

Benevolent Business Oligarchy Being Developed
Through Easy Money from In flations of Capital Rarely does a week pass without bringing news are constantly forming and old ones are erowing
larger by a process of absorption. Intensive comlarger by a process of absorption. Intensive com-
pettition, excess production capacity, and the economies of quantity production and of systematized distribution are proving potent influences for centrailization. The movement is by no means new. It appeared among the railroads about the mepde or units began to be linked into trunk lines, and these in turn have since been merged into still larger
systems. In the '80s of the last century the movement began to make headway in the industrial ment began to make headway in the industrial merchandising and even into the theatrical and
moving pioture businesses. There is now some moving pictur
talk of agricul
farm problem.
Much has been written on this trend toward
Larm pronem combination. Some of it has been polemical and tion has been given to one of its most important human aspects-its effect upon the individual busIness man who willy-nilly has become a part or
member of the new order. For him, in the great majority of cases, the change means a passing of his one time independence. Just as the industrial
revolution of the $18 t h$ century changed the ide revolution of the 18 th century changed the inde-
pendent master crattsman, working in his own pendent master craftsman, working in his own
shop and with his own tools, into a wage earner supplying nothing but his labor, so this later rev-
olution is changing the man at the head of a small olution is changng the man at the head of a small
business enterprise into the salaried empioye of a huge corporation.
On the whole, this probably means less worry
and more ease and comfort for those affected, but whether this is a sufficient offset for the loss of
independence is a moot question. At least one fact, howeever, seems well established. this loass on inducu-
trial freedom does not mean also the closing of the trial freedom does not mean also the closing of the
door of opportunity for advancement, as is somesay that the opportunities are multiplied, but withIn a much narrower range. The big corporation
usually keeps a keen lookout for signs of talent among its personnel, and is ready to reward this salent substantially, because it has learned that
such a policy yields good returns. Prompt promo-
tion for merit explains why every day is so well served by its staff. Ocasionily we a Occasionally we do hear of some ambitious cor-
poration official with a promising career ahead of
him rebelling at the discipline essentiol him rebelling at the discipline essential in a large
organization, or at the lack of personal contact organization, or at the lack of personal
with anything more than a tiny fractio
whole work, and going into business on
come more slowly, the personal satistaction will be
greater. But these exceptional cases only confirm the conclusion that for most business men the yoke
the thew system is apparently not galling of the new system is apparently not galling. Nevertheless, the ease with which the trans-
tion has been achieved can not bilind us to its far reaching social effects. It means that the opportunities to advance are to be found along only one
path. Men must obey the strict rules of the syma path. Men must obey the strict rules of the sys-
tem-rules which they have had no voice in making. Independence exists, but only at the top. However conducive such a scheme may be to in-
dustrial efficiency, It has little of the democracy dustrial efficiency, it has little of the
of the system which it is supplanting.
Individualism is thus yielding to something
closely akin to institutionalism. Abllity to forge closely akin to institutionalism. Ability to forge
ahead has become less dependent on personal initiative anid more on one's ability to fit into a cer-
tain place in an elaborate machine. The machine tain place in an elaborate machine. The machine
itself sometimes helps to do the fitting. A personnel staff devotes its stime to putting the or ound pegs
and the better square pegs into the proper holes. and the better square pegs into the proper ho
This pays better than throwing away the per which do not fit where they are first placed. Even provision for a "rainy day" is becoming
among the employes of great business establishments less and less a matter of personal initiative. Foresight and self control were once much more indispensabie to getting ahead than they are in
these days when so many organizations are providing sick benefits, insurance and old age annuittes.
The "tightwad" in the big office today probably has poorer prospects of success than the free
spender who spends with an eye on the main has poor
spender
chance. The changes which are now going on have led some observers to predict that with high wages,
high salaries and a benevolently oligarchic control high salaries and a benevolently oligarchic control
of business America will lose many of those traits in the past: that a nation of hard working indlin the past; that a nation or hard working ind-
vidualists is gradually becoming one of pampered
employes who spend as fast as they recelve. employes who spend as fast as they recelve.
Happily, there are many things which chalHappily, there are many things which chal-
lenge such a pessimistic forecast. Out of their
larger incomes the people continue to larger incomes the people continue to save, as the
growing business of life insurance companies and of savings banks continually attests. And while
the management of our basic industries is bing the management of our basic industries is being
concentrated in the hands of a few, the actual ownership of these industries is becoming more
and more widely diffused through the development among the people of the habit of investment. This
diffusion of ownership is, in fact, one of the most diffusion of ownership is, in fact, one of the most
comforting features of a transformation which bound to bring in
economic problem

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No Excuse for Friction Between United States and Great Britain



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$\underset{\substack{\text { Geting sill } \\ \text { From Tht Bits }}}{ }$

## "See that frim orex thertitere?



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Rrom Sose inder $\mathbf{x}$.Ras.














