

Profit Sharing Movement

Advantages of a System That Establishes a Community of Interest Between Employers and Employed—Views of Some of Its Prominent Advocates—Will Eliminate Strikes—Achievements of Its Most Conspicuous Supporter.

By JAMES A. EDGERTON.

IS the next great step in industrial evolution to be in the direction of profit sharing? Is this to be the solution of strikes and labor troubles, the ushering in of a better day for employers and employees alike? Yes to both questions—decidedly yes—if such men as President Roosevelt, Andrew Carnegie, Melville E. Ingalls, the railroad magnate, and Arthur James Balfour, ex-premier of Great Britain, can be accepted as prophets. In the past few weeks utterances from these men and others have approved profit sharing in the strongest terms. Carnegie even goes so far as to say in effect that the present wage system is doomed. He would have the workers made partners in the business. N. O. Nelson, the St. Louis manufacturer who for more than twenty years has practiced the division of profits, advocates that not only employees, but customers, be given their pro rata of the returns that their purchases produce. The United States Steel corporation encourages its workmen to buy stocks. Even John D. Rockefeller apparently has enough and is willing to let other people share profits—at least in everything except Standard Oil. He approves the principle. If he would go as far as Nelson and divide profits with his customers he might help some in oiling the wheels of general prosperity. While it is to be feared that his approval is more in theory than practice, it is something to gain his assent to the righteousness of the idea. It shows that there are limits to men taking

and be enabled to invest it in the tools and instruments by which all work is carried on. As far as possible I hope to see a frank recognition of the advantages conferred by machinery, organization and the division of labor, accompanied by an effort to bring about a larger share in the ownership by wageworker of railway, mill and factory. In farming this simply means that we wish to see the farmer own his own land."

Inasmuch as these recommendations of Mr. Roosevelt do not require congressional action and so cannot be man-handled by Uncle Joe Cannon, there is some chance for them. The kind of profit sharing believed in by congress is that in which some benevolent seeker of special privilege is willing to divide his pile for the purpose of getting votes. I hope our august lawmaking bodies will not regard this as an insult. They ought not to, for I have often defended them from sweeping denunciations. Besides, insulting congress is a prerogative of the president alone.

Great Equal Partners.

Andrew Carnegie, who has built so many libraries that we need no longer borrow books from our friends and forget to return them, is even more optimistic and sees labor marching to the heights along the profit sharing road. He says no corporation founded on the old lines can hope to compete with one in which the workers have an interest and are given special rewards for good service. He foresees

making great headway and promises soon to be universal."

Eliminator of Strikes.

Melville E. Ingalls, chairman of the board of the Big Four railroad, puts his advocacy of the new idea on the ground that it will eliminate strikes.

"I believe that profit sharing is the only sure means of doing away with the possibility of such disputes," he says. "If every railroad would adopt the principle I doubt if we would have any more strikes. If every industrial corporation would adopt it I doubt if there would be any more lockouts. Make the laboring man your partner, recognize him in the division of profits as well as in the determination of the cost of production, and you'll go far to do away with these difficulties that have been interfering with our industrial progress for so many years."

I quote all these utterances to show their emphasis and significance. Surely a new era is dawning in the economic world when men of this character come out for an idea that a few years ago was regarded as the extreme radicalism. Yet profit sharing is no new thing, especially in Europe. In France it has been in successful practice for half a century or more, and there are now scores of co-operative concerns throughout that country. In England the Rochdale plan has long been famous, and with it as a model many other profit sharing schemes have sprung into existence. Just now the movement has been given a new impulse in Great Britain, the speech of ex-Premier Balfour before mentioned referring to a number of new co-operative enterprises of importance. Profit sharing has not gained so great a vogue on the continent outside of France, yet there are a few concerns in Germany, Switzerland and elsewhere that are practicing the principle.

Most Conspicuous Supporter.

