

PROFIT SHARING AND CO-OPERATION.

BY NICHOLAS PAINE GILMAN.

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It is one of the commonplaces of current socialism that the wages system is a later form of slavery; but it has been well pointed out there are essential differences between a system entitled to be called slavery and that under which the laborer lives at the present day. Under real slavery the worker himself is a commodity, owned by his master. He receives payment in kind sufficient for a bare maintenance. The amount of this is determined by the sole will of the master, and the slave can never become a capitalist. He has no choice of masters, and no freedom to forsake one occupation for another. The wage earner is the political equal, at the polls in this country, of his employer. He is paid in money according to regular rates determined largely by associations of his fellow workmen. He can leave one employment and take up another; he can move with comparative freedom from one place to another; in fact, were he not informed by over ingenious people that he is a slave, the fact would probably never have occurred to his mind, in most instances. Thinking people recognize that, in a rhetorical sense, all men are slaves to circumstance; that we are too often the serfs and not the lords of our condition, things being in the saddle and riding mankind. Every man who has to work for his living is, in a degree, the slave of his work; the problem for him is to alleviate the rigor of the conditions under which he works and increase his leisure.

The labor problem is one part, perhaps the most important part, of what is roughly known as the social problem. The social problem includes a great variety of difficult ques-

tions relating to modern man under civilization. To be precise, however, there is in fact no such thing as the social problem. As Gambetta once said, "there are social problems." There are a great many of them, and they are likely to continue long, if not to multiply greatly as the years go by. What we less loosely denote as the labor problem is a more restricted and more manageable question. I take it to include, as its main matter, the problem of the best relation of employer and employed in this great, complex, and marvelous world of modern work and modern machinery. Certainly, whatever minor issues may be connected with this chief issue, they would, in all probability, be adjusted with comparative ease could we once have and maintain a friendly union of master and man.

That there will always be, at least for many centuries, two such parties to labor contracts as master and man, or employer and employee, is altogether probable. We need to observe but a few specimens of our common humanity to learn that this distinction has its roots in great natural facts. Differences of mental ability, differences in strength of character, as well as differences in fortune, are the causes of the persistence of this distinction. The need of labor is perpetual. This world of ours is a world in which he that worketh not shall not eat. To be sure, his work may have been done for him, in a few cases, by his fathers, and he may come into large leisure by inheritance, not having earned it through his own personal exertion. But the rule is that work is the condition of food as well as of leisure; we find no one eating whose food has not been paid for by himself or by others who have given it to him. We find no one enjoying leisure who has not himself earned it by hard work, or to whom the hard work of others has not given it.

The first of labor problems, then, for man, who must work to live, is to find some work to do. Happily, the stimulus to exertion through the complexity of human needs is very great, and the world is crowded with work needing to be done. As fast as one want is satisfied, it creates a dozen others. If one piece of work is well done, it points the way for a hundred times as much to be done in the same line or

elsewhere. Nothing is more irrational in the conduct of modern labor unions than their attempts to diminish the hours or the tasks of laboring men, under the impression that there is a fixed quantity of work to be done so that, if ten men can do it all while there are twenty needing food, the only way out of the difficulty is for the first ten to do half as much as they can do, and leave the rest of the work to the other ten. It is a pure assumption that the second ten could or would do this half of the work if it were surrendered to them. Probably it would be found by trial that they were neither competent nor willing to equal the performance of the first ten, selected by a long sifting as the most capable and successful workers. The lump of labor fallacy, as Mr. Schloss calls it, will not stand examination. As a matter of fact, however, there is plenty of work for the first ten and plenty of work for the second ten also, if they are able and willing to work and will go where the work is to be had. The theoretical competition supposed by the orthodox school of political economists under which the workman is always perfectly free to seek work in any quarter, is not indeed an actual condition, and there is much room for exertion in bringing the work and the worker together.

If a man is working for himself, he will turn out the largest product, under existing human nature. There is no means for extracting industry, thrift, skill, and all the virtues of work, from the most unpromising character, to be compared for a moment with the magic of private property, as all the economists have noted. The peasant proprietor in Italy, France, or Germany, for instance, or the independent farmer of New England or Dakota, sets the highest standard of achievement. Self interest, whatever we may say of its excesses, is the most potent motive to exertion with the ordinary man. Working his own few acres, the small farmer will rise early and go to bed late. He will economize time, tools, and materials. He will perform prodigies of work in the hard contest with the powers of nature if he is sure from the beginning that the whole result of his labor will be his own. We are not speaking of pure selfishness; his own in-

cludes that larger self, that most natural and persistent of all associations, the family of which he is the head. Not all men, of course, take the sturdy and heroic view of work on their own property; but when a man has thus before him every reason for exertion, and prefers idleness and dissipation, the labor problem is purely a moral and personal question of the individual.

