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THE WOOL GROWERS SET RIGHT

Those people who have been misled by republican papers and persuaded to believe that free wool means injustice to the wool grower will be interested and instructed by reading a letter written by "a life long sheepman" and printed in the St. Louis Republic. This letter ought to be reproduced in every newspaper in America. It is the frank statement of a practical and experienced man:

To the Editor of the Republic: Have been reading an article in your paper entitled, "And Now for Schedule K." It is a strong and just indictment of the tariff on wool, with the exception of one paragraph, in which you say, "But the duty of 42 per cent on wool enables the shepherds, like Senator Warren, to get fine prices for their fleeces. In this paragraph you do a great and, I am sure, an unintentional wrong to the flock masters of the United States. They have never, so far as I know, received any protection from the tariff; it has all gone into the pockets of the manufacturers. I am a life-long sheepman. I know whereof I speak, to my cost. Last fall I was visited about shearing time by a gentleman, who had been for years interested in New Zealand and Argentine wools. I asked him to sample and grade my clip and say what it would bring on the London market. After a careful examination, he said it would bring at present about 25 1/2 A, adding that he had never seen better wool, even in New Zealand. As I get London quotations and am a fair judge of wool I knew his estimate was about right. But I sold this "highly protected" wool for 17 1/2 A, and it was the top price paid in this country. The proof of the pudding is in the eating. When Cleveland was elected I owned 1,600 sheep and was making a good living for my family. Three years later I was working for \$15 a month for such of my impoverished neighbors as still kept their business up. But it was not the want of protection that killed the wool business and decimated the flocks, for the depression in business was general and widespread, and was caused, in my opinion, by a scarcity of ready money, caused by so much of the circulating medium being absorbed by the enormous bond issues, necessitated by the wiping out of the revenue. Nothing like this will result from the present democratic policy, which has my hearty approval, although I have on hand more sheep than when the Cleveland administration ruined me and every one I know, for the ruin was by no means confined to the sheep business in this state. Cattle were selling at \$14 per head before election and I saw them sell for \$2.50 on credit, two years later. I must say we had a succession of dry years at that time, but, although that made bad matter worse for us, the depression was general in the United States. I have only to add that I am not now and have never been affiliated with any political party, having always been an independent. So this is business, not politics.

Tularoso, Tex.

DAVID ROSE.

The High Cost of Government

Why Your Tax Dollar Buys Only Seventy Cents' Worth of Service: How to Get More for It

R. E. Coulson in the "System" magazine. Reproduced by courtesy of the "System" publishers:

"Thousands of persons know something of the business of the government, but no man living comprehends fully what the government of the United States includes, how it is organized or what are its activities. The government has never been described in such a manner as to lay the foundations needed for technical judgment, or in such detail as to permit the consideration of its many problems in their relations to each other. * * *

"A vast administrative mechanism has been built up, not according to a carefully thought-out plan, but step by step as exigencies present themselves. The result is a scheme of organization in which little conscious effort has been made to integrate the parts into a systematic whole, so that the duty to be performed will be most advantageously assigned, unnecessary work prevented, and duplications and overlapping eliminated.

"How work shall be performed, what shall be the business practices and procedure followed, where responsibility shall be located, have been determined as specific problems have come up and not in response to an organized effort. As a result, the widest diversity of law, regulation and practice is in evidence. * * * Only in exceptional cases have successful efforts been made to standardize practice and procedure, thus to obtain increased economy and efficiency."

Reading this summary by the economy and efficiency commission of the conditions behind the Niagara of lost motion and wasted effort at Washington, every business man will sense the possibilities of saving millions of tax dollars for the building of new services contributing to the public good. Because the functions carried on by the government parallel nearly all the functions of everyday business, the man of vision will see an opportunity to work out principles of business practice which may be applied in every office, factory and store. For every tax dollar saved at Washington, such standards might save one hundred dollars for the business men of the country.

The vast totals of government operations, if analyzed and classified, might easily make possible the securing of averages which would form a basis for the establishment of business standards. Just as the department of agriculture issues bulletins to farmers, so the department of commerce might issue bulletins to business men, taking up both individual cases of business success and broad principles of business policy based on the working out of methods in the business mechanism of the government.