In America this form of co-operation is of more recent date. The Proctor & Gamble company, after suffering from a great many strikes, adopted profit sharing and has had no serious labor troubles since. About the same time, 1886, N. O. Nelson, a millionaire brass manufacturer of St. Louis, took up the plan and has since been its most conspicuous supporter in the country. As already stated, Nelson not only includes his employees, but his customers, in the division of dividends. He has also given his workmen an ever increasing share in the business, gradually withdrawing from ownership himself. The experiment has proved eminently successful. One of Mr. Nelson's innovations was to found a town in Illinois, which took its name from Leclaire, the practical founder of profit sharing in France. It is one of the boasts of this town that it has never had any other government than the state laws and yet has never known a crime. In it there is no renting, each workman owning his own home and paying for it as he can. Nelson lives among his employees in a house but little more pretentious than theirs. One of his cherished ideas is that it is a bad habit for captains of industry to get rich, since they have a higher mission in serving the public.

I used to know Nelson about the time he was in the St. Louis city council, where he had something to do with inaugurating the reform wave that finally brought Joseph W. Folk to the front. He is an unpretentious man, ever in sympathy with all advanced movements and freely helping every worthy cause and sincere individual that appeals to him. One of his pet ideas in the council was to sell city franchises at public auction, but in this he was defeated. He promoted causes like the fresh air mission, free steamboat trips for the poor, workmen's culture clubs, traveling libraries and kindred movements that would add to the happiness and intelligence of others. He once had a handsome home in St. Louis, but gave it up to live among his own people at Leclaire. Here he has established clean social amusements, reading rooms, literary and discussion clubs, public lectures, and has encouraged the people to beautify their homes and make an ideal village.

Nelson O. Nelson was born in Norway in 1844 and came to this country in childhood. He was educated in the common schools of Missouri and served as a private in the Union army during the civil war. He started life as a clerk and made his own way. In 1872 he established his manufactory of plumbers and steam fitters' supplies which he is now turning over to his employees.

Methods That Have Succeeded.

Profit sharing has taken many forms with us, some of which have not been notably successful. The most common plan has been that of selling stocks to workmen. Whether it is because of suspicion of the stock market, lack of means or lurking enmity to their employers, the men have not fallen over each other in the scramble to invest. The plan has by no means proved a failure, but has gone so haltingly that there must be some inherent defect in it. A method that has succeeded much better has been that of pensions and rewards for extra service. One firm divided its workers into grades according to efficiency. To the most efficient a large dividend, or rather bonus, was voted, to the next grade one-half as much and to the lowest grade nothing at all. Splendid results have attended this plan wherever put into force. Another plan that succeeds well is to present the men stock in the company for meritorious service. This is one of the methods of Mr. Nelson.

Regardless of the particular form it may finally assume, however, it is certain that the new idea of profit sharing will spread rapidly through all industries and will inaugurate a new era in the relations of capital and labor.

Farm and Garden

GATE FOR THE SNOWDRIFT.

Simple Plan For Open Way In and Out.

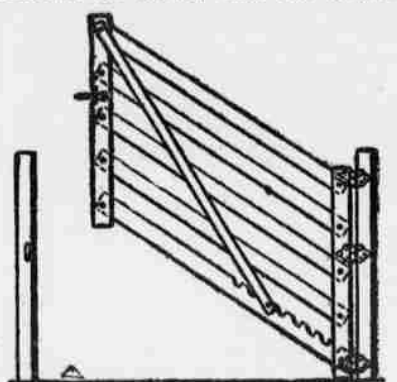
There is no snow cleaning in the country. The farmer breaks his way through the drifts with difficulty. There is more play for the winds in the country than there is in the city, and when the snow accompanies the wind the drifts impede travel and clog the ways about the farm. The gateway must be kept clear because that is the way in as well as the way out. Unless the gate is constructed in a manner that will readily yield to the



GATE CLOSED.

impediments it is about as good as no gate. In the plan suggested herewith is a partial solution of the difficulty which so often confronts the farmer at this season of the year. Two cuts are pictured. They show a gate which can be readily adjusted in case of snowdrifts.

