

The Development of American Industries

By CHARLES R. FLINT, American Merchant Prince.



The rapid development of American export trade in manufactured merchandise has been due to a number of causes. The first and fundamental element is the abundant supply of raw material within the limits of the United States. The second is the American system of low cost of transportation by rail and water, by means of which the different raw materials necessary to many lines of production are brought together at minimum cost. The third feature is industrial consolidation, which enables the American manufacturer to utilize all the economies and successfully compete with European manufacturers. Another feature which is quite an important one is labor-saving machinery, the product of American inventive genius.

Buyers will always find out in time a cheaper source of supply, but in the European and South American markets custom has a far greater significance than with Americans. In those countries they change somewhat slowly from an inferior to a superior article, if the inferior article has been used by their forefathers.

While the question of raw material and transportation—or what might be called "the brute elements of our manufactures"—and the question of skilled superintendence, are all-important, perhaps a more telling element is managing ability. American management is largely free from traditions. IT IS LIKE AMERICAN DIPLOMACY, INCLINED TO GO FRANKLY TO THE POINT AND TO ATTEMPT TO ACCOMPLISH THE OBJECT DESIRED BY SWIFTNES, ENERGY AND BY HONORABLE TREATMENT OF ALL WITH WHOM THE TRANSACTIONS ARE MADE.

I do not think that in our time the United States will reach any great prominence as a supplier to the world of articles intended for individual taste, or to please individual whim; neither will the United States to any great extent adapt its merchandise to the prejudices or habits of the peoples of foreign countries. Its policy will rather continue to be as heretofore—THE FORCING UPON THE FOREIGN CONSUMER OF THE SUPERIORITY OF AMERICAN METHODS AND PRODUCTIONS. This is a difficult task, but marvelous results have already been achieved.

As soon as the extension of our manufacturing and transportation facilities have been accomplished, so that we can produce a large surplus in all lines of manufacture above the demands of this country our export trade will move forward with greater vigor than ever.

The only serious danger to the extension of our export trade which seems possible is by the restriction of production through trade unions. Trade follows the price and the principal element of cost is labor. Rates of wages in the United States are very much higher than are paid by our competitors in the densely populated countries. To meet this handicap our captains of industry have created superior organizations, centralizing production and making possible the largest use of labor-saving devices. Machinery has thus replaced the low-priced labor of our competitors and the American workman has been thereby elevated to the position of an overseer of machinery. The result has been a large output, which has made it possible for us to undersell the cheap labor countries while paying high wages to our wage-earners. While we have been thus cheapening the cost of production through increased output, the trade unions of Europe have restricted the output, and thus we have been able to secure a larger foreign trade, which has relieved the markets of our surplus products AND HAS REDUCED THE NUMBER OF UNEMPLOYED TO A LOWER PERCENTAGE THAN HAS EVER BEFORE EXISTED IN THE HISTORY OF THE UNITED STATES.

Westinghouse has been laying 1,800 bricks in England as against the trades union restriction of 300; Krupp, employing 1,600 men, turns out 1,000 tons per day; Homestead, employing 5,500 men, turns out 6,000 tons per day.

I believe in the good sense of the American wage-earners as a whole. While a part of the people may be fooled a part of the time, I am satisfied that people at large realize the suicidal policy of a restricted output whether from the standpoint of capital or labor, and that the laborers of the United States will be wise enough to realize that a continuance of the high wages, which has enabled them to deposit \$2,500,000,000 in the savings banks, can only be maintained through low cost of production obtained by a large output through superior organization and by labor-saving devices, making up the difference between the high wages paid by us and the low wages paid by our competitors.

This is an age of invention, of industry, of labor-saving machinery. The times demand speed and comfort in railroad travel. How can we get both in our large cities?

FUTURE OF THE TUNNEL IN LARGE CITIES
By JOHN B. McDONALD,
Contractor for the New York Subway and the Proposed East River Tunnel.

