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MONTREAL, JULY 22, 1914.

Advertising and Modern Business

modern business can hardly be over-estimated. From time to time strikwn while at his death the company was the greatest manufacturers, household name through the world.

s. To-day one chewing gum attention from the art of war to the company spends two million dollars a art of peace. Only so can it be hoped year in advertising its brand. To sup that great economic burdens under needs it owns millions of acres of land in tropical countries, employs to-day will be lifted and the people usands of men to grow and harvest set free. the raw material and thousands more to manufacture and distribute it. There New High Record for of chewing gum sold each year at an Under the demand raw chicle, from which chewing gum is made, has ad vanced in price in the past decade from fifteen to sixty cents. The head of the world's largest chewing gun empany in speaking of the increased demand for his product, said: don't know any reason for this ense increase except the power of aper and no new taste has devel oped in humanity. As a matter of fact, raw chicle has immensely in creased in cost, but the power of ad vertising backed up by good goods car work wonders. The increased deman for chewing gum is but one of many

The Condition of the World's Trade

such examples which might be sight

ious industrial nations of the world ierce, which has expanded rapid grow, and as a matter of fact has begun to contract. As far as the United m is concerned, the ebb in the tide of trade has just set in: but the omparatively small. It is evide that as long as England is prepared to provide capital freely to other nations, and to take payment for a large part of its exports in securities, there ill be no great shrinkage in the voltme of its foreign trade. But when ok at the situation in Canada, in South America and in various other new countries we see evidence that these countries, which have borrowed so freely from the United Kingdom in recent years, may desire to reduce their borrowings for a time. Canada for example will, in all probability, ase to demand, for a year or two output by the orders received in were built at a comparatively small outlay. cultural output of Can- Throughout the entire United States and the United States shows con- there is a growing feeling in favor of

isually economical in consequence of the state of its credit or other controlling factors, other countries consume with greater freedom. During 'nineties almost the whole world fell into depression; production largeof commodities, especially agricultural products, fell to a level that brought extreme poverty to the agricultural ommunities of the world. Conditions mproved only when two or three ountries, of which the most important was Great Britain, began to consume with greater freedom. WA. general fall in the level of prices would imulate industry everywhere to-day The part that advertising plays in throughout the world. High prices, for which Bryan and his followers fought in 1896, have become a reality ing examples of the part printer's ink We know that no lasting prosperity plays in commerce comes to light and can be assured as long as the cost of They are now second from the bottom indicates that advertising is the great- living bears as heavily upon the great but if the season is prolonged they may est factor in the building of big busi- consuming masses as it does to-day. ness. A short time ago the Managing Surely it is a serious matter that the Director of Pears Ltd., the great soap city of Montreal should bear the repumanufacturers, died. The story told tation of being one of the most expen of his advertising appropriations seems sive cities in which to live on the When he took whole continent. Something is radicharge of the business it was almost ally wrong when, in a great new ountry like Canada, with its millions of fertile acres, the working classes and in the world. Through the find it increasingly difficult to make use of advertising he had made it a mds meet. What is needed is a national survey of the whole situation. Another striking example of the it needs to be pointed out that high protective tariffs, speculation in real power of publicity has just been rerealed in connection with the much estate, vast expenditures on unprodespised chewing gum. This habit of ductive work, bring no lasting prochewing gum has been going on for perity. The world as a whole must but not until very re- give up its programme of militarism cently did it assume nation-wide pro- and of aggrandizement, and turn its

Beef

The price of hear is now at a new igh level and is likely to remain in present exalted position until preuction overtakes consumptio on. While ost of living theories, tariffs, trust nd various other reasons are given fo he advance in the cost of beef, the eal reason is due to the fact tha here is a shortage of cattle through out the world. Until this shortage which is world-wide, is overtaken there will be no material reduction in the price of beef. In the six leading attle markets in the United States, here have only been 2,965,000 cattle received during the first har of the present year. This figure compares with 3,340,000 for the corresponding period of last year, or a decrease of learly 400,000 head. It does not take nuch of an economist or a mathema ician to figure out why the price of peer should advance, especially when he figures for these meat centres in he flighted States are largely true of all the big slaughter houses throughout the world.

At the present time, Argentina he greatest meat producing country n the world, but even the enormo aumber of cattle slaughtered in that country cannot begin to evertake the increased consumption of we want cheaper meat, we must grow more Another way in which the will likely be shortage of cattle will attent the purificult is evident it is evident Leather is advancing in price in symmetry and the advance in the price shortage of cattle will affect the pubpathy with the advance in the price of meat. We can stop eating meat, but we must wear shoes. Evidently, there is need of a big "back to the land" movement in all parts of the world. This movement to the land would result in an increase in the number of cattle.

