

no surrender. He must also possess to a marked degree the virtue of patience which will enable him to watch the slow developing of experiment, and which, if he does not reach success at one trial, will inspire him to look forward hopefully through a whole year awaiting an opportunity to try again; and this in contradistinction to the more mercurial disposition of the other, who, in the fever of excitement, is often too restless and impatient to wait longer than over night to realize the execution and fruition of his plans.

This latter character, before he will take the trouble to examine into a producing or manufacturing business, requires that it shall be laid out before him perfect and bedecked with ribbons like a prize heast at a fair, while the other character is willing to breed the calf, then nurture it prudently, tend it thoroughly and watch over it carefully, until it attains a condition of perfection worthy to compete for the prize awarded. The one party is willing to take some risk of obtaining possible or probable benefits to be developed by time; the other takes as little risk as possible and wants to get a hold on two-thirds of his neighbor's jack-knife, while he gives a hold on only one-third of his own.

While both branches are indispensable and honorable, the one, that of production and manufacture, is susceptible of much greater good to a community than the other. The same amount of capital will retain a much larger amount of money for circulation and will give a very much greater per centage of employment, and by its excess of these two powerful elements it diffuses benefits to the many while its kindred branch benefit only the few. An illustration of the principle is seen by analyzing and comparing Z. C. M. I., one of the noblest and most praiseworthy institutions of the trading branch, with some of the manufacturing establishments in our community.

Z. C. M. I., with a capital of one million dollars sells three and one-fourth millions of goods a year; of this amount there is kept here for circulation, \$200,000 for wages, \$100,000 for dividend, and probably \$50,000 more for reserve fund; in all, say, \$350,000. The remainder, nearly three millions, is shoveled out of the Territory just as fast and as completely as it can possibly be done. This money goes to pay operatives 2000 or 3000 miles away for doing things, many of which some of our unemployed people, if properly organized could, and would be glad to do; and with this capital this institution employs only one hand to each \$3000, pays out wages equal to only twenty per cent. of its capital; and earns, including its reserve fund, only about fifteen per cent.; while the shoe shop and tannery, occupying only one-eighth as much capital, saves for circulation, one-half as much money as Z. C. M. I. mercantile department does; pays out for wages an amount equal to fifty per cent. of its capital, and employs

two hands to the \$1000, or sixteen times as many hands as Z. C. M. I. does to the \$5,000-\$1000; yet this shoeshop is capable of supplying this people only one pair of shoes each every sixteen months, thus showing ample room for four or five more factories. Thus it can be seen that Z. C. M. I. is doing nearly as much good to the community with its one manufacturing offspring with one-eighth of its capital as it is doing with the other seven-eighths in the mercantile department, and it is a matter worthy of comment and germain to my argument that this one issue together with a small branch for making overalls and jumpers occupying all told perhaps \$125,000 of capital, is its only manufacturing development in twenty years of its existence. I mention this to show that the class of men necessary to manage successfully a mercantile institution like Z. C. M. I. cannot be expected to evolve from the crude elements the productions upon which the employment of labor and the true prosperity and tangible wealth of the people depend.

Another striking illustration of the principle I wish to substantiate is found in the establishment of the Utah Commercial Bank last week. Capital to the amount of \$200,000 was subscribed at short notice for this undertaking, but what benefit will it be to the people? That \$200,000 will employ not to exceed five or six men; that would be one hand to \$35,000 or \$40,000 which means the shoe shop industry will employ 70 to 80 times as many hands to the same amount of capital as the bank will, and just as long as the spirit of banking and kindred speculation prevails there will be plenty of money to advance the interests of the few while it looks as though the devil may have the many. Banks are necessary and convenient institutions, but from what source do they make their money? They produce nothing, they manufacture nothing, but they simply take their profits out of other people's earnings by lending A's money to B and keeping to themselves the interest B pays for the use of it.

It is indispensable that such institutions as Z. C. M. I. and other kindred financial concerns should exist, and that they are represented and manipulated by men of noble probity and marked intelligence is a source of congratulation to this community, but that they exist in so notable preponderance over the producing and manufacturing branch of the financial power is a palpable evidence of faulty utilization of the principles of political and domestic economy. There can exist no reasonable doubt in the mind of any statesman, having the true interest of his people in view, that there is great superiority in the beneficent policy of legislating and planning for the benefit of the many while preserving and protecting the rights of the few.

A clear and palpable evidence substantiating the proposition I have laid down is found in the statement made by one of the committee men to whom had been entrusted investigation into the merits

of the sugar industry, when he said, "I cannot grasp the details of a producing and manufacturing business, but if you will make your sugar I'll buy it and sell it." This expression showing the absence of interest in and comprehension of anything pertaining to the producing interest, seemed to voice the sentiments of the whole committee and gave tone to their report which recommended a disastrous delay, whereas a few drops of the vivifying elixir, without which the producing and manufacturing branch of the financial power would ever be a failure, would have inspired a searching inquiry, elicited attractive information, and engendered an interest that would have culminated in a thorough investigation and given us the fruition of the enterprise some time earlier. How true it is that the safe conservatism that declines to move lest it fail, is the dry rot of life.

It certainly should be readily conceded that one of the most valuable aids to the solid and tangible prosperity of a community is the motive that inspires one not only to run some risk but to be willing to make some sacrifice for the development of the crude resources of the country, and the evolution of industries in which great prospective good lies dormant. In the introduction of all new producing and manufacturing enterprises, no matter how skillfully managed nor what prestige they may bear upon their front, there is a feature of adventure or apparent risk which calls for nerve and good judgment, the offspring of motives born of unselfishness. Between the inception and consummation of any enterprise designed for the transformation of the crude elements into the practical and material necessities and comforts of life, there exists a hiatus, in the bridging of which many a valuable and well intentioned design dies the death of inaction, so many there are who use just sufficient fuel to make the water hot but withhold the last few bushels of coal necessary to raise the steam to a working pressure. The "one more day" for which Columbus contended with his mutinous and ignorant crew prevented the loss of his entire undertaking and gave to the world the fulfillment of the Almighty's purpose.

The industry which it is my earnest desire to inaugurate amongst this people possesses all the salient points of a successful and attractive home institution, and the slowness of its development is not due to its inherent weakness but to the fact that the recognition of its merits has been to a large extent submitted to men belonging to the trading and speculative branch. There is not however the least doubt on my mind that the industry will be satisfactorily, permanently, and profitably established and all the benefits claimed for it will be realized, and it will become the head and front and most potent factor of the producing and manufacturing branch of the financial power.

ARTHUR STAYNER.

SALT LAKE CITY, June 4th, 1889.