Except for short distances the surface road is out of question. THE TUNNEL ALONE REMAINS. It alone offers speed, comfort, cleanliness, safety.

London has a famous system of tunnels. Boston ranks the subway among her most important civic improvements. In New York we are undertaking a stupendous task. We are building a tunnel 21 miles long underneath the most thickly populated city in the world. We are cutting through the bowels of the city, and above the traffic goes unhindered. This improvement will cost \$35,000,000. It would have to be built if it cost twice as much. We are about to build a tunnel under the East River at an estimated cost of \$5,000,000. We employ 10,000 men. The work continues night and day. Despite the difficulties which we have had to struggle against, the work is already half done. Cars are now building and in 18 months they will be running. All this should have been done long ago, before the city was built up as it now is. Did it pay to put it off?

The tunnel is a PRODUCT OF THE HIGHER CIVILIZATION. As civilization advances the tunnel will keep pace with it, until it becomes the main method of transportation in large cities.

John B. McDonald

ALGER ENDORSED.

Republicans in Michigan Favor His Candidacy for a Seat in the Senate—Convention Was Lively.

Grand Rapids, Mich., Sept. 26.—After a long and laborious session, in which more oratory and enthusiastic partisan strife were in evidence than has been seen in the councils of the republican party in this state for many years, the republican state convention yesterday endorsed the senatorial candidacy of Gen. Russell A. Alger, ex-secretary of war, and nominated Judge William L. Carpenter, of Detroit, for justice of the supreme court, to fill the vacancy caused by the death of Judge Charles S. Long. Gen. Alger's friends won a great victory over the supporters of Dexter M. Ferry, of Detroit, the test of strength having been on a motion to adopt the minority recommendation of the committee on resolutions, to the effect that no expression of sentiment of the convention on the senatorial candidacy of any one be taken.

The test vote, by a roll call of counties, rejected the minority report by a vote of 427 yeas and 588 nays. The majority report, which endorsed Gen. Alger, was then adopted without an opposing vote amid loud and continued cheering from the Alger supporters.

At the opening session of the convention Congressman Hamilton, of Niles, temporary chairman, made an address, devoting his time chiefly to the tariff and trusts, along lines similar to those of President Roosevelt's recent speeches.

The report of the resolutions committee eulogized the late Senator McMillan and Justice Long and commended the state and national administrations. This portion of the report was unanimously adopted.

Gen. Duffield, of Detroit, nominated Judge Carpenter for supreme court justice. Judge Shepard, of Bay City, was also presented as a candidate, but later his name was withdrawn.

RAY OF SUNSHINE.

But It Did Not Last Long for the Persecuted Roumanian Jews.

Berlin, Sept. 26.—The Tageblatt prints a letter from Bucharest, capital of Roumania, dated September 22, as follows:

"The Washington note came like a ray of sunshine from a storm cloud for the Jewish population, especially the laboring classes, who conceived the hope that a favorable turn must result from the interference of mighty America. How naive this unhappy people are, eagerly reaching for any straw promising them rescue. But their jubilation has been of short duration.

"The only effect the American note has had so far is an order that no more emigration passports be issued without the usual tax of \$4. It is even reported that no emigration passports will be granted. The spirit of the government is: 'We are masters here.' Nevertheless, it is disposed to be polite toward the United States. It intends to show this by preventing emigration to the United States.

"There is much talk here about 'Yankee arrogance,' but those laughed in their sleeves so long as the American note was without European support. But the news that England had followed with a similar step caused vexation. If the continental powers act jointly, it is possible that the Roumanian Jewish question may become acute. But the government has had much experience in meeting protests in behalf of Jews."

Germany has decided not to associate herself in a formal manner with the American and British protests against Roumania's treatment of the Jews. The German government adopts this attitude, it is understood, independently of other continental powers. No agreement has been reached in the matter among the cabinets of the continent.

WOULD NOT GIVE ORDER.

Miners in Alabama Strike as a Result of One Man's Refusal to Contribute to Anthracite Strikers.