Canal Building

Although the Panama Canal is nat urally attracting the most attention there is a great deal of additional work at least, the same supplies of capital being carried on in connection with she has received of recent years. If water way development in the United at occurs, the export trade of the States. For example the Cape Cod Inited Kingdom will show a reaction | Canal built at a cost of \$12,000,000, will isequence of the reduction of the be opened for business on the 29th of ant of capital that the British instor can place abroad with profit dively unimportant canal, being but 13 disafety. However it should be miles in length, but has a contributory ted that in periods of trade reaction tonnage of 25,000,000 tons. It is estiproductive power of the world, in mated that the Panama Canal which aggregate, is not greatly diminishin certain directions, production 000,000, has a prospective tonnage of reduced; but in others it expands. ace, during the present year true that canals costing a compara a tron and steel industry, both in fively small amount do the greatest and the United States, has amount of business. The two at the d curialiment, probably because "Soo" handle more traffic than any industries are regulated as to other canals in the world and yet they

pathy with the addvance in the price building additional canals and improvage devoted to cultivation has been ing the water ways in order to cheap increased. In agriculture, production en the carrying of freight and to act is not conditioned by orders received as a regulator on railway rates. In in advance. It may be said in a word Canada a similar development is takthat while we may continue to look ing place despite the fact that we have for contraction in trade in the case a greater per capita railway mileage of large corporations, there need be than any other country in the world no fear that trade will show any con- This activity in canal building is shown siderable falling off in those industries in the work now going on in connec which are individually controlled, such tion with the Welland Canal and the proposed construction of the Georgian occupations whose success depends upon personal management. Bay Canal. Despite the progress made by railways, water borne commerce, It is of the greatest importance, especially for the heavier kind, will however, to recognize that, when a always be a big factor in the world's business.

Professor James Mayor of the Uni ersity of Toronto has been granted a year's leave of absence in order that e may lecture in India. Why not have im start on the Hindus aboard the Komagata Maru?

President Poincare of France and

A woman, the mother of nine chil-A woman, the mother of nine chil-lren, has just eloped. The ways of The Positive Theory of Capital tome women are past finding out. "I am short-sighted, and wish ome women are past finding out.

If the Montreal Baseball players go n strike it will at least assure them of their present place in the League. not hold their present dizzy height.

The Montreal Harbour Commissiontheir number one elevator, which vill give the port an additional capacty of 1,500,000 bushels. When this is and fuel, and build furnaces for smeli ompleted the harbour will have an levator capacity over 9,000,000 shels, but if our Western grain growng areas keep on increasing, the local ecommodation for handling grain will not be above requirements.

irst six months of the present year mounted to \$8,521,000 as compared with \$\$9,432,000 for the corresponding period of 1913, or a decrease of \$1,400.

300. Although this is a considerable shrinkage in building, there has been a decrease in the infrees at which a considerable shrinkage in building, there has been a decrease in the infrees at which a considerable shrinkage in building, there has been a decrease in the infrees at which a considerable shrinkage in building there has been a decrease in the infreesation. shrinkage in building, there has been no decrease in the prices at which high class residential or good business properties have been selling. It is expected that with improved monetary conditions, there will be a revival in building. Montreal can not be kept back through any temporary depressions are the point made. It would be impossible to carry on vast industrial, financial and transportation enterprises without recourse to the roundabous method. That method has won its way because of its efficiency and the results achieved. which the nations of the world groan

> The election yesterday of four new lirectors of the Grank Trunk Pacific lirectors of the Grank Trunk Pacific indicates that more and more the direction of both the Grand Trunk and the Grand Trunk Pacific is being centered in Canada. This is as it should be. Under the old arrangement when every policy had to be submitted to London for ratification, there were unsuper the sentite of the Grand Trunk and the submitted to London for ratification, there were unsuper the sentite or the Grand Trunk and the submitted to London for ratification, there were unsuper the sentite or the Grand Trunk and the submitted to the control of the Grand Trunk and the submitted to the Grand Trunk and the Grand T ondon for ratification, there were un-

Probably the failure of that his dry ods firm in New York was due to the ecreasing quantities of dry goods te wired for women's clo. is these days

There is considerable "dry humor" more raval officers over the new pro-diction regime in the Navy. In-seapolfs Journal.

There doesn't seem to be a desire on he part of Albanians to see their coun-ry overum with Wieds.—Milwaukee Evening Wisconsin.

IT COULDN'T BE DONE.

The COLLING BE DONE.

Somebody said that it couldn't be done.

But he with a chuckle replied,

That "maybe it couldn't," but he would be one

Who wouldn't say so till he tried.

So he bucklid right in, with the trace of a grin, of a grin,
On his face. If he worried he hid it.
He started to sing as he tackled the

That couldn't be done-and he did it mebody scoffed. "Oh, you'll never de

that—
At least, no one ever has done it':
But he took off his coat, and he took
off his hat.

