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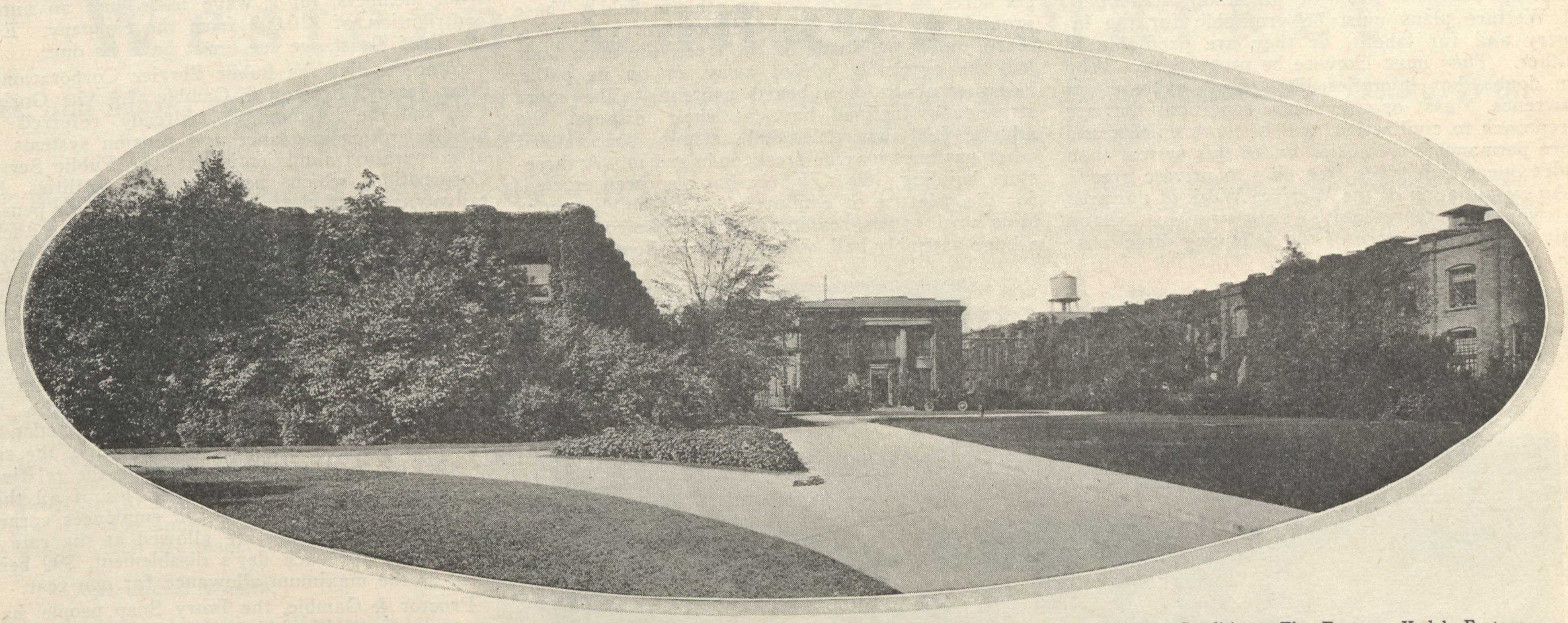


This is Neither a Government Institution Nor an Art Gallery—Merely a Modern Factory Where Men and Women Work Under Proper Conditions—The Eastman Kodak Factory, Rochester, N. Y.

The Human Side of Big Business

A Glance at the Welfare Work of Some U. S. Industries

By JOHN E. WEBBER

THE evils of Big Business are ever before us—(muckrakers and a demagogic press see to that)—the good is oft interred in tomes of silence.