Birmingham, Ala., Sept. 26.—Three hundred miners employed at Pratt mine No. 3 are on a temporary strike. The men went out because one man refused to pay an assessment of \$1 a week for the benefit of the idle United Mine Workers in Pennsylvania. The local officers of the United Mine Workers requested the Tennessee Co.'s officials to deduct from every miner's wages \$1 a week and turn it over to the organization for the Pennsylvania miners.

The company agreed to deduct from the wages of all miners who would give an order to that effect. In No. 3 mine at Pratt one man refused to give an order, and the company officials, therefore, did not deduct from his wages, holding that they had no right under the law to deduct from a man's earnings without his consent.

A Quo Warranto Proceeding.

Columbus, O., Sept. 26.—Quo warranto proceedings were brought in the circuit court yesterday by Attorney General Sheets to prevent the American Farm Co. from doing business in Ohio. The company sets up as its object the purchase and control of grain elevators, cars and all means of transportation for farm products. The petition in quo warranto attacks the corporation on the ground that its intention is to monopolize the agricultural interests of the state and that it is in contravention of the anti-trust law. The petition also describes the company as a "corporate myth" and insolvent.

Roosevelt Will Give His Aid.

Washington, Sept. 26.—In conference with B. H. Warner, chairman of the local committee to prepare for the entertainment of the Grand Army during the forthcoming encampment, the president yesterday expressed a desire to do all in his power to render the encampment a success. It has been decided to locate signs along the lines of railroad approach to the city, bidding the visitors welcome. The president accepted the invitation to review the parade, and arrangements have been made for the erection of a reviewing stand for his use, in front of the White House.

ANTI-CANTEEN LAW.

It is Attacked by Gen. Funston—He Claims It Debauches Soldiers, Destroys Discipline and Leads to Many Desertions.

Washington, Sept. 27.—Brig. Gen. Frederick Funston in his annual report for the Department of the Colorado, points out that the percentage of trials by court-martial of enlisted men has nearly doubled during the past year. He says:

"It is, therefore, plain that there has been a deplorable increase of offenses in general, and of desertions in particular. In my opinion there are two principal causes for this state of affairs: First, resentment of unaccustomed limitations and restrictions felt by men returning from field service to the monotony and routine work of garrison life; second, the abolition of the canteen feature of the post exchange. Since this action was taken, saloons of the lowest type have been established just outside the boundaries of the various reservations; their proprietors, in almost every case, unprincipled scoundrels, who leave nothing undone to debauch the soldiers and obtain their money.

"Being in all cases outside the limits of any city, the proprietors of these resorts are subject to no municipal police regulations and sell regardless of hours and whether the buyer is already intoxicated or not. Gambling is universal in these 'dives' and they are frequented by dissolute women. The soldier whose desire for a drink ordinarily would be satisfied by a few glasses of beer in the canteen post exchange, goes to one of these resorts and does well if he escapes before he drinks or gambles away all his money, has overstayed his leave or engaged in an altercation. As a rule the local authorities regard the existence of these places with indifference or approval, as it causes the soldier to spend his money in the community. The efficiency of the army or the ruin of a good soldier is nothing to them.

"There can be no reasonable doubt that most of the trials by general courts-martial and summary courts, at least so far as this department is concerned, are directly traceable to this cause. Since I have had command here, there has taken place the ruin and degradation of several non-commissioned officers of long service and fine record. In short, the recent legislation by congress on this question, so far as this department is concerned, has had no effect except to lower the discipline of the army, ruin scores of good soldiers and fill the pockets of a lot of saloonkeepers, gamblers and prostitutes."

A MEMORIAL.

It is Presented to Mrs. McKinley by Insurance Commissioners.

