

Causes of Failures.

Writing on this question, under the caption of "Failures not always evidence of bad management," an English contemporary says:—"Some erroneously believe that all business failures, particularly in the manufacturing line, are the result of poor management. A moment's observation and thought should teach anyone that such is not the case. Much that operates against the success of manufacturing enterprises cannot be well foreseen or even provided against. Take the case of a fire that destroys a manufacturing plant; no insurance that can be obtained will cover the indirect losses that will arise. Even the coming of a great panic which brings destruction to interests in every direction cannot well be foretold. Failures of creditors, too, often cannot be anticipated. Probably some will say that to trust a creditor who afterwards fails is an evidence of lack of business sagacity. That this is not always true is shown from the fact that losses of this character occur more or less with every prominent business house. Therefore, to maintain such a position, one would be forced to assert that there are no business men of sagacity, as, practically, all who credit suffer loss at one time or another. The position of creditors often shifts, so that at the time a credit is granted the purchaser may be good, but before date of payment he may be in a failing condition. Let us instance the case of a manufacturer supplying a purchaser with a line of machinery on long credit. At the time of the sale the purchaser is solvent, but afterwards he may take a partner who will embezzle the funds of the new concern and leave him bankrupt, so that when his obligations fall due he is unable to meet them. How could the seller foresee this state of affairs? Suppose that the latter sells to a solvent purchaser, whose property before payment is attached at the suit of a party wrongfully claiming an interest in it, and thereby the purchaser is unable to raise the funds to pay the bill; in such a case how can blame attach to the seller? A manufacturer may see dangerous times ahead in his business, but what can he do? Often he must keep on and take the loss, or allow his force of men to be scattered, and his plant to lie idle, and perhaps go to ruin. The simple truth is that there are circumstances surrounding many lines of business over which the parties most in interest have no control. It is easy enough to say that no one should allow himself to get into such a position. This is absurd. Every business is a greater or less risk. Often the greater the risk the more profitable the business. There have been times in the life of every prominent man of wealth when his affairs might have been engulfed in ruin. We could mention concerns in Chicago, whose names now figure prominently at the head of the list of our heavy capitalists, who, had a sudden adverse wave of trade struck them at certain times, ruin would have resulted. These instances are not rare, but common. Many, and perhaps most, failures could be averted, no doubt, by prudent forethought and careful management, but this is not universally true. It is a great injustice to charge all who fail with a lack of correct business qualifications. Our most successful

men have, in many undertakings, signally failed at first, but afterwards retrieved their fortunes and made a grand success in life. There is a wide difference between the failures brought about by mismanagement and those occasioned by uncontrollable circumstances. Many a first-class business man, overtaken by misfortune of the latter description, has suffered for years under the unjust imputation of being a poor manager. To a refined and sensitive nature such a charge is exceedingly galling, but in very many instances it has been a prime motor in spurring the unfortunate individual into renewed exertions to regain his lost ground, and vindicate his wrongly assailed reputation.

Progress in Mexico.

The Federal Government of Mexico is affording the most liberal aid and encouragement to all the legitimate enterprises for material improvement and development of the natural wealth of the republic. It is equally active in the important work of reorganizing all branches of its civil system, reforming and extending its legal codes so as to meet the requirements of this new era of unexampled progress and prosperity. Congress, by an act which took effect on the 1st of November ultimo, has removed the tax of five per cent. on the export of silver, which is a great relief to the mining interest. It has passed an act entirely abolishing the interstate customs or excise laws which have heretofore been the most serious embarrassment to commerce in the republic. This act is to take effect on the 1st of December, 1884.

A national banking law, modeled upon that of the United States, is now under discussion, and will probably be passed.

A commission has been appointed to devise a thorough and radical reform in the postal system of the country, with lower rates of postage.

After the 1st of January, 1884, the old system of weights and measures inherited from Spain, is to be definitely abolished, and the French metrico-decimal system adopted as the national and legal standard. As this system is already in very general use by the government and the commercial community, the change will be effected with comparatively little difficulty.

A new code regulating railroads has been promulgated recently, while the civil, criminal and military laws have been reformed and codified.

The system of free schools is being extended and improved, and the question of compulsory education is under discussion.

In fine, with a political administration broadly liberal but prudent, firm but conciliatory; with resources fully adequate if not in excess of its current necessities, and with daily increasing assurances of its stability and peaceful succession, the whole character of Mexican society appears to be undergoing a rapid and favorable change. From year to year political disturbances are becoming less frequent and of less general importance, highway robberies and crimes of violence are diminishing in number, and less frequently escape the penalties of the law. Historic, personal and political rancors, prejudices of race, education and habit, religious intolerance itself, are rapidly modifying and

disappearing, as men of all parties, creeds and nationalities are drawn together by the irresistible magnet of common material interests and their sentimental antagonisms obliterated by the genial current of general prosperity.

U. S. Commercial Morality.

The *Pittsburgh Commercial Gazette* makes the tricks and deceptions resorted to by the speculators in petroleum the basis of some wholesome strictures upon the evil effects of purely gambling operations in commodities. It says "the most barefaced lies are telegraphed from point to point and duly bulletined for the express purpose of sending prices up or down, as may suit the designs of the swindlers. Even the financial standing of the best business firms has been most shamefully assailed, first by vague rumor and then openly by telegraph, and before the falsehood could be corrected the schemers succeeded in gaining their point." It adds that "cheating has become an essential part of the game, with less of honor and fair dealing on the part of the professional than might be expected in a well regulated gambling house." This language is not a whit too strong. While it is true that deception may be practiced in almost any trade, and that no calling is absolutely free from rogues and tricksters, the great bulk of the legitimate business of the country is carried on without such flagrant violation of good faith and the principles of common honesty as are now almost inseparably connected with petroleum and grain gambling operations. Those who engage in the business of "futures," "puts and calls," and the like, may make up their minds that it is a losing game in the long run, no matter how sharp they may consider themselves, or how high an estimate they may place on the superiority of their judgment. *New York Shipping List*.

New White Light.

A Russian invention in the science of illumination is announced in the *Engineer* by Captain A. de Khotinsky, of St. Petersburg. It is a form of the calcium light, and is thus described. The refractory material has the shape of a prism or pencil made of a specially prepared magnesia compound, which is unaffected by air, and is even not spoiled by water; it stands the temperature so well that, although it looks so delicate and thin, it will remain burning for three hundred hours. A stream of oxygen and coal gas under very low pressure—eight inches of water—is directed on to the axis of the prism, which becomes incandescent, and, unlike the calcium light, it is not a point, but a line of light of about two inches long, and, moreover, this light radiates all round. When coal gas is not to be obtained, it can be superseded by kerosene, spirit or other form of lamp. In St. Petersburg it is in use in the State paper manufactory, where color-printing is executed on a large scale. In the shops where colored silks and other fabrics are sold, the advantage of the new white light is especially appreciated. The size and shape of the burners and prisms are made in great variety, so as to give light from 25 to 300 candles.