Let us suppose that our small farmer has so far prospered that he has outgrown his few acres and can not even superintend satisfactorily the numerous workers whom he is obliged to hire for his several farms.

He has not had to look far before finding other men who are not independent proprietors, and who, for this reason, are seeking work from such as he, which will give them daily bread. As long as his hired men were few in number and he could work with them, the result was fairly satisfactory. But suppose that he inquires how he shall derive the most income from one of the farms which he is no longer able to superintend in person. He need know but little of human nature to be sure that if he leaves this farm to be worked by hired men without superintendence the product will be small. The complaint of all employers of labor is perpetual, and to a considerable degree well founded, that the laborer is not worthy of his hire, if to be worthy of the hire means to display as much zeal and interest as the proprietor himself. This expectation, however, is irrational. The owner of the farm can not in reason expect that his hired workers shall manifest that extreme zeal and that persistent interest in making a large product which he himself displays, if energetic and capable. They are not working for their own interest in any such degree as himself; although if they work side by side with him his example will be to some degree contagious. The hired worker has, of course, the stimulus of need to keep him up to an average standard of work, but this standard is much lower than that of the independent proprietor. One need not dilate before people who have ever had occasion to hire another person to do work which they themselves understand and are capable of doing, upon the

shortcomings, the neglects, the waste of time and material of the hired worker, as compared with the employer.

For our farmer there is an alternative. He may agree with one of those workers, whom he has found to be the most industrious and competent, to take a farm on shares and pay not a fixed money rent, but half of the net product as rent. The system of product sharing, which has had a wide prevalence in numerous countries, practically assures the owner as large a rent as the renter can earn. Though the worker has not before him the force of the motives to industry and economy which would be his were he the full owner of the place, his half share of the product will augment with his own zeal and skill. With his eyes fixed, perhaps, on the ownership before long of this very place, he will not be slow to make this half share as large as possible, and may even rival, under the spur of this ambition, the energy of the actual proprietor.

The system of product sharing is naturally restricted to such vocations as agriculture, the fisheries, and mining. It is not easily applied to the great variety of manufacturers. But that which can be said of the excellence of the system in the fields where it has been so largely practiced can also be said, in considerable degree, of the system which is logically its successor. I refer to that modification of the wages system known as profit sharing, in which the employer adds to fixed wages a bonus to labor, varying according to the prosperity of the business. No one will pretend that the employee in a large manufactory, working on the ordinary wages system, has every possible motive to exertion held out to him. As a matter of course, his usual exertion will be far below the standard of the man who carries on a small business at which he works by himself or side by side with his few workmen. As manufactories increase in size they become more and more unwieldy, and there is even more need than in the earlier days of the factory system for improvements in the labor contract practiced in them. There is much more demand in a large concern where no one person can effectively superintend the whole business, than in a small one under the view of a single eye, for enlisting every motive of self interest on the part of the employee. The

same tendencies which have built up the great manufacturing concerns of our day will probably long continue. They illustrate very forcibly the aristocratic principle which calls to the front the natural leaders of industries and commerce, and they forcibly exemplify the well known scriptural doctrine that "to him that hath it shall be given." Great changes may take place through the application of electricity to industry, rendering possible some return to small factories, and even to house production. For the present we must make up our minds to the continuance of such methods as we see practiced so extensively. We have bidden a long farewell to the familiar association of the employer with a small body of workmen; we must accept as inevitable the massing of workers in great buildings, often far removed from the commercial department of the industry. The practical problem is, first, how to counteract the natural tendency of the wages system to an inferior grade of accomplishment. The system which gives the largest product to be divided is the best.

We must accept just as much the natural and inevitable organization of workers among themselves for the purpose of raising wages and otherwise improving their condition. However much we may lament the loss of personal touch, and however much we may deplore the almost warlike array of workmen drawn up on one side against the smaller but more compact body of employers on the other, we must accept the situation as it is, and consider every method of feasible evolution before we, for a moment even, talk of revolution. The violent introduction of socialism as a fully developed scheme of collective capital and state production is quite out of the question; nor is the more peaceful revolution of pure co-operative production near at hand. The tendencies of modern industry are almost as hostile to pure co-operative production as they are to numerous small concerns.

