

UNIVERSITY EXTENSION LECTURE.

The Leader of Industry and His Profits Therefrom.

Professor Plehn Discusses Plainly the Relative Rights of the Employer and His Employees.

The seventh of Professor Plehn's course of lectures under the auspices of the University Extension Association was given at Forester Hall on Saturday evening before a large and intelligent audience. The subject was: "The Leader of Industry and His Profits."

In the industrial organization of modern times, said the speaker, we find at the top generally one man who is responsible for the whole arrangement of each undertaking—who guides the whole operation and assumes the risk; who borrows or himself furnishes the capital, buys the raw materials, directs the other workers and pays for their labor, and thus obtains the product, from the sale of which he reimburses himself and pays all the expenses of the business.

This man, who assumes these important functions, has been given various names—"Entrepreneur," "manager," "leader of industry." His functions, while entirely the outcome of our modern organization of industry, have never to be of vast importance under our modern competitive system it seems almost impossible to do without that man.

Even the great stock companies, which apparently take his place, are but means of furnishing more easily in larger quantities the capital necessary. Looked at from another standpoint, however, these corporations seem to be but a re-embodiment by society as a whole of its old COMMUNITY RIGHTS TO CAPITAL AND LAND.

While this is to some extent true, yet a closer examination reveals the fact that in every successful stock company there is one man, or a coterie of men, who have, in a high degree, the talents necessary and who are able to see the real nature of the business. Thus viewed the stock company is but a new way of borrowing the capital needed by these men.

The peculiar talents needed are not common. Few men really possess that business capacity which is necessary for this position. Some of these talents are force of will and strength of purpose, a cool phlegmatic temperament, courage, a gift for organization, and a certain influence and manage other men. The particular talent may differ in different cases. Thrift, economy, attention to business, shrewd power of prolonged application, some of these are necessary.

In a previous lecture it was hinted that profits, the employer's legitimate share in the product, is determined by a law very similar to that of rent. How that law can best see after the conservation of the general conditions of such undertakings. The first important consideration in that direction is

COMPETING GROUPS. Competition does not pervade the industrial world uniformly, but only pervades the different groups or industries according to occupation, ability and training. Thus the individual iron industries compete one with another, and within these again those producing the ore, and then those making the simple products, again less extensively as the product requires greater skill. But what concerns us here is to notice that competition exists only between undertakers pursuing the same industry or producing the same line of goods. Only where the principle of substitution acts freely can competition pass those bounds.

PROFITS DEFINED. Now we are in a position to understand profits. In any individual case the manager of an industry estimates that which he has left over, after paying wages, interest and rent (or in the case where he uses his own capital, land and buildings, making a fair return for interest and rent, as in the case of a farmer).

This amount will be greater or smaller, according as he has managed the business well or ill, as compared with the other managers in the same line of business or in the same competing group. In other words, when competition is perfectly free, just as in rent, the demands of the population or the demand of the consumers forces into or attracts into that line of business enough men to produce all that is needed, and fixes the price for all the commodity.

Some of these men manage the business so poorly that the expenses involved in producing the commodity are nearly the price, and consequently there are no profits for them; but the other managers, who, by greater economy or better address, have been able to turn out the same commodity at a lower cost, and to receive the same price which the demand of the consumers makes it possible for the other man to get, have a margin for profit.

If rent has been understood, there will be no difficulty in understanding profits. Just as rent results from the ownership of certain advantages connected with land, so profits are the result of the possession of native business talent.

INDUSTRIAL EARNINGS. Closely analogous to pure profits in their origin, but not so justifiable, are the earnings of monopoly of any one line of industry. If competition is welded out of an industry, and the business is centered in one place, there is nothing to determine price at the highest cost of production, as in the other case, and profits may be arbitrarily taken.

If the manager of such a monopoly were in the hands of a good manager, that is, one who would make a large profit if there was competition, it is possible that he may be content with moderate profit, and then the consumer gets the benefit and prices will be lower than they otherwise would.

The vast savings in the cost of management and supervision, and the possibility of more complete utilization of the whole plant, thus often accrue to the benefit of the consumer, while the leader of the industry still has a large share for himself. The case of the Standard Oil Company was cited as an illustration. On the other hand, this monopoly organization puts into the hands of unscrupulous men the power to abuse the interests of the consumers in many cases.

