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There is a good deal of scolding about "abnormal profits" among the proletariats who follow the teachings of the high priests of Bryanarchy as exemplified in common and commoner periodicals. The word "profit" is derived from the Latin. The verb *proficere* means "to make progress," and it is the germ of our every-day word "profit."

The expense of putting any commodity on the market is termed "the cost of its production." It is intended and hoped that the selling price or value of that commodity may exceed the cost of its production. The "profit" is the difference between the cost of production of any exchangeable thing and its price or value. When this difference exceeds the cost of production, the profit is positive. It is called a gain. When the market value is less than the cost of production, the profit is negatived and it is termed a loss.

The complaint that large combinations of capital are killing off competition in various lines of manufacture, demonstrates, if the complaint be well grounded, that large combinations eliminate competitive wastes and therefore can produce their goods on a less margin of profit than the goods could be produced by smaller concerns. To illustrate: The starch factory at Nebraska City began business with a capacity of 250 bushels of corn a day. At the end of two years it had made a great loss because the margin of profit in the manufacture of starch was so small that it could not compete with larger concerns. Therefore, courage and faith in the corn-producing qualities of Nebraska put in enough capital to make the mills capable of grinding

2,800 to 3,000 bushels of corn a day; and while the profit of a sixteenth or an eighth of a cent per pound on the starch produced out of this number of bushels of corn may be reasonably satisfactory in mills of the present size, they would break up any company to whom a 250-bushel a day factory in good running order might now be presented, provided that company were compelled to operate it at the present price for this staple. The machinery and labor employed in the smaller factory are very much more expensive, to the bushel of corn ground, than that employed in the larger one.

Sophistical economists who attempt to furnish doctrines and principles for populism never

**Cost of Labor.** tire in talking of "the cost of labor."

They teach that the value of all things exchangeable depends upon the amount of labor put into their production. This is entirely erroneous. The relation of supply to demand, as THE CONSERVATIVE has often set forth, is the sole regulator of values. When demand for a commodity declines, value declines; when demand ceases entirely, there is no value in that commodity. Vast aggregations of human muscles and human ingenuity may combine with equally vast aggregations of capital and produce at great cost of labor and the use of much money a very unique article of mosquito nettings and gossamer silks in Greenland; but the limited demand for that sort of goods in that northern climate would render them nearly valueless. The same combination of labor and capital might establish on the equator or in Guatemala a plant for the manufacture of the heaviest sort of woolen blankets, and the Guatemalan demand for such coverlets would be so small that there would be a great loss in their manufacture. But if the two plants are exchanged and the woolen blanket factory put to work in Greenland and the mosquito netting and gossamer silk factory throws its output upon the markets of Guatemala, there may be a great profit in each concern.

When a corporation transacts a large business each day, either in manufacture, transportation or banking, it may, upon a very small margin of profit,

**Maximum and Minimum.** make a maximum income. But small transactions, few and paltry, must have large profits, in order to live at all. The minimum income is generally found

where the endeavor is to do at a large profit a very small business.

This line of thought brings one to consider the so-called "trust" question which now agitates the public mind. Are the

**Trusts.**

large combinations of capital now producing illuminating and lubricating oils in the United States a detriment or a benefit to consumers? When oil was produced and placed on the market by many small corporations, was the quality as good and the price as cheap as now, under the management of the Standard Oil Co.? Do the people of the United States get better and more oil for less money now than they did under the multi-management of the oil business before it was concentrated under the Rockefeller domination?

If the consumers of oil, steel, iron, wire and other articles alleged to be in the so-called trusts are getting each of the commodities named at less figures and of a better quality than they did prior to the corporate concentration of capital which now controls them, where is the harm to the American people? When a citizen rides upon a railroad, or ships freight thereon, does it make any difference to him whether the railroad is owned by one Vanderbilt or one Gould, or forty different small stockholders, if the transportation service rendered is at a reasonable cost and of good quality? How much of the clamor against combinations of capital engaged in manufacture and transportation has come from the people themselves, and how much from their self-appointed, fault-finding, declamatory guardians?

**PEERLESS  
VERBOSITY.**

The number of dollars invested in the great printing plant recently established at Lincoln in the interests of perennial candidature before presidential populist conventions has not yet been enumerated. Nor has the amount of salaries and wages which that great anti-watered stock concern pays out each day to its contented employees been estimated. But do not forget the lachrymose prophecy:

"The fight this year will be to carry out the sentiment of that song you have so often repeated: 'My Country, 'Tis of Thee.' If we lose, our children's children will not stick to the spirit of that song, and celebrations of the Fourth of July will pass away for the spirit of empire will be upon us."

Think of it! The unstickability of our descendants to the spirit of that song is melancholy and unmitigated misery. How can they be jarred loose? When will the Fourth of July become as comatose as the peerless is verbose?