And the first thing we knew he'd begun it. x With a lift of his chin and a bit of a

grin, grin, grin, without any doubting or quiddit, He started togging as he tackled the

period of time over which the whole process is spread. This involves a greater use of tools and machinery. and hence increases the important capital in the industrial process. The Roundabout Process.

In the organization of industry it has been discovered that a greater result i obtained by producing goods in round about ways than in producing them di-rectly. Where a good can be produced either way, we have the fact tha ds premier, who recently left on a rip to Russia, were given an allowince of \$80,000. That is the sum we always take with us when we go away or a short holiday.

So important is the roundabout method of production that societo the first sum we consider the sum we should be considered to the society of the society n. An example Eugen von Boe

puire ground and polished glasses, as steel framework. But all that no cure offers toward that end is silicio arth and iron ore. How am I ing for it but to take the

olished into the lens ighted eyes. Similarly Building permits in Montreal for the the ore in the blast furna

Increasing Use of Machinery The capitalistic process involves

London for ratification, there were unlecessary delays.

The passing of sailing ships is emphasized by the following statistics which show that in 1889 the world's tonnage was represented by 22,402 sailing vessels of 9,496,603 net tons, as against 10,260 steamers of 7,414,954 net tons, whereas to-day there are but 6,694 sailing vessels of 3,890,936 net tons, as compared with 23,897 steamers of 26,517,023 net tons.

A LITTLE NONSENSE

NOW AND THEN**

Probably the failure of that biz dry. of drying and cleaning the pins is not performed by a fanning mill; former ly a drying pan was used that too twenty times as long. The pins wer formerly, as now, polished in a tumb ling barrel, but the time consumed i as 1 to 15.

ay to stick th the hand method this is accomplished in two operations, crimping the pape and sticking in the pins. Folding the papers, packing and labeling, requiremuch less time under the machine than under the hand method. And fin ally, the power used under the two methods is enormously in favor of the nods is enormously in favor of the apitalistic process.

The Creation of Capital.

The Creation of Capital.

It is generally stated by economists that all capital has arisen through labor and saving. Land, on the contrary is the gift of the Creator and its origin cannot be explained from the point of view of either labor or saving. These propositions have been attacked in recent years by certain american economists, and particularly by Professor Davenport, of the University of Missouri. It is his contention that land, in the economic sense,—land that has market value—is no different in its origin and nature than lany capital good. It must be noted excelly that, his statement applies in "economic land," Land which is free is no more to be regarded as an economic good than air or sunshine—all of the view.

than air or sunshine—all of then ful, perhaps necessary, but in no

than air or sunsine air dul, perhaps necessary, but in no sense the first coordin't be done—and he dil it. There are thousands to tell you it cannot be done, There are thousands to prophesy failure; there are thousands to prophesy failure; there are thousands to prophesy failure. There are thousands to prophesy failure. The dangers that wait to assat; you. But just buckle lie with a bit (1 a grin, Then take off your hat and 30 to it, just start in to sing as you tackle treining. That "cannot be done"—and you'll do it.

There are thousands to prophesy failure; the rough is capital—it may be stumbled upon. A water-fail wished will an economic good—a capital good, and yet it has not had any labor origin. Good wine that changes into better wine, and hence more valuable wine, annot be said to have dwyed the value-increase to the expenditure of labor. Neither have these valual goods, in Seat part, level save, and he products of past labor. A franchise is a valuable capital good soil, just neither

CAPITALISTIC PRODUCTION.

CAPITALISTIC PRODUCTION.

COUNTY OF THE COMPLET OF THE omically created. Land ma uded of its fertility, and my Therefore, in a very real sense be said also that much land is

in the same way as many capital goods.
Taking this point of view, no real
commind distinction can be drawn beween capital goods and economic land.
Both are capital in the meaning of
the definition given: "Capital is
wealth held for acquisitive purposes."

Society.

The difference between the attitude of the individual and that of society at large to what is, and what is not apital has been already emphasized. But further reference may be made ere to make the point clear.

Stocks, bonds and securities vield a come to the owner, and are him as part of his capital. temselves, such securities are merely idences of ownership or indebtedness, stock certificate states that the hold-has certain features. A stock certificate states that the holder has certain fractions of ownership in a given concrete thing or sets of chings. A bond is a mere promise to pay. Bonds that are issued by corporations relate, as a rule, to some form of capitalistic enterprise. But, as the hase of government securities show they may be the result of operations had are quite wasteful. The funds raised by their issue may be wasteful wars or upon preparations for wars. Though capital to the individual, they may or may not signify the creation.

easonably be estimated at 1,150,000,000 states and propose in the study the state of the shoulders best do to be a start to the state of the shoulders best do to be a start to the state of the state o out of office. Now it goes is saying that this is an exceeding gerous situation for a country

Capital to the Individual and to

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CAPITAL Paid up REST UNDIVIDED PROFITS

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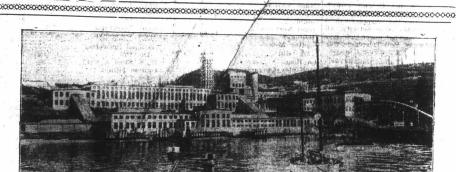
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therefore, that the Minister of Fi must provide in the first place, the amortisation of the debt: and the second place, for a sufficient venue to prevent new floating of that no doubts were entertained representations for wars. Though capital to the individual, they may or may not signify the creation or the existence of real capital.

