

THE HOWEL COTTON COMPANY  
OF GEORGIA.

J. N. KING, PRES. AND MGR.  
J. P. COOPER, VICE-PRES.  
C. W. KING, SECY AND TREAS.

ROME, GA. July 11, 1919.

Hon. W. L. McKenzie King,  
Roxborough,  
Ottawa, Canada.

Dear Sir:

I have been reading with great interest your work "Industry and Humanity", particularly the analysis of Industry and the parties to it. The fundamental principles there set forth, are in the main those on which our consideration of the matter has been based. Now, as you have kindly permitted me to do, I wish to ask your opinion on some of the concrete propositions which practical application brings up.

First: We must determine the ratio of contribution which Labor, on one hand, and on the other, Capital and Management, - in our case identical, - make to the net earnings. Are we just in assuming that Capital is potential Labor, and should earn wages, these to rank with mens wages as an expense charge? If so, how shall we reduce to common terms the capital value of the Labor contribution, or the wage value of capital, looking to division of the net proceeds?

Second: Are we right in assuming that, so far as concerns business management, laborers should be admitted to a voice in the direction, only when, and to the extent they are qualified to contribute to success? The personal equation will, of course, dominate here.

Third: Just what form and extent of representation of Labor in directing the work, will best protect it and preserve efficiency?

Fourth: Is our plan to assign the portion of net profits due to labor, on a graduated scale, according to record of performance, or excellence, with the purpose of developing each man's efficiency, a sound one? This seems to us one of the most far-reaching questions. It is directly opposed to the Labor Unions' practice of horizontal value rating of all men in one trade; and will no doubt meet Union opposition. But it seems certain that the ultimate success of the Unions depends upon their correcting this practice, which makes against efficiency, and the interest of all concerned.