The deficiencies and disadvantages of the wages system are obvious to clear sighted observers. One plain reason for this is that it is the system under which the work of civilization is actually being conducted. In this respect the

system has, of course, great inferiority to fanciful schemes which have never been tried. Putting aside these imaginary constructions, we may say that the choice in the solution of the specific labor problem lies between the continuance of the unmodified wages system, the system of co-operative production, and such an intermediate measure as profit sharing, shading off into forms of co-operative production. It is necessary to draw some lines of distinction here which do not everywhere exist in the same clearness, for there are various modifications of the wages system—such as piecework, premiums, and progressive wages—which tend toward profit sharing and answer some of the objections made to the method of simple day wages. Thus the wages system runs into some method of profit sharing, and profit sharing naturally tends to some form of co-operative production. Mr. David F. Schloss, in his work on *Methods of Industrial Remuneration*, has well described the different modifications of pure wages in vogue in England. He has done a special service in this work, as the information which he gives could not be found anywhere else in such convenient form.

The advocates of co-operative production usually contrast with this plan the unmodified wages system, under which no special inducement is held out to the workman to do his best. The prevailing tendencies are to make him satisfied with an average amount of work, corresponding to the ability of the mediocre, unsatisfied, uninterested worker. The objection which the advocate of co-operative production and the socialist also makes against the wages system, that it is entirely unjust, I prefer to pass over, for the present at least, for the reason that the application of abstract ideas of justice to complicated questions like this is generally very unfruitful. The employer has one idea of justice and the workman has another idea. A more fruitful method asks which system, the wages system or co-operative production, succeeds best in actual experience. The success of the co-operative productive enterprise is to be determined by the amount of product and its quality, actually realized, and the resulting income to the workman, year in and year out.

Everyone who desires the progressive elevation of mankind must heartily sympathize with the system of co-operative production as laid down so admirably by such writers as Judge Thomas Hughes and the late Mr. Vansittart Neale. The system is evidently near to the ideal, since it promises to all the workers a just division of the entire profits of the business. But it cannot be said that the actual record is very inspiring. There are, to be sure, in England at the present time some eighty productive societies more or less connected with the co-operative movement. Although some few of these are important and well established, the great majority are small, or yet in the trial stage. In America the imitation of societies like these has been almost as slight and intermittent as the reproduction of the English co-operative stores here, of which we have so few. The difficulties in the way of co-operative production are very great. The financial obstacle increases rather than decreases with time. Manufacturing in these days is carried on in such large establishments, demanding such elaborate machinery, that the capital needed to compete successfully with existing enterprises is almost entirely lacking to ordinary workingmen.

If the necessary capital for a comparatively modest undertaking in co-operative production is at hand, if a considerable number of workingmen of unusual character and ability put together their hard earned savings, the moral difficulties are still before them. One of the first of these is an entire willingness on the part of these workmen to submit to the orders of one of their own number, placed at the head of the business of manufacturing and buying and selling, with that readiness which is indispensable for competition with other establishments. A man may very well be a workman in one cotton factory, as in Oldham, England, and a stockholder in another; but when he is at once a worker in a mill and a part owner of it, he will not obey orders from a superintendent whom his own vote has helped to put in office, and whom his vote can also help to depose, as readily as he will conform to the discipline of a mill in which he has no financial stake. The ordinary corporation, which is, in one sense, a plain instance of co-operation, seems to be the

nearest approach to co-operative production now feasible under most circumstances. In large corporations the great majority of the stockholders own so few shares that the conduct of the enterprise is practically in the hands of a few persons, whose financial interests teach them to combine, rather than to fight each other. When one considers how difficult it is to get a number of people usually regarded as above the average in intelligence and character to co-operate in schemes demanding but a limited amount of money from each, and but a small part of his time, it will be seen how severe a demand the developed scheme of co-operative production makes upon the workman, for he is expected to put in all his available capital, to give all of his working time to the enterprise, and to surrender the management to one of his associates. This associate must be a man of great ability and high character to carry on the business successfully. He must be willing to receive, for the most part, a much smaller compensation for his uncommon business talent than he would receive under the wages system as foreman or superintendent. The opportunities for suspicion and distrust are very many, and the first financial reverse may be sufficient to bring down a very promising attempt at co-operative production.

