

is to blame? The mine owners or the voters who uphold Land Monopoly?

S. D.

Better Than a Lord Bountiful.

Public attention has been called to the action of Henry Ford, the automobile manufacturer, in voluntarily establishing a minimum wage of \$5.00 a day in his factory, making eight hours a day's work, and instituting other profit-sharing arrangements. Most of the comment made seems based on the opinion that Mr. Ford's action is a one-sided affair in which he generously gives profits to his employees without any expectation of return. Such an opinion robs Mr. Ford of credit that is due him. It places him in the position of Lord Bountiful, a position assumed only by those whose judgment is not as good as their intentions. It places his employees in the humiliating position of recipients of Lord Bountiful's charity, a position repugnant to self-respecting persons. Mr. Ford has displayed the possession of a broad mind and of the knowledge needed to realize that it pays an employer fully as much to have the good will of his employees as for an employee to have the good will of his employer. The policy he has instituted can only prove a public benefit if it encourages other employers to follow his example. It can hardly do this if it fails to benefit him financially. So those who hail him as Lord Bountiful are casting doubt and discredit in advance on a policy which other employers might adopt from purely selfish motives could they be sure that no feature of something for nothing is involved therein.

A policy similar to that instituted by Mr. Ford has proved a financial success in the case of some other employers. Tom L. Johnson at Johnstown found that it paid to pay higher wages than his neighbor, The Cambrian Iron Co. It gave him the pick of the labor market. The same is probably true of others who have adopted a similar policy, among whom may be mentioned, "Golden Rule" Jones of Toledo and Fels & Co. of Philadelphia.

Under existing conditions it is not possible for Mr. Ford's policy to be universally adopted with success. It can be applied where the employer has a monopoly, or where his trade mark on an article alone suffices to give it an advantage in the open market. But to urge employers generally to do so is as impracticable as is the advice so frequently given indiscriminately to employees, to voluntarily work longer than the hours required of them. An

occasional employee who does this may be favored by his employer. But if all do so the advantage will be lost and the final result will be more work for all without increase of wages. It must be the same way with employers. The occasional one who pays more than he must can get the most efficient labor in the market. But if all employers do so, no particular one will have any superior attractions.

Even if all employers were to voluntarily pay more than the market rate the employees would not long derive much profit from it, under conditions as they are today. A general increase in wages would be followed by a proportionate increase in land values, and in the end land owners would absorb in rent all that workers would gain in increased wages. As long as land values remain subject to private appropriation, the individuals who own the land will be able to get the lion's share of all public benefits. The labor problem can not be solved through unanimous following by employers of Mr. Ford's example, even if such action were possible, although the value of such an effort, as a lesson in political economy, would be great.

S. D.

Regulating Competition.

The idea of commercial regulation through industrial commissions has had considerable vogue of late among persons who lack the courage to stand boldly for principle, or who will not take the trouble to examine into the problem they seek to solve. The holders of privilege would, to be sure, prefer to be let alone; but if that cannot be, if the public is determined to do something, they would much rather have their privileges regulated than to have them abolished. The good-intentioned reformers who advocate regulating-commissions are, like the Socialists, victims of the deadly analogy. The Interstate Commerce Commission has been a useful instrument of government. It has brought some order out of the transportation confusion, and its usefulness has increased as its powers have been extended. Therefore, the commission advocates argue, we should have industrial commissions to regulate the general business of the country.

The fallacy of this logic lies in the confusion of facts, and the treatment of things as analogous that are in fact wholly different. A part of the business of the country is based upon natural privilege, confirmed by law; another part is naturally