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PRINCIPAL CONTENTS OF THIS ISSUE.

CAPITAL AND COMBINES.

Just as the tendency of the age is to specialize in labor and professional life, so in commercial and industrial spheres is it to concentrate. The world takes two steps to every one it took in grandfather's day. Forty-eight hours' work of the past are now compressed into twenty-four. Sleep has been curtailed and attempts made to adjust life to the new condition. The craze for speed in all things predominates in business. First, it quickened individual competition; later it seems largely to have killed it. The small trader has given place somewhat to the syndicate of traders. Competition among thirty individuals meant price-cutting into the realms of the profitless. Combination of the thirty or some of them has created a new economic force, powerful, in some cases dictatorial. The fight is transformed into one between large aggregations of capital.

Agreements have been made between companies working at a loss, whereby the market is exploited for the common benefit of combined corporations. This phase has appeared within comparatively recent years. The organization of industrial combines has been carried on with unusual zeal in Canada during the past two years. Trusts and the United States is a word and a nation often instinctively linked together. There probably the idea of mergers has been materialized more than in any other country. When we see the same spirit dictating the industrial mood of Canada it is opportune to consider the meaning of this new factor, its good and its possible evils. The merger of many large companies has been primarily to eliminate unhealthy competition, to create a more aggressive selling agency, to cover a larger market, to effect internal economies. The Honorable Mackenzie King in his parliamentary speech last week quoted Professor Jenks, of Cornell University. Combination, he said, saves a waste of capital by the prompt abandonment of poor or badly situated plants and the concentration of energy in the best ones, which can be run to their full capacity and all of the time; by making the best possible use of waste material through the production of by-products; by pushing, often at much expense, markets into new fields, both at home and abroad, through the employment of the ablest men and the best advertising devices, which could not so well be afforded by smaller institutions. "There is great saving of energy in the elimination of cross freights; in the best possible division of labor, and in the organzation of correlated branches to the best advantage; in the securing of the best ability to manage industries; in making the best distribution of managng ability, giving each person the work for which he is best adapted; in furnishing opportunities fit for the employment of the greatest capacity in all fields of business management, opportunities which could not be furnished without the enormous power that comes from the concentration of capital."

That consolidation and combination render possible cheaper production and cheaper distribution is the statement of Mr. William E. Collier, a civil service commissioner of New York. He argues that there are gigantic evils resulting from the lack of regulation of industry and that consolidation makes possible a better control.

Economists generally have much to say for the good which combined capital can work for the benefit of its owners. The evils, when they exist, are naturally borne by the public as consumers and shareholders of the companies concerned. The increasing price of commodities has been ascribed to the unfettered march of the trust. This is a popular but partly disproved assertion. Undoubtedly combines have constituted one of the many