But, however discouraging the record of the system may be thus far, there is an undeniable fascination in the idea itself that the capital requisite for carrying on a business should be furnished by those who are to do the work, and that they should divide equitably among themselves the entire profits of the enterprise. This surely would seem to be the application to industry of obvious notions of justice, right and equity. But the workmen must furnish from their own body not only the manual labor but the faculty for superintendence and commercial management; besides this, they have to reach a higher level of character, leading to a much greater mutual confidence, than we find in the ordinary world. The place of that constraint and discipline which the present wages system enforces, and which sentimentalists call a system of slavery, must be taken under co-operative production by a high moral development, which shall justify complete con-

fidence by the workmen in each other. This confidence they must have not only in those who work with them at the bench or the loom, but most of all in the men of unusual ability, belonging to their own condition in life, whom they select as responsible managers of the enterprise.

Such considerations as these of the tendencies of the existing wages system on the one hand, and of the immeasurable discontent which workingmen penetrated by the democratic spirit naturally feel; of the actual weakness of the system of co-operative production, owing to the large demands, intellectually and morally, it makes upon working people—lead one to inquire if there may not be methods which may lead up by easy transition from the pure wages system to the more ideal system of co-operative production. The system of industrial partnership, for which term profit sharing is an inadequate designation, has at least this much to recommend it: It has, in several very important instances, bridged over the gap between the wages system and a system of co-operative production entitled to that name by its actual results, although not corresponding in every respect to the usual ideal of the workingman. Such houses as the *Maison Leclaire* and the *Bon Marché* of Paris, and the *Co-operative Paper mills* of Angouleme, France, for instance, show how profit sharing may be induced upon the wages system and developed into a substantial system of co-operative production. The process in these three instances has been long and slow, but such is the nature of all sound and durable education. The numerous years occupied by the transition sufficed to educate the employer and the employed alike; they justified the employer in gradually divesting himself of his powers and responsibilities; they taught the workmen very gradually the virtues and the faculties demanded by the employer's position, and they rendered easy the gradual supersession of the original proprietor by men from the ranks of his own establishment. In these cases regulations have been made for the continuous application of a system of promotion, so that a body like the *Mutual Benefit society* of the *Maison Leclaire* can furnish out of its membership at any time of need the partner or partners, as they are called, to direct

the working of the entire business. These partners, or managers, however, when they assume their new position, find a moral condition about them such as no co-operative productive enterprise starting out de novo could furnish. The new manager, fresh from the ranks of the workers, finds the whole body of his former fellows ready and accustomed to obey orders from the heads of the establishment, and to give them as full powers as partners enjoy in establishments conducted on the ordinary wage system. The new partners have been chosen by a sensible body of workingmen because of their approved character and their tested ability. They have been shown by time to belong to the natural aristocracy of ability and character, and their fellow workmen take pleasure in promoting them, and a rational pride in co-operating with them, not henceforth as complete equals, but as members, each in his own place, of an establishment proud of its history and determined to maintain its high standard in the years to come.

Such instances as the *Maison Leclaire* and others of a similar nature lead me to believe that we shall obtain in time, in a large number of cases at least, the substantial benefits of co-operative production through the process of education by means of profit sharing. The details of the systems thus worked out may not be in all respects those laid down even by the wisest heads for a scheme of co-operative production ideally just. Deference to the democratic principle may easily lead even such thinkers astray, while the experience of such firms as I have mentioned supplies the needed corrective, in paying the due tribute to the aristocratic principle, just as natural as the democratic.

I am decidedly of the opinion that the labor problem, considered as substantially the problem of the best kind of contract relations between the employer and the employed, is to be solved in the gradual development of the existing wages system, through profit sharing, into some system of co-operative production. I do not wish to undertake the office of prophet, and I quite decline to predict even how soon there will be so modest a number as one hundred such co-operative establishments as the *Maison Leclaire* in the

whole civilized world. With confidence, however, I declare my conviction that such a development itself does more justice to all the factors in production than any other measure which I know. Profit sharing is thoroughly entitled to the full credit of being an evolutionary method. The one great and crying defect of the wages system is that under it an immense amount of work is not done which could be done, to the great benefit of mankind, if the whole body of workers were thoroughly interested in producing just as much and just as good work as possible. This being so, we should be quick to make modest attempts toward a system which brings into play a great reserve force. Under the wages system this reserve of unusual power lies largely among the workingmen; but one need only stop and think a moment to realize how the extreme friction of the existing system diminishes the actual working power of the employers. Under a system which secured to them the hearty co-operation of their men, their own force would undoubtedly be largely increased. We want to increase it.

