Spencer, Tappan, some treasurer of a Fall River manufacturing company, or other of "the noble army" of huge bankrupts, innocent or malicious, whose debris, or the plentiful lack thereof, lie around us "thick as autumnal leaves that strow the brooks in Vallombrosa;"—to take care of our funds, we shall see if we really cannot trust our neighbor and help some struggling enterprise in our own village.

It is said that small enterprises are unsafe and go to the wall soonest. This is partially true and partially false—and when it is true it is not necessarily true. It will take a great many of these small failures to aggregate the amount lost in banking, insurance, by treasurers of companies and corporations, and officers of railroads.

When it comes to loss it is just as comfortable to reflect that you have tried to help some humble affair as that you have gilded the hegira of some of the great financiers.

Since the dawn of history there has been a contest to secure the definition of political rights. That contest is pretty much ended in civilized nations. The overthrow of slavery and serfdom demonstrates the basis on which political rights must hereafter rest. But while political rights are taking their final form, industrial rights are still in a nebulous condition. We are in the latter about at the point in the former of the secession of the plebs from the patricians.

We have yet all the weary way from Mons Sacer down, to travel.

Do you think, Mr. President, that we are seeing the beginning of the end in the labor agitation? I tell you, nay, we are only seeing the beginning of the beginning.

There will yet be a readjustment of values as radically different from any thing that now prevails as steam transit from the footman.

Take a yard of cotton cloth, if you please, and reason about it a little.
There will be no quiet in the industrial situation till the price of a yard of cotton cloth approximates to that of a bushel of corn, perhaps of a bushel of wheat; unless utterly undreamed of inventions and conditions are worked to modify the labor of its production.

Though we have given political freedom to the slave, we have not yet touched his individual condition.

The price of the production of cotton is still at a point which represents the absolute chattelhood of labor. That will not stand.

In the manufacture of cotton we are working on an inversion of the family relation, and that will not stand.

The condition of no great manufacturing interest will be stable that rests on the labor of women and children.

The cotton cloth finds its way to market over railways.

Last summer the transportation business was brought to a sudden halt, the operatives said, because they could not support families on their wages. Blind and foolish these operatives were; but thousands of men do not enact blind folly without the compulsion of some master grievance.

This is certain—no men are more closely worked and more closely paid than railway operatives.

The remedy against the troubles of last summer was in prominent quarters maintained to be the employment of none but unmarried men.

Now look at the condition of things revealed by a yard of cotton cloth. Here are three great departments of industry—original production, manufacture, and distribution—which are carried on, or sought to be carried on, in flat violation of the family relation or in indifference to it. Yet we are all agog with wonder to know where communism comes from. Its origin may be suspected not to be altogether due to the outcropping of original sin in the laboring man.

As if we had not degradation enough in our own labor, we are invited by some capitalists to put labor down to the level of the Chinese system.

If there is any one gauge indicating the superiority of our civilization over that of the Chinese, it is the cost of supporting
women and children. The Chinese works so cheaply because he expends next to nothing in the support of wife and child. I believe it is understood that most of the women who have accompanied our cheap Chinese laborers to this country are not in the marriage relation. That is the one main reason of the cheapness of Chinese labor.

The cost of the Chinese wife is at the rate of the simple support of the animal woman. As between the wisdom of the hoodlum and that wisdom which would solve the labor problem by remanding woman to the position she holds among the Chinese emigrants, commend us to the former; it is not so earthly, sensual and devilish.

The end of our difficulties will not be by communism as disruptive, nor by the bullet as preservative of the old order. Neither will settle anything. The one is as irrational as the other. We shall begin to build well when we discern what has gone to pieces under us. It is clear that the present condition of things has brought into derision the political economy which has paraded its columns of statistics—the tombstones of dead acts—as the gauge of human possibilities; which has taught us that there is only one principle—competition—the law of demand and supply, which presides over the regulation of labor.

That political economy sounded very well in the mouths of doctrinaires. But society is breaking up under it, capital is shriveling, and labor idle, incommunicative, sullen. We have excellent scientific authority that the will amounts to something in the modification of environment.

The statement might have been added that the extent and quality of modification depends on the intelligence and moral intent.

Given these in high degree and of pure tone and all things are possible. Given these and we shall cease to speak of labor as a commodity. It is not commodities we are talking about, "but human creatures' lives." A remarkable commodity this which requires a national army and a state constabulary and local police to keep it from appropriating all the dear earned possessions of man. The end of that wisdom is anarchy.
We have reached in practice this demonstration: You cannot found civilization, preserve capital, organize labor, carry on any of our industrial or commercial functions, simply by the guidance of the self regarding instinct.

NOTE.—The following item from "The Christiana Union," I append to the foregoing essay for reasons that will be apparent on its perusal:

"INDEPENDENT LABOR.—In spite of the multiplication of machinery there is still a strong prejudice in favor of hand-made articles of all sorts, and therein lies a suggestion that may relieve much of the distress that now causes such wide-spread dissatisfaction with the existing state of things. The 'Scientific American' says:

"The chronic superabundance of the labor supply in the older countries had developed some conditions full of useful suggestions to us. Wherever we travel, there we are surprised to learn that a large proportion of the smaller articles of manufacture, with which, in some instances, the trade of the world is supplied, are made by artisans in their own houses and with the simplest appliances; and we find there also, in almost every large town or city long established, business houses whose sole business it is to receive and distribute these goods, to find markets for the handiwork of the independent workman. We know of prosperous firms in England who do a very extensive trade in this way on an investment probably of not more than $10,000. Obtaining samples of their productions from the various artisans so employed, they intrust them to their 'drummers' or 'commercial travelers,' who travel in every direction exhibiting them and soliciting orders; on receipt of an order the special workman is notified, and soon makes his appearance with his basket or bundle of goods, which are inspected and paid for according to previous agreement. The goods are then put up in the conventional packages and shipped according to order.

"The individual workman may thus compete with the corporations, but he can only do so by producing an article which will possess some superiority over the product of machine work. If in addition to this he can avail himself of associated means of disposing of his work, he may create an independent market for his goods."

C. C.