

### The Aggregation of Capital a Necessity.

The aggregation of large amounts of capital engaged in manufacturing, railroading and other commercial enterprises is not only a necessity, but notwithstanding the popular outcry to the contrary, a great public benefit. Cheap freights which permit the farmer of Dakota to send his wheat to Europe for a market are due to the consolidation of immense capital in the trunk lines of railway. The cheap steel rails with which the roads are provided, and which are important elements in enabling them to minimize freight charges within their present limits, are the product of works requiring a vast consolidation of capital, both in their construction and management. The watches we wear, and which are now so cheap, could never have been produced at their present market value were it not for such immense establishments engaged in their manufacture as are seen at Elgin and Waltham.

Extensive capital permits of the steady and permanent employment of large bodies of men and the best utilization of their labor in conjunction with the most approved modern machinery. What progress could a man whose capital would not exceed five thousand dollars make in producing watches? How far would that sum go toward equipping and running a steel rail plant? What kind of a railroad would that be in which no more than twenty thousand dollars were invested! Possibly in a level country it might reach from one to two miles. Suppose that the lines from Chicago to New York were made up of such little links, what would be the consequence? The rate of freight would from necessity rule so high as to be an embargo on all through business. A through line of road is under one chief, and hence economical, management. As the number of the employees is very large, their services can be obtained at a reduced rate. All supplies, being purchased in extensive quantities, cost far less than though bought in small quantities and in a hand-to-mouth manner. As the companies have ample capital, they can not only employ the best talent but also equip their road in the best manner. In their machine-shops they can have the best appliances and the most skilful workmen, and their engines and cars may be constructed in the most approved manner. It is the same in manufacturing concerns. Employing great capital means the concentration of large bodies of workmen in one plant, the cheapening of the cost of construction, as well as facilitating the turning out of an extensive production.

By the employment of large amounts of money in a single enterprise there often arises an industry which could not be successfully carried on by individual exertion or with a moderate investment. Hence new fields of labor are opened, cheaper articles are produced, constant and remunerative employment furnished to large populations, and the development of the natural resources of the country hastened. But, providing this be true, the question is asked again and again, Is there not great danger in the power which those in charge of corporate wealth possess? The answer to this must truthfully be, that if this power is rightfully used it will

prove a blessing, if wrongfully used it may prove a curse. It is a grave mistake to assume that those who have the power to do evil will exercise such power. There is a latent danger that a railway train may leave the track and be wrecked, but it would be unwise to assert that all trains are therefore dangerous and that the inevitable tendency of all is to rush from the track.

The history of the country shows that railroads and manufactories have been important instrumentalities in promoting the substantial growth of all sections of our land. They have brought blessings and not evils. They have been wealth developing institutions, benefiting poor as well as the rich.

Those who inveigh so loudly against our great corporations should ask themselves the question,—What would become of the country were these corporations all to be obliterated? That some abuses have grown up and been engrafted in the management of some of our corporations is probably true. But until the world arrives at a state of perfection this may be expected. Individuals also do wrong in their private capacity, and wrongs, whether private or official, may be charged to the weakness of human nature, and not to our great corporate systems as such. There has been a disposition to exaggerate the power of consolidated capital, and to magnify the many mistakes and wrongs of those entrusted with its management. This is not as it should be. Our manufacturing and railway corporations are necessary factors in our present civilization. The work they do could not well be done without the concentration of large capital, and the public, instead of declaiming against them and endeavoring to hinder their progress, would do much better to treat them fairly and justly and to recognise their importance and value as well as their necessity.—*Industrial World.*

### Strikes.

This is not a good season for strikes. Everything iron, cotton, corn, wheat, steel, copper, all the staples of home commerce, consumption, production and export—is tending to lower prices. This time last year cotton sold in huge blocks at 13 to 13½c per pound for middling uplands. Now the quotation is an average of 10c or nearly 25 per cent. below prices of 1882. Steel rails were selling readily in May, 1882, at \$50 to \$55 per ton. The ruling rate to-day is \$38 to \$39, a reduction of 23 per cent. Pig iron sold for \$26 to \$28 for No. 1 foundry in 1882, and is now at \$21 to \$22 in the highest markets of the country. Bar-nails, bolts, spikes, plates, channels, sheets, boilerplates—all forms of finished iron—are from 15 to 20 per cent. lower than they were a year ago. Manufacturers are embarrassed by piled up stocks, and are in many instances suspending operations to await better times rather than court bankruptcy by going on. All indications point to a rather severe business squeeze, to continue through the summer, or longer, according as a demand shall sooner or later spring up for the products of the furnace, loom, field and loom.

When the great representative interests suffer, all contingent and dependent affairs must feel

the pressure. The former make the less important and more dependent industries possible, and when they are running slow what they support must take the same pace. It follows, as day follows night, that no strike for higher wages under existing conditions can succeed; in fact no strike of any kind can do other than injure those who engage therein. The great iron manufactories of the North and East will generally not be hurt by closing their doors until September; whereas, very few of their workmen can afford to lose a single month's time, while three months will put them on short rations and force them and their families to go ragged. The masters made money out of the last strike; the men were in a pitiable condition at its end. Still, that strike was inaugurated on a steady, if not a rising, market, prices were fair, although overproduction, so called, had already begun to tell on trade. Now the market for all products is flat and going steadily toward still lower figures. If workmen were content with the wage rates of last year, they ought certainly to be willing to go on now at those rates, if they are obtainable.

We are not discussing the rights and wrongs of the controversy, now widespread, between labor and capital. The facts are all we deal in, and the logic of the facts clearly does not justify striking by any class of employees in any part of the country, engaged in any of the productive or other industries.—*The Tradesman.*

### Chicago Provision Trade.

As regards the provision trade in Chicago the *Daily Commercial Report* is as follows: There are absolutely no new or interesting features to notice in connection with the provision trade. Throughout the week under review there has been but a light business transacted, and with the exception of a little "spurt" in lard on Monday last, the daily changes in values have been unimportant, the closing figures to-day being essentially a duplicate of those current on Friday last. The shipments for the week again show up quite liberal of pork, lard and meats, and the outgo for the month aggregates a total of nearly 100,000,000 lbs gross, which is certainly good evidence that the trade is far from dead, and those who claim there is no consumptive demand to speak of will find food for reflection in the above statement. Our receipts of all kinds of product from interior points during the month will aggregate a little over 20,000,000 lbs. and packers have cut about 210,000 head of hogs. Those who are curious to learn about the position of our stocks on hand will find a good ground work here for their calculations. Speculative orders from outside are still comparatively light, and the trading throughout the past week has partaken very largely of the "scalping" order. Indeed, the general trade on 'Change has been light in all departments, and there is a general complaint of light trading all around and about us, so that the Board of Trade is no exception. There is very good evidence that the country has not recovered from the effects of the rather numerous failures in various sections during the last 90 days, and that all classes of business men are disposed to conservatism in their affairs. With