Looking at the system of co-operative production, as usually practiced to-day, in comparison with such an evolutionary system as I speak of, it is a striking fact that its advocates virtually leave out of sight the immense working power of the present captains of industry. It is not to be supposed that we can immediately convert any considerable number of the great manufacturers and masters of transportation, for instance, so that they will be willing to put all their ability at the service of the workmen for modest salaries. Imagine, then, if you can, the effect if to-morrow morning the skill and ability of all business men above the grade of common hand labor were withdrawn. Imagine the city of Brooklyn, for instance, left to-morrow to be run, so far as private business is concerned, by the workingmen alone, with nearly all the brain capital of the present system reduced to temporary idleness. It would require but a few hours of such a régime to convince even the most determined advocate of the democratic principle in industry of the fallacy of his theories of manual labor as the source of all value and of the equality of all heads in business. Any system which, like most plans of

co-operative production, makes little account of the men who are really leading the business of modern civilization and furnishing employment and bread for the great army of hand workers, neglects one of the vital factors in the situation. In point of fact, we need every particle of ability and of working force in head and hand to do even the larger part of the work that must be done. The captains of industry of whom I speak are not yet sufficiently moralized to be willing to accept the very modest position which the system of co-operative production would assign to them. This is no reproach to them; the level of morality among them is at least as high as that among workingmen or any other large class of people. They need, however, education into some larger ideal and up to some nobler standard, like all the rest of us, and it is to some gradual process of taking their workmen into partnership in the profits of industry, managed on substantially the present lines, that we are to look for the educating agency needed. Both the employer and the employed under present conditions need to evolve new capacities and new virtues to give co-operative production a fair field in which to develop.

The question just how large a share of the profits the employed shall receive is not important at the outset. The fact that a regular dividend paid to labor out of the profits of the year has been shown to be good business policy in a large number of cases, resulting in at least as large net profits to the employer himself as before and in the general improvement of the industrial situation in the establishment—recognition of this fact is the main matter at the beginning. If the workman is guaranteed by his employer a modest dividend of five or ten per cent on his wages, varying according to the returns of the year, he is taken into a kind of partnership such as he did not before know. He will in time, if he belongs to ordinary humanity, begin to have the feelings and the ambitions of the partner. The increase in the amount of product and the improvement in its quality, and other gains from economy of material and care of machinery, and from the absence of labor difficulties, which have usually resulted, are arguments of great weight for such a limited partnership. Into the details of the very considerable body of

experience furnished in the last fifty years by the numerous firms which have tried the system, beginning with the Maison Leclair in 1842 and coming down to the more than three hundred firms which now practice profit sharing in Europe and America, I can not here enter. My chief claim for profit sharing, as compared with the wages system now in force and with that system of co-operative production which is desired by so many, is that it does more complete justice to all the factors in the situation than either of these two systems—that which is now a fact and that which is now largely a hope. The objection commonly made to profit sharing—that it does not include the sharing of losses by the employed—rests upon a gross misconception of the scheme. It is a limited method to be distinguished carefully from the more developed system of co-operative production under which loss sharing is plainly inevitable.

The progress which has been made in the last few years by the system of industrial partnership is encouraging to all believers who have never allowed themselves to put it forward as the one solution of the labor problem or as a panacea for social difficulties. If I may speak for the great body of advocates of the system, we see in it one excellent method of improving the relations between the workman and his employer, which it is highly desirable should be applied and tested in a great many directions in order to ascertain the fields in which it will prove itself to be a better system than any yet practiced. If in one direction a system of premiums for economy in the use of material, or in another direction a system of increasing the wages according to the amount of good production, is found to bring a larger return to the workman and a better result for the employer than profit sharing, we are entirely ready to acknowledge the fact. There are directions in which profit sharing is likely to justify itself at once, as in trades where a large amount of skilled labor is employed; in others, owing to the great use of machinery, there is less room for wise economy on the part of the employee. A large part of the business of the world, of course, is done on a no profit basis. There are numerous fields, from such matters as common domestic service to the work

of the teacher in the public school and the professor in the college, from which the whole notion of profits is absent, and to which consequently such a system as profit sharing has no application. In these fields, if service is defective and unsatisfactory, means of improving it must be sought in other ways than by resort to such a system.

