

whenever requested, into the large storage tanks of the company, and is held for the owner as long as he desires it. A certificate is given for it, which can be turned into cash at any time; and when sold, it is delivered to the purchaser at any station on the delivery lines. A new oil-field was discovered last summer near Pittsburg, and in three months the production was 70 000 barrels per day. Yet pipe lines and storage tanks were built so rapidly that this enormous product was handled with scarcely any waste.

The lines to New York deliver to the refineries at Long Island City and Bayonne 1,250 000 gallons per day. This is manufactured into a great variety of products, the principal one being illuminating oil. Some of the illuminating oil is barrelled for local trade, some is shipped to other points in tank cars made for the purpose, some is placed in tin cans boxed in pine for the oriental markets; but the greater part is pumped directly from the refineries into steamers carrying oil in bulk, and thus shipped to European ports, there to be pumped into huge tanks for further distribution by tank cars and tank wagons. The capital invested in this system of pipe lines, tank cars, and tank steamers is more than \$50 000 000. By this system oil can be placed at the seaboard and on tank steamers at less than the cost of a few miles of wagon transportation under the old system.

The importance of this method of transportation cannot be overestimated at the present time. In Russia wells pour forth petroleum in almost unlimited quantities, and its price at the well is less than five cents per barrel. Their system of refining and marketing is copied from ours. The capital employed is large, and Russia is striving for the markets of Europe and the East. They already dispose of 1,200,000,000 gallons of the crude product per annum. Were it not for our pipe-line system, our tank steamer system, our cheap methods of refining and manufacturing all necessary materials, we could not hold the export trade for a single year. This system could not have been built up without a combination of persons and capital.

The actual cost of refining has been reduced since 1872 about sixty per cent. This has been accomplished partly by the discovery and use of better processes and better machinery, partly by the elimination of the waste once incident to the business, and partly by the refiners' manufacturing for their own purposes and cheapening the cost of the materials used in manufacturing oils. Residuum was formerly used for fuel; now it is made into paraffine wax and lubricating oils. Naphtha was once little better than a waste product; now, as a component gas, it lights the great cities of the land. Sulphuric acid is largely used in refining, and formerly cost \$1.25

per hundred pounds; the Standard manufactures its own at a cost of eight cents per hundred pounds. In 1872 barrels cost the trade \$2 35 each; the Standard manufactures them now at a cost of \$1 25 each. As 3 500 000 barrels are used per annum, this item of saving amounts to \$4,000 000 per year. Tin cans are now manufactured by the Standard at fifteen cents less per can than they cost in 1874. Thirty-six million cans are used per year, and this saving amounts to \$5,400 000 annually. Thus I might speak of paint, glue, tanks, stills, pumps and pipes.

Almost everything used in the oil business is manufactured by some of the corporations which were created for the particular purpose. While the price of oil has thus been lowered, competition has not been destroyed, but is vigorous and effective. Thousands of workmen and persons of small capital are sharing the profits of the business, the wages paid are above the average, and American petroleum is holding its place in foreign markets. Association was necessary to accomplish these results. It is necessary to accomplish any great business end. Wise legislation and wise judicial exposition will strive to lessen and eradicate any evils resulting from association without destroying an instrumentality capable of such beneficial results. Even men not accustomed to clear thinking should be able to detect a difference between combinations designed to repress business and combinations for the purpose of carrying on business.

UNWISE DECEIT. It is a legal maxim that fraud vitiates any contract into which it enters. So in business, when a trade, even in a legitimate and beneficial article, is built up on a fraudulent basis, it seems that such trade is unable to survive the elimination of the dishonest element. A few years ago the practice arose of mixing flour, the standard bread staple, made from wheat, with a similar preparation made from corn. There was no harm in this; corn is rich in nutritive matter, and the chances are that the resulting mixture was a better food-material than the plain flour would have been, for a good deal of the wheat-flour is pretty poor stuff, as far as regards nutrition. But the millers made the mistake of trying to pass it off as pure wheat flour; instead of selling it for what it was, as a new, valuable and cheap food-staple, they put it out under a name to which it was not entitled. This may have been necessary in order to sell it at all, since the public loves to be fooled; but the fraud presently became too palpable, inasmuch as some of this "pure wheat flour" was composed of a quarter to a third of corn. This made the bread darker, and the laboring man concluded that he was being

poisoned. This is the same dear intelligent laboring man who insists on having his pickles and peas made a beautiful unnatural green with poisonous copper salts; who will not touch water from the city mains, but must drink the fluid from the diseased well in his backyard; who, during the siege of Paris, rejected with loathing the horse and mule-meat that the wise and wealthy were eating, and spent all his money for scraps of the few cattle that remained, because he had always been used to beef.

Complaints of the "adulteration" of flour, at all events, became so numerous, that congress passed a very simple and reasonable Pure Food law, which did not prohibit the eating of corn-meal, nor the mingling of the flour of corn and wheat, but merely required that anything purporting to be flour should be so labeled as accurately to disclose its real composition. And here is where the flour dealers and millers fell down. If they could not sell corn and wheat flour mixed as straight wheat flour, they would not sell it at all. It did not seem to occur to them that an excellent food substance had been evolved, one which was abundantly able to stand on its own merits. On the contrary, by forsaking it, as if in a panic, the instant that they were forced to tell what it was, they gave the consumer good grounds for supposing that they had been putting off an injurious mixture upon him. The fact is, however, that the trade instantly ceased; the laboring man and his children, whose stomachs had previously been warmed, without their knowledge or consent, with the rich juices of Indian corn, found themselves supplied henceforth with the purest and thinnest of patent wheat flour; and corn-millers, according to the statement of one of them, found themselves unable to dispose of a pound of their product to the wheat-millers, who had been taking one-fifth of their output hitherto for mixing purposes.

All of which illustrates the devious ways of trade, and the great fact, already mentioned, that the people insist upon being fooled; all of the people some of the time, and some of the people all the time.

NOT ON TRIAL. During the absence of the editor of THE CONSERVATIVE it is only permitted us to say that the organs of Bryanarchy which are assaulting him ought to know that Bryan's letter to him does not put him on trial. His letters are not a matter of consequence; Bryan's are, in the eyes of those who had said repeatedly that Bryan had been malevolently misrepresented. The question of veracity was raised by Bryan and settled by Bryan's letter.