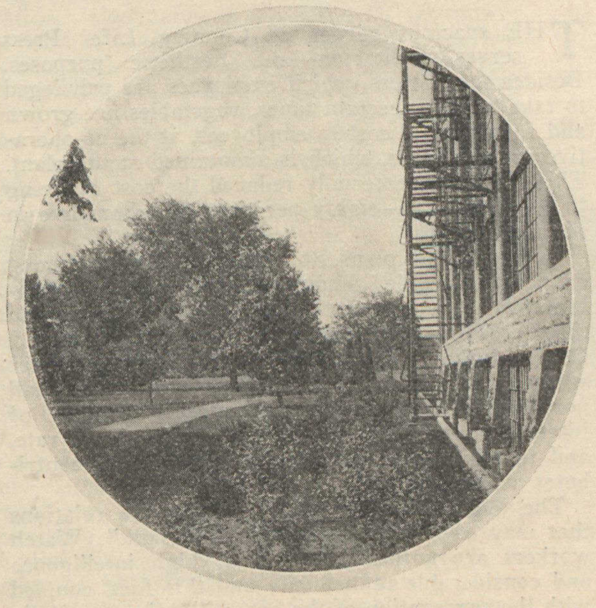
The spectacle of financial and industrial magnates, haled as malefactors before the bar of every investigating committee, which political trimmers can invent, and publicly "guillotined" to gratify the lust of the mob, is a daily occurrence. Yet among these men are sterling citizens, like George W. Perkins—peers of their traducers in every way—men of clean, clear vision, devotedly patriotic, and best of all—*human*.

Andrew Carnegie is a kindly, little, old gentleman—too soft-hearted, I suspect, to swat a fly. Yet he is popularly regarded in some quarters as the author and instigator of the Homestead murders. The worst that can be said of him is that he draws an income of perhaps $100,000,000 a year, and controls securities that can be reckoned in billions. Of course, that is a crime, but not his, so long as our social system protects him in the possession of his loot.

All these things, however, only go to show that the evolution of modern industry, in which the organizing genius of these men played such a prominent part, has left a trail of deep and lasting bitterness. Perhaps the attending crimes and brutalities were incident to that progress. Perhaps some were unnecessary. At any rate, they were impersonal. Evolutionary processes, as we know, whether in nature or in human affairs, have little regard for the systems they supplant or the individuals they crush. Man is a unit in a great orderly progress—social, moral or economic—and the system that brought the Carnegies, Rockefellers and Morgans into being, may in the end turn and rend them. No individual is immune, no system safe from the onrushing forces of human progress. We, who are men, can only learn to play the part of men—then and now.

The two problems that confront all industry are, broadly, *production* and *sharing*. Scientific organization, automatic machinery, and efficiency experts, have practically solved the problem of production. But the solution of the other, and by far, more complicated problem—for it introduces the human equation—rests boldly on our ultimate attitude toward property rights. Meanwhile, that this problem is engaging the serious attention of large corporations, any just observer must admit.

Between the two immediate factors in production, the mind that directs and the hand that fashions, there is little real chance for disagreement. Each labours and each is paid a market wage for the labour he performs. Modern organization has, however, been forced to introduce another factor—*Capital*. The interest of this partner is purely speculative, his power, practically unlimited. He usually has an office in Wall Street, gambles in the rise and fall of his holdings, and draws his quarterly dividends. These dividends are the first charge against the profits. His salary as president or director, the second.



A Factory Set in a Small Park is the Latest Idea in the Industrial World.

Under the old system, he would have drawn, say, five per cent. interest on his investment, put the mortgage away in a safe place, and lived a quiet, God-fearing life.

Just what the reward of his lineal descendant should be is a problem that involves our entire economic system. The theory of private ownership protects him to the limit of his own conscience. The theory of government control or of industrial ownership would ignore his claims entirely.

Meanwhile, he is a real factor in modern industrial life, a heavy claimant on the rewards of labour and, with ample power to collect his claims.

With this shifting of power, however, has also come a changed perspective, a new economic vision, that is expressing itself in pension and insurance schemes, sick benefits, profit-sharing and other plans for improving the conditions of labour. All of which at least shows a disposition on the part of Capital to divide his profits with those who earn them, and on occasion admit the workers themselves to partnership.

In the United States Steel Corporation, for instance, 50,000 employees have become shareholders within the past ten years, either by allotment of shares or on a profit-sharing plan of purchase. A pension fund of twelve million dollars and a voluntary accident relief and insurance plan are also items in the Welfare Work of this giant corporation. Far from being an exception, moreover, this is only a conspicuous example of a new order of things that is becoming general.

And this attitude is entirely free from sentimental philanthropy. It is a natural sequence of the change already observed in business methods—a change from a policy of competition to one of co-opera-