It is easily made from ordinary lumber. A 1 by 6 upright is used for the two lower boards, 1 by 4 for the upper ones. The uprights at the hinge post are double 1 by 4, one piece outside and the other inside the bars. The upright at the latch side may be the same weight of stuff or slightly lighter and fastened in the same way. Instead of nailing the bars to these uprights, bolts are used, one for each bar at each end. The lowest board is notched, as shown, and the double



GATE OPEN.

brace used from the top of the latch post to the bottom of the hinge post. For the braces 1 by 3 stuff is strong enough. These may be held in place at the top by a single bolt. They are joined near the bottom with a bolt which engages with the notches when the gate is raised, as shown in the cut.

Tuberculosis in Animals.

The international congress on tuberculosis which recently met in Washington, as a whole, dealt especially with human tuberculosis, but considerable attention was directed to tuberculosis in domestic animals and notably to questions dealing with the milk and meat supply and with the inspection of these products. One of the seven sections into which the congress was divided devoted itself especially to these topics, and the general addresses before the congress, as a whole, included a lecture by Professor Bernard Bang of Copenhagen on "Studies in Tuberculosis in Domestic Animals and What We May Learn Regarding Human Tuberculosis." An extended discussion followed the reaffirmation by Professor Dr. Robert Koch of Berlin of his theory as to the nonidentity and nontransmissibility of human and bovine tuberculosis, after which a resolution was unanimously adopted recommending "that preventive measures be continued against bovine tuberculosis and that the possibility of the propagation of this to man be recognized."

The very extensive exhibits from the various countries in America and Europe attracted much attention and presented a vast amount of illustrative material of rare educational value. Phases dealing especially with the prevention and treatment of the disease in its early stages predominated, there being a great variety of models of sanatoria and special appliances.

Same Here.

The oldest man in our town
Cannot recall, by heck,
A winter when he got so few
Snowballs in the neck.
—Louisville Herald.

Social Distinction.

Boss—What's the trouble down there?
Mike—Aw, the driver of the steam roller wants to be called a chauffeur.—Northwestern Academician.

Merely a Suggestion.

Wills of rich men oft remind us,
If in our graves we'd rest content,
We should in dying leave behind us
For heirs and lawyers—not a cent.
—Judge.

Made a Noise.

Church—You say he's a very quiet man?
Gotham—Yes, unless he's eating—Yonkers Statesman.

In Melodrama.

He says he once supported Booth
And tells us how
It jars him to support, forsooth,
A sawmill now.

PROMISSORY CAR FARE NOTES

Minneapolis Man Will Save Temporarily Penniless From Walking.

If you get on a Minneapolis street car and find that you are broke or have a ten or twenty dollar bill that the conductor cannot change you will not have to get off and walk. No, indeed; the conductor will merely give you a little slip of paper which will be a note promising to pay the street railway company the amount of your fare at the first opportunity.

Street car conductors in Minneapolis were recently furnished with these slips, which read: "This certifies that I am indebted to the Twin City Rapid Transit company 5 cents nonpayment of fare. I promise to forward this amount immediately to the office of the company."

Passengers who persuade the conductors to trust them and then forget to remit may be sued if the company finds it needs the money badly.

Biggest Fig Farm in the World.

John W. Gates and James Hopkins of Diamond match fame have gone into partnership in the establishment of the largest fig farm in the world, says a Galveston (Tex.) dispatch. It is in Jefferson county, not far from the Gates estate at Port Arthur, Tex., and more than 5,000 acres are being planted in fig trees. The two capitalists own nearly 15,000 acres of fine land, and they are planning to put all of this into fruit growing before another season has passed. Expert fruit growers from California and Florida have been brought to Galveston for the purpose.

LINCOLN'S LAST STORY.

Told to a Congressman Night Before the President Was Assassinated.