If we look forward in a general way to consider the parts which the three systems—of wages, profit sharing, and co-operative production—are likely to play in the comparatively near future, it is only rational to suppose that they will for a long time continue side by side. As the world grows older, wiser, and more humane, and as the democratic principle asserts itself more and more vigorously, the wages system, which is now virtually monopolizing the field, will gradually suffer modifications. Profit sharing or industrial partnership, under the various forms which as a guiding principle it readily admits, will steadily make converts, encroaching upon the wages system to an indefinite extent. The wages system, however, will persist in some quarters because no other system is so well adapted to the demands of the situation; and in other quarters it will yield place but very slowly to more democratic methods. The wages system, however, will probably be much more influenced by the advance of profit sharing for a considerable time to come than profit sharing will be by the spread of co-operative production growing out of it.

A steady and permanent increase in the number of true co-operative productive establishments, in the light of all the experience which profit sharing can give, we must all heartily desire. No industrial future, however, is likely to be less complex than that which we behold in wonderful variety round about us to-day, and he would be a rash prophet who should predict the day when any one system of the three under consideration will have driven out the other two. He would be much less wise who should protest that no system which the human mind is capable of imagining will ever supersede co-operative production. In all these matters we do well to keep ourselves free from the conceit of inerrancy and infallibility. We have no call to legislate

for an indefinite future or to lay down an industrial or economic creed for all our descendants. It is our one imperative duty to consider the existing situation, not as capitalists, not as employers, not as workingmen, not as members of a particular profession, but scientifically and philosophically. It is our business to see facts as they are and to consider them calmly, with a view to that improvement which a progressive civilization demands. We cannot escape the application of the notion of evolution to these matters, and such an application at once forbids our declaiming against the wages system as a system of slavery, or exalting co-operative production as the sacred ideal to which the future must conform, or preaching profit sharing as the one panacea for all our industrial woes.

The labor problem, I began by saying, is a problem of finding work and finding the just reward for it. More specifically, it is the problem of the best relation between the man who has more work than he can do himself and the man who must find work. The interests of these two parties are not directly and obviously identical; but society includes both the employer and the employed, and a good many other persons not to be ranked under either of these heads. The interest of entire society unmistakably is that as much work and as good work as possible shall be done without overworking any human being; that every worker shall receive a fair return for his toil; that the whole product of all the workers shall be so increased by such material agents as improved machinery, and such moral agents as greater interest in the work on the part of all, and a closer union and harmony, that the share of every worker may be augmented.

The labor question grows out of the advance of civilization and the development of humanity. While we isolate it for the purpose of clearness of thought and to facilitate the adoption of practical measures of improvement, we have to remember that it is not the only problem, perhaps not the chief problem, of mankind from age to age. The present absorption of so many earnest and able minds in labor problems and social questions does not mean that these are to be perpetually so absorbing. The present deep interest is a sign

of progress; it is a sign of the elevation of mankind; a sign of hope, not of despair; it is a token of the increasing spread of sound morals and rational religion. It is, we may firmly trust, the sure omen of a gradual and incessant improvement in the condition of civilized mankind.

THE SOCIAL ENGINEER.

BY WILLIAM H. TOLMAN.

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In the changed industrial and economic conditions of to-day the great concentration of capital and the massing of thousands of the employed have brought about new problems. In the old times, master and man lived and worked together—there was a daily point of contact, a continuous personal touch. To-day all is changed. The employer, in many cases, is as much of an absentee as were the nobles in France in the latter part of the eighteenth century and the landlords of some of the worst tenements in slumdom. With the growing intelligence on the part of the workers, evidencing itself in a dissatisfaction with their social and economic surroundings, they are slowly learning how to crystallize their incoherent wants and their smothered discontents into definite propositions for an improvement of their conditions.

The personal touch between employer and employed has largely been lost, and it is not desirable, even if it were possible, to return to the earlier days. But for the successful conduct of the business of the twentieth century a point of contact must be sought for and established, though in a different way. This need has created a new profession, that of the social engineer, a man who can tell the employer how he may establish such a point of contact between himself, his immediate staff, and the rank and file of his industrial army. Thus the writer was summoned in this capacity some time ago to advise a firm employing 2,000 men and boys on the subject of a building to serve as a social center for their employees and also for the community where the factory was located.