Canton, Sept. 27.—Hon. A. L. Voris, insurance commissioner of Ohio; Hon. J. V. Barry, insurance commissioner of Michigan, and Hon. D. H. Appleton, insurance commissioner of New York, came to Canton Friday afternoon, being the guests of Senator Hanna in his private car from Cleveland to this city. They came here as a committee appointed by the National Association of State Insurance Commissioners at its recent meeting in Columbus, to present to Mrs. McKinley a memorial adopted by the association last year on the death of the president. The commissioners, accompanied by Julius Whiting, went to the McKinley home and presented the memorial to Mrs. McKinley. It is handsomely engrossed and the plush covering is lettered in silver with the monogram of William McKinley. The presentation was made in the presence of the other distinguished visitors at the McKinley home.

When Secretary Root, Senator Hanna and party and Gen. and Mrs. Hastings visited the tomb of the late President McKinley in the afternoon they found on the casket beautiful wreaths sent by President Roosevelt and Mrs. Garrett A. Hobart. Senator Hanna and party spent most of the time here with Mrs. McKinley at her home, only leaving long enough before train time to visit the cemetery.

BOODLE INVESTIGATION.

Checks Aggregating \$47,500 Have Been Traced to a St. Louis Broker.

St. Louis, Sept. 27.—Developments in the "boodle" investigation were sensational yesterday, subpoenas having been issued at the instance of Circuit Attorney Folk, commanding Broker James Campbell and William Reed, his cashier, to appear in court with two checks aggregating \$47,500, dated November 28, 1899, and payable to Ed Butler, a prominent local politician, and explain the purpose for which the checks were drawn. It was found, on investigation by the grand jury, that both checks had been cashed and returned to Broker Campbell.

The date of these checks was the same as the day on which the ten-year lighting bill passed the house of delegates, for which 19 members are said to have received \$2,500 each for their votes. Up to a late hour deputy sheriffs were unable to serve subpoenas. At Broker Campbell's office it was stated that Reed had not been there since Thursday and that his employer was in the east.

Another session of the grand jury was held, several witnesses being examined. An additional effort to secure the release on writs of habeas corpus of the four former members of the house of delegates who are now in jail awaiting trial on charges of bribery and perjury, failed.

Pardoned by the President.

Washington, Sept. 27.—The president has granted a full pardon to William Dinkella, convicted in 1886 before a United States consular court in Japan, of the murder of Charles H. Abbott, first mate of the American ship Centennial, the prisoner being the second mate of the ship. Dinkella has been in prison for more than 22 years, two years in Japan and more than 20 years in the Albany, N. Y., prison. He always has insisted that the crime was committed in the heat of passion and when he believed his own life was in jeopardy.

COMPLETE FUEL FAMINE.

New Yorkers are Confronted with a Very Serious State of Affairs.

New York, Sept. 27.—The coal shortage reached an acute stage yesterday. The price of soft coal jumped to \$3 a ton, \$2.50 more than the price Wednesday, and three times as much as before the strike was inaugurated. The quoted price of hard coal was \$15, but it was merely nominal, as there was absolutely none to be had at any price. The price of wood followed coal. Kindling wood selling a few days ago at \$10 a cord, on Friday brought \$12. Practically a complete fuel famine exists.

Consumers throughout the city had delayed laying in a supply of coal, believing that the strike would be settled and prices fall. Dealers assert that the supply of anthracite in the city is not 10 per cent. of the demand, that the present supply of soft coal is hardly 25 per cent. of the demand. The park department is seriously embarrassed. Ten days ago contracts were advertised for and yesterday only one bid was found and that was for 200 tons of pea coal at \$3.75 per ton, which was quickly accepted.

A conference of representatives of the principal charitable organizations of the city will be held within a few days to consider the situation resulting from the coal strike. Many of the organizations made contracts for coal, but as these contain a strike clause, no supplies will be forthcoming. In former seasons the Society for Relief of the Condition of the Poor, the United Hebrew Charities, and the St. Vincent de Paul society have distributed about 2,000 tons of coal each, a total of 6,000 tons. The charitable workers estimate that they may have to provide ten or twenty times the amount of coal they have given away in former winters.