What was doubtless the last story told by President Lincoln and which has heretofore escaped publication was recently related to the house of representatives by General Keifer of Ohio, says a Washington dispatch. A bill to reorganize the militia of the District of Columbia was under discussion. It met the criticism of General Keifer, who said it reminded him of a story told by President Lincoln the night before he was assassinated to the late Hon. Samuel Shellabarger, for many years a member of congress from Ohio.

Mr. Shellabarger, said General Keifer, called at the White House to request the appointment of a constituent to a staff position. "That reminds me of a story," responded President Lincoln. "There was a woman living on the banks of the Sangamon in the early days who had the reputation of being able to make a good white shirt. An Irishman about to get married ordered a shirt from her for the ceremony. She made the shirt and starched it, but when the Irishman put it on he found that the starch went all the way around, and he returned it for reconstruction, with the comment that he didn't want a shirt that was all collar."

"The trouble with you, Shellabarger," Mr. Lincoln remarked, "is that you want the army all staff and no army."

Good Wives.

A wife, domestic, good and pure,
Like small, should keep within her door.
But not, like small, with silver track,
Place all her wealth upon her back.

MEANS MUCH

To the level-headed young man, a bank account, added to a determination to make it larger, means much. The names of many such are enrolled on our books and the number is steadily increasing. Are you among the number?

FARMERS' and MECHANICS' BANK.
Honesdale, Pa.

ONLY \$2.00 FOR ALL!

By a recent arrangement with the publishers we are able to offer

The New York Tribune Farmer
The "Human Life"
and THE CITIZEN
FOR ONE YEAR FOR \$2.00

THE TRIBUNE FARMER is a thoroughly practical, helpful, up-to-date illustrated national weekly. Special pages for Horses, Cattle, Sheep, etc., and most elaborate and reliable market reports.
Dr. C. D. Steward, the best known veterinary surgeon in America, writes regularly for THE TRIBUNE FARMER, thoroughly covering the breeding, care and feeding of all domestic animals, and his articles meet the needs of every practical working farmer, and interest every man or woman in the city or town who owns a horse or cow.
The "Human Life" is a monthly magazine with the world's best contributors.

Sample copies of the three publications sent on application to

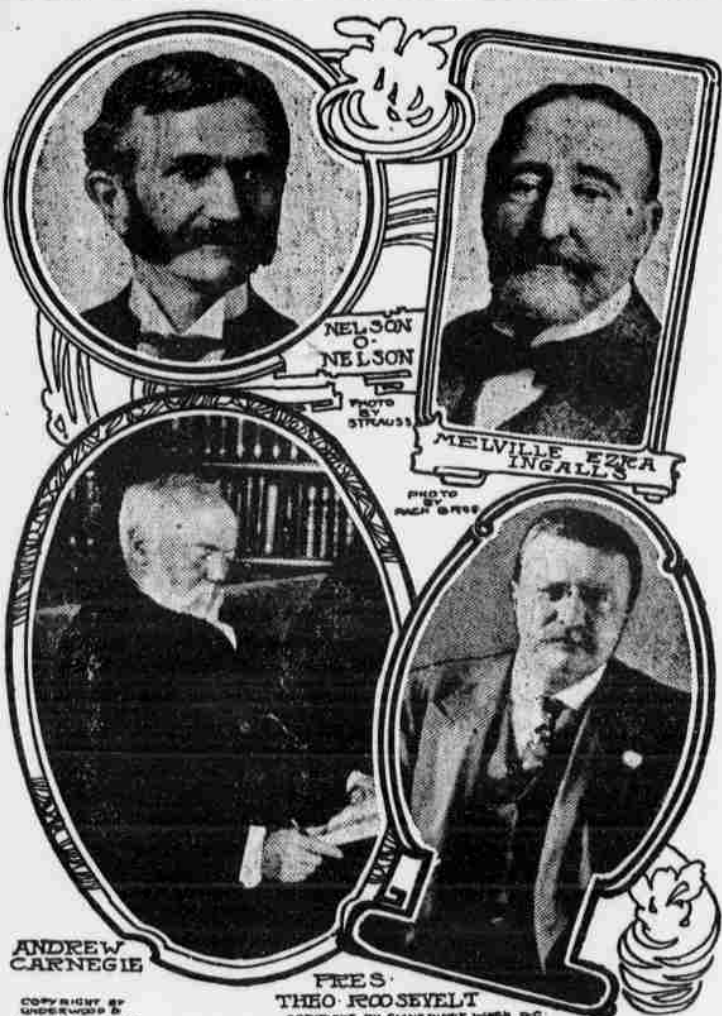
THE CITIZEN,
Honesdale, Pa.