Sections of this gigantic task were undertaken by the commission. They found the administrative machinery and business methods of the government expanded haphazardly with the growth of the country, yet clinging with curious persistency to ways that have been abandoned and devices that have been scrapped in efficient private enterprise. This in face of the fact that the government spends more than one billion dollars a year, handles over five billion dollars in monetary transactions every year, and mixes in many millions of acts of business every year, from selling a one-cent postage stamp in an Alaskan wilderness to buying a ten-million dollar battleship on the Atlantic coast.

In approaching the task of re-organizing this administrative machine, the commission took the same point of view that any business man may take, and many of its reports are as suggestive of ideas for the average business as the bulletins of the department of agriculture are suggestive for the farmer. The commission found the work dividing into two jobs for immediate approach. One of the tasks was stupendous—so big it would take years—perhaps a generation—to complete. This job—a detailed study of the whole mechanism of the government, a listing of all its activities and a consideration of all its parts, was begun. The foundation studies of the commission will undoubtedly form the basis for whatever work a like body may attempt on the same task in the future. A second job into which work was separated was a straight-away "getting down to

brass tacks." They massed and directed experts at certain points, showed the waste in efficiency at those points and put to the front written, specific recommendations of methods which would stop the waste and cut down the inefficiency.

Not all departments were found wasteful. Sorting out the broadly recognizable inefficient work disclosed certain efficient departments. Here the possibilities of the commission's work in correlating inter-departmental functions is evident.

Just as in the analysis of any business, certain departments and functions will be found working efficiently, so, in the government, what may be called approximate laboratory standards have been worked out in certain departments. Take the reclamation service. Of this service, the chairman of the commission says: "The best cost accounts kept by an operative service in the government are to be found in the reclamation service. There they tell every month the horse-day cost of every corral, and the manday cost of each mess; the cement-yard cost of every lining of every tunnel; the gasoline cost of every motorcycle, and so on."

If the entire government had a plan and methods such as obtained in the reclamation service or in any efficient private business, certain curious situations would not arise so frequently. As an instance, the combined statement of receipts and disbursements of the government for the fiscal year ending June 30th, 1910, a report required by law and purporting to give an analysis of the expenditures of the government as a whole, was commented upon by the president as follows: "This shows that the expenditures for salaries for the year 1910 was 132 millions out of 950 millions. As a matter of fact, the expenditures for personal services during that year were more nearly 400 millions, as we have just learned by the inquiry now in progress." That is to say, the economy and efficiency commission demonstrated that the government has yet to learn the essential lesson of how to keep a pay roll.

Though the commission hoisted a high banner and flung a tremendous project on the plan board of the government, it nevertheless made a straight line for definite, immediate, paying results. The possibility of the publication of detailed cost analyses in different manufacturing enterprises is suggested by one of the investigations into the cost of handling the government's publications.

A remarkable sweep-out of wastes, duplications and inefficiencies, saving \$242,713 a year, was shown to be practicable in the distribution of government publications. After the government printing office finished printing and binding an edition, the books were wrapped, packed and hauled to the department which had ordered the printing. The department as it received orders for the books, then packed and hauled them to the post office. The comment was made, "If two factories were competing against each other and one of them did as much extra packing and hauling as the government does with its publications, that factory would go into bankruptcy, provided its rival cut out the lost motion."

The possibilities of detailed investigation into different functions were suggested in the article on the analysis of the handling of correspondence in last month's "System." In all its work, the commission followed a plan of attack that suggests a method of approach to the problems of the individual business and again suggests the possibility of presenting tested methods to every business man.

The working principle assumed was that any constructive proposal or change of method to be recommended should be founded on a full knowledge of the five factors: the administrative problem, the work before each department, bureau or division head; the organization and equipment provided for dealing with the problem; the methods of procedure employed by those in charge of work; the results obtained; and finally an investigation by competent experts as to what is the matter with the present organization, equipment, method and results.

By this method of approach, the adjutant