SCARCITY OF MONEY.

Has Caused No Hardships to Legitimate Business—Review of Trade.

New York, Sept. 27.—R. G. Dun & Co.'s Weekly Review of Trade says:

Notwithstanding the disarranged money market, almost a fuel famine and some damage to crops, industrial and commercial activity continues unabated and the magnitude of plans for the future indicates that confidence has not been shaken. Scarcity of funds has thus far caused no hardship except to speculators and the stringency will remedy itself by contracting loans on stock exchange collateral, together with such aid as may be offered by the treasury.

Injury to crops by frost has no more than offset the increased acreage, while high prices fully compensate producers. Railway earnings for September thus far exceed last year's by 6 per cent. and those of 1900 by 16.5 per cent. Pressure in the iron and steel industry has been somewhat alleviated by larger receipts of coke and liberal imports of pig iron, yet the outlook is by no means devoid of unfavorable features.

No fuel famine exists, although the furnaces are consuming receipts of coke as they arrive and it is impossible to provide for more than immediate needs. Some idle plants have resumed and now operate from day to day with the constant menace of an interrupted movement of fuel, which would suspend operations. At the west this factor is most serious, coke commanding \$10 a ton or more, while in exceptional cases \$13 has been paid.

Failures for the week numbered 207 in the United States, against 237 last year, and 32 in Canada, against 34 a year ago.

AN AWFUL CYCLONE.

Hundreds of Sicilians Killed and a City Almost Completely Destroyed.

Syracuse, Sicily, Sept. 27.—For 24 hours before the cyclone burst over this island Thursday a violent storm raged on the eastern coast of Sicily. The path of the cyclone was 14 miles long and everything in the line of the storm was destroyed. The sea swept inland for several kilometers, doing enormous damage, while there were violent submarine agitations between Sicily and the main land. Along the railroad from Catania to Palermo, the force of the cyclone was such that rails were torn up and hurled to a great distance.

It is reported from Modica (32 miles west southwest from Syracuse) that 100 bodies have already been found, but that the number of dead bodies swept away by the torrent is unknown.

The newspaper Fraetissa expresses the belief that some 400 people have been killed.

The torrent destroyed everything on the ground floors in houses in the lower portion of Modica. Damage amounting to many million lire has been done. (A lire is worth about 20 cents.) The survivors of the catastrophe have taken refuge in the hills. A relief committee and search parties have been organized at Modica. The disaster is supposed to have been due to a marine waterspout.

To Bar Out Chinese.

Montreal, Sept. 27.—Frank P. Sargent, immigration commissioner of the United States, has made arrangements with the Canadian Pacific Railway Co. to restrict the influx of Chinese into the United States by sending the Chinese only to designated points here, to be selected. Those who attempt an unlawful entrance or present unsatisfactory evidence of right to enter will be deported to China.

Americans in Trouble at Paris.

Paris, Sept. 27.—The police of Paris have been watching for some time past the doings of several American jockeys and their friends who met nightly in a certain place where card play for high stakes was indulged in and where victims are said to have been plucked. The police made six arrests and their prisoners included a celebrated American jockey, a race horse owner and a bookmaker. Four of the prisoners were released, but the examining magistrate told them to hold themselves at his disposition.

IN FIVE COUNTIES.

State Troops Are Camped in Pennsylvania.

Rioting and General Lawlessness Continue in the Entire Hard Coal Territory, from Forest City to Williamson—One Miner Clubbed to Death.

Philadelphia, Sept. 25.—Of the ten anthracite coal producing counties of Pennsylvania state troops are camped in five. Despite the presence of the troops in these districts, rioting and general lawlessness continues in the entire hard coal territory from Forest City, Susquehanna county, on the north, to Williamson, Dauphin county, on the south, a distance of more than 100 miles.

