

is that of the gradual distribution of the shares of stock of industrial corporations, among the workers themselves and the people at large, until in one service or industry after another there shall have come into being something like a co-operative system, managed on representative principles, analogous in some measure to the carrying on of our political institutions.

I have the impression that we may see something in this country of all three of these methods operating side by side. Doubtless in some large industries we shall for a good while witness control concentrated in the hands of a few individuals. They will hold this control, however, subject to the inevitable law of diminishing returns on capital and of an ever-improving status for the intelligent employee. I may be wrong in my observations and impressions, but there has seemed to me to be a marked tendency towards the gradual elimination from industrial control of the capitalist as such, and the substitution for him of the skilful administrator. But the administrator, whether of great railway systems, like M. de Witte, head of the Russian system, or Mr. J. J. Hill, or of a great manufacturing enterprise, like Mr. Schwab, of the steel corporation, is produced in the business itself, and comes to the front through sheer force of merit and ability.

Recognizing this fact, the great capitalists who wish their sons to maintain any actual hold upon the conduct of business, see the necessity of having them taught in a practical way, beginning at the very bottom of the ladder. The larger the transportation and industrial corporations become, the more they

are at the mercy of the public—of the state, on the one hand, and of their employees on the other. The influence of the state will be to make for publicity and for methods that tend to steadiness, and through taxation as one method and direct or indirect regulation of rates and prices as another method, the community will check the accumulation of undue or monopoly profits. On the other side, the employees will insist upon gradual amelioration of their own status. Such conditions will of necessity bring efficient men to the front in the organization of labour, and not less so, certainly in the administration of the business from the standpoint of capital.

And with improved intelligence on both sides there will come better and closer understandings, with the prospect that periodic agreements upon wage scales and conditions affecting labor will come into common use, and that not only will mutual respect and confidence be greatly enhanced, but the opportunity of the individual workman to advance through efficiency and to pass from the inferior to the superior side of the situation will be made easier. As making for those better relations one could hardly praise too highly a movement born in Chicago, under the lead of the Civic Federation, for bringing capital, labor, and the general public into closer relations as respects the great industrial movement of the day.

In France, where the habit of saving is very highly developed, and where capitalistic control is not quite so highly developed in the hands of particular individuals as in England and the United States, the tendency is towards the wide