The Era of New Mixed Paints!

This year opens with a deluge of new mixed paints. A condition brought about by our enterprising dealers to get some kind of a mixed paint that would supplant CHILTON'S MIXED PAINTS. Their compounds, being new and heavily advertised, may find a sale with the unwary.

THE ONLY PLACE IN HONESDALE AUTHORIZED TO HANDLE CHILTON'S MIXED PAINTS IS JADWIN'S PHARMACY.

There are reasons for the pre-eminence of CHILTON PAINTS:
1st—No one can mix a better mixed paint.
2d—The painters declare that it works easily and, has won derful covering qualities.
3d—Chilton stands back of it, and will agree to repaint, at his own expense, every surface painted with Chilton Paint that proves defective.
4th—Those who have used it are perfectly satisfied with it, and recommend its use to others.



PROMINENT ADVOCATES OF THE PROFIT SHARING PRINCIPLE.

what others create. Some of us had begun to fear there were none, or at least none which the captains of industry would recognize.

New Business Partnership.

Here is to the new business partnership consisting of capitalist, worker and consumer! It sounds fine, but all the time I am pinching myself to be sure I am awake. Heretofore the capitalist has been the whole firm. The worker was only a poor relation, while the consumer was a rank outsider who got it from both sides. Is it possible that in future the high financier and the captain of industry are going to hand back a little of what they take from us? Carnegie says so, but I am afraid to believe it for fear another rise in trust prices will come along to shatter my dream. To be perfectly honest, the only sort of profit sharing I have ever been up against has had the candy on the other end—that is, my profits have been shared by the food trust, the landlord, the clothing trust and all the other benevolent corporation gentlemen who claim the Goddess of Liberty on the dollar as their affinity. If Roosevelt, Carnegie, Ingalls and Balfour know of any kind of profit sharing that does not give the trusts all the profit and the people all the sharing, I am for it.

The president's last annual message speaks of the matter in this wise: "I believe in a steady effort, or perhaps it would be more accurate to say in steady efforts, in many directions to bring about a condition of affairs under which the men who work with hand or with brain, the laborers, the superintendents, the men who produce for the market and the men who find a market for the articles produced, shall own a far greater share than at present of the wealth they produce

a day when capital and labor will be equal partners in all industrial enterprises. He does not speak on the subject as a theorist alone, having practiced for years, taking his most efficient workmen into the business. It was on his recommendation that the steel trust invited its employees to become stockholders.

Is it the specter of socialism that has frightened so many of our leading men into their sudden advocacy of profit sharing? The president's message gives ground for that inference, while Mr. Carnegie intimates the same when he says:

"The idea of making workmen shareholders and dividing a share of the profits among those rendering exceptional service will probably encounter the opposition of the extremists on both sides, the violent revolutionist of capitalistic conditions and the narrow, grasping employer whose creed is to purchase his labor as he does his materials, paying the price agreed upon and ending there. But this opposition will, we believe, amount to little. It will even speak well for the new idea if scouted by the extremists and commended by the mass of men who are on neither dangerous edge, but in the middle, where usually lies wisdom."

The laird of Skibo continues: "So far we have a list of 189 manufacturing concerns in the United States which have welfare departments, sales of stocks to workmen or other modes of adding to their wages or forms recognizing the community of interest between employers and employed. Eighteen of the principal railroad companies in America have established systems of pensions for their employees as extra recompense, the cost borne exclusively by the corporations. The pension feature, like profit sharing, is