The section of the strike region in the vicinity of Forest City, which has been comparatively quiet ever since the strike began, was greatly wrought up yesterday by crowds of strikers interfering with and beating men who had returned to work, and as a result Sheriff Maxey, of Susquehanna county, last night asked Gov. Stone for troops to assist him and other civil authorities to preserve the peace.

At present there are four full regiments, two companies of another and two troops of cavalry in the field. The Thirteenth regiment is camped at Olyphant, six miles north of Scranton; the Ninth is quartered at its armory in Wilkesbarre; the Eighth regiment and the Second Philadelphia City troop are under canvas on the top of a hill overlooking Shenandoah; one battalion of the Twelfth regiment and the Governor's troop are in the Panther Creek valley, and one battalion of the Twelfth is preserving order in the city of Lebanon, where the iron and steel workers are on strike.

Susquehanna, Pa., Sept. 25.—An urgent request for troops was made last night to Gov. Stone by Sheriff Maxey, of Susquehanna county. No. 2 colliery of the Hillside Coal & Iron Co., at Forest City, resumed operations yesterday.

Harrisburg, Pa., Sept. 26.—Gov. Stone was asked yesterday if he would declare martial law in the coal regions. He said:

"Without discussing the power of the governor to declare martial law, it will be wholly unnecessary to resort to that remedy. The fifty-first section of the act of assembly approved April 28, 1899, provides that in case of tumult, riot or mob the commander-in-chief shall call upon the national guard and he may at his discretion order any number of men of the enrolled militia to be drafted and may detail or commission officers to organize the forces.

"The national guard have been sent into the coal regions to suppress tumults, riots and mobs where the civil authorities are unable to suppress them. They will not interfere with the civil authorities, but are there to aid them in preserving order. There is now a surplus in the treasury and the state is prepared to maintain a large army in the field for an indefinite time. I have no hesitation in expressing my disapproval of tumults, riots and mobs and all acts of violence and my determination to suppress them and preserve order, regardless of consequences and regardless of cost."

Scranton, Pa., Sept. 26.—James Winston, aged 48 years, was killed and his son-in-law, S. J. Lewis, was severely injured by a gang of Hungarian strikers who waylaid them on their way to work yesterday at Grassy Island colliery.

Scranton, Pa., Sept. 27.—In a statement published Friday District President Nichols accuses Michael Grimes, an ex-freeman, of being "at the head of a movement inaugurated by the coal companies to bribe a number of mine workers' locals for \$2,500 apiece to vote to return to work." Mr. Nichols declares at the close of his statement that his "informants stand ready to prove their assertions in court."

Mr. Grimes denies the statement and the coal companies also say it is not true.

Shenandoah, Pa., Sept. 27.—Sheriff Knorr, of Columbia county, yesterday asked Gov. Stone to send troops to Centralia. The governor referred the matter to Gen. Gobin and the latter advised the sheriff to make a further effort to preserve peace with the resources at hand.

Strikers held up three trolley cars filled with non-union men and stoned the workmen. Guards from neighboring collieries were called and drove the rioters back.

Detroit, Mich., Sept. 27.—The common council yesterday adopted the following resolution:

"Resolved, That a committee consisting of the president of the council and six other members be appointed to consider the advisability of extending an invitation to the people of all the cities and towns depending upon the Pennsylvania fields for their coal supplies, to appoint representatives to meet in a great convention in this city at the earliest possible date to consider ways and means to force a resumption of the coal production, either by pressure of public opinion or by government intervention, which should be demanded if other measures fail."

A committee was appointed by President Smith and they will meet next Monday night to consider the proposed convention.

Thinks His Son Is Innocent.

Paris, Sept. 27.—A representative of the press has interviewed John W. Young, father of William Hooper Young, who is charged with the murder in New York of Anna Pulitzer. Mr. Young said: "I am convinced that my son is innocent and I shall do the utmost in my power to help him, while if I thought him guilty of such a crime, I would not move my hand to save him from justice. My son is not a member of the Mormon church, nor has he been connected with it for many years. We have been estranged for 15 years."