In making a summation of a nation's wealth, therefore, evidences of indebtheres, such as bonds, may not always be counted in. Of course securities representing Great Britain's investments in foreign countries—amounting to str.,000,000,000—may be regarded both as individual and as national evalth as they are the source of a great individual and national income, But naturally, within the confines of a country, bonds and mortgages can not be included in the sum total of the nation's wealth, and also the mills, factories and lands on which these mortgages are based.

If WHEAT YIELD AND SUPPLY.

The wheat yield of this country and anada, barring accident to the spring rheat crop in the next 30 days, may casonably be estimated at 1.150,000,000 sushels, an unprecedented production. If this great product of the soil the situation throughly or to france, in the success of the loan. The success of the loan has probably greatly strengthened its position. However, here are spectling the great success of the loan has probably greatly strengthened its position. However, here are specificated its position. However, here are specificated in the success of the loan has probably greatly strengthened its position. However, here are specificated in the success of the loan has probably greatly strengthened its position. However, here are specificated in the success of the loan has probably greatly strengthened its position. However, here are shower, as has been said, that allower, as has be



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VOL. XXIX. No. 65

Movement on the Loca Exchange was Dull and Restricted

PRICES WERE LOWER

wer, Brazilian and Toront

al summer disinclination t directly under the influ of the surmises, now heard or hand, of the results that ar

In some quarters there has been in dicated a desire to sow some seeds of alstrust in this respect, and that at ditude has naturally induced hesitation the part of traders, who otherwis might have been tempted to go into market that contains so many offer ags at attractive levels.

Good Recuperative Powers. Good recuperative Powers.

While some time ago there migh have been some foundation for scepticism respecting the outlook, that hou would appear to have passed. Proverbially Canadian crops—and particular anadian crops—and particular se in the West—have good re tive powers, and the preser would appear to afford no ex

egion to that rule.

Granted a continuation of existin
conditions, the Western country—an
that is the section that has been main
by called in doubt—is calculated to yiel
much the same volume of grain as at
tended last year's harvest. The lates
advices from Winnipeg are that th
weather in the three Provinces beyon e three Provinces beyon es is favorable, and that untoward circumstance

is the general situation at alive to expansive trading. No as the day to day postponement of the trade case the line tended to repress inter the political considerations of no moment have also been unsettly

The latest of these—the action that is to be taken against the New Haver railroad—has caused a profound impression both here and abroad. The feeling of restraint would doubtless be intensified should similar suits be in gittuted, as is not improbable, agains other railways in the neighboring re-Few Price Changes.

issues were steady. Small vari-was shown in the generality of

ces. Framway Power stock again claimed Tramway. Pewer stock again claimed attention in the unlisted departmentfor the first time since it became apparent that no immediate action would be taken regarding an extension of the
franchise. The forthcoming report of
the Montreal Tramways Company
which, it is said, will prove quite satisfactory to the shareholders, is the
inventive is the renewed buying. Cedar Rapids bonds were once more in
derand at \$8%.

MONTREAL UNLISTED 31½

MORNING BOARD. Cedars Kapids Power-1/2 at 67, 1/2 Western Canada Power -25 at 30. Vavazamack Com.—25 at 31.

Tamway Power—225 at 47, 25 at 8, 25 at 474, 10 at 47, 15 at 46%, at 47, 200 at 47%.

150 at 47, 200 at 47%.
Porcipine—200 at .82.
Cedars Rapids Power Bonds—\$1800
at 86%, \$1000 at 86%, \$500 at 86%.
\$2000 at 86%, \$1000 at 86%.
Way. Bonds—\$1000 at 76. AFTERNOON BOARD.

nway Power-100 at 47%, 10 at Tramway Power—100 at 47 %, 10 at 47, 10 at 47, 100 at 46 %.
Cedars Rapids Power—40 at 66 %.
Mex. North Power—50 at 5.
Cedars Rapids Power Bonds— \$500 at 86%, \$5000 at 86%.
Way. Bonds—\$100 at 77, \$3000 at 55%.

WHY BUY ADVERTISED GOODS? B-E-C-A-U-S-E

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