TWO CLASSES OF MANAGERS. While there are, to be sure, unnumbered cases where the advantageous position of the entrepreneur has been used to make unjust gains and really rob employees and consumers, yet pure profits, since they consist of wealth due to good management, or are costs saved, can never enter into the prices of the product, nor can they lower or antagonize wages. Anger, therefore, at the great leaders of industry because of the profit which they make is entirely groundless.

Blame should be meted out liberally. Instead of the pity they generally receive, to the poor, stupid and unsuccessful managers, who not only gain no profits but raise the price of the goods by their slovenly management, often losing and wasting capital, and lowering wages.

Royal Baking Powder.

Highest of all in Leavening Power.—Latest U. S. Gov't Report.



There would be unlimited. There would be profitable employment for all. While most of the schemes advanced are ingenious, many of them would clearly be subject to more serious evils than the present, yet gradual progress is being made in the direction of the adoption of the essential principle—that of association—and great results have already been attained. The lecturer then reviewed some of the existing

SOCIALISTIC INSTITUTIONS. Many of the best writers and thinkers in political economy to-day, and nearly all the best-known Professors, to-day have views closely akin to those of the socialists. The rise of the school of Socialists of the Chair—the name applied to those Professors—was then traced, and the extent of the movement outlined.

Economic science to-day is a very different thing from that of the early part of this century, which regarded the working man as a mere machine, which it unfortunately cost a great deal to run. To-day the economist sees that it is more important to produce a good, strong, noble, well-rounded man than to increase the world's wealth.

The course thus far has covered the four great active factors in production and studied the processes by which that product is distributed to the different claimants. The next two lectures will cover some of the processes of economic life, exchange, including money, and a brief review of the history of silver, and international exchange and the history of the tariff in the United States.

DOUBLE AND TWISTED NAMES.

The Trouble They Caused Two Attorneys in the Police Court.

Attorneys Charles T. Jones and E. C. Hart have made preparations to take a course of lessons in the Japanese language. They have mastered to a large extent the intricacies of the Chinese language, through the assistance of their clients at different times. The last day of the course was resolved on after the Police Court adjourned on Saturday, and was the outcome of the trial of Ii, Kinoshita, R. Obata and M. Markashina, three Japs who were charged by a high roller named Wash Goy, with robbing him, and the counter-charge against him of disturbing the peace.

The names of the Japs would around the tongues of the lawyers like the ringing of bells. The trial around the court. They tripped up the words of their speeches and caused them to turn verbal somersaults, and the reverberating syllables echoed around the courtroom and eddied around the head of Justice Devine till they gave his attack of vertigo. Luckily for the court the case came on at the end of the week, and he will have time to recover from its effects by this morning.

The Japs claimed that a Chinese giant accompanied Gay and used the out of his revolver on them. One side tried to outdo the other in testimony, and Justice Devine gave up the Chinese puzzle presented for his consideration and discharged all the parties, and they left the courtroom to have it out elsewhere.

EVERYBODY'S COLUMN.

Correspondence of Interest to the General Public. Under this heading the RECORD-UNION will publish short letters from correspondents on subjects of interest to the general public. In these communications will be understood to represent only the views of the writers. All communications must be accompanied by the name of the writer, not for publication unless so desired, but as a guarantee of good faith.—Eps.

A Veteran's Complaint.

Ens. RECORD-UNION: I wish to make a statement of what took place on Daniel Flint's hopfield one week ago. At the early morning fifty men were driven from Mr. Flint's by a constable who had been sent to the place. With respect to Mr. Flint, it was not from his orders. Mr. Flint had notified the authorities not to disturb the men in his barn. Americans driven from their poor shelter. I am an old-timer and a Mexican Veteran.

INSULTING LADIES.

Tramps Who Make a Business of Doing That Thing. Two ladies complained to the police on Saturday that they had been pursued by a gang of hobos in the fruit sheds on the river front. They also said the men were insulting every lady who passed within hearing of them.

Chief McManus and Officer Logue went down to the sheds and arrested five of the gang, who gave the names of John Short, Frank Morris, Tom Williams, James O'Brien and James Devine. The police complain that the Steamboat Saloon, the proprietor of which once had his license revoked, but was given another, has again become the headquarters for rough characters, and that no one can pass there without being exposed to insult.

Real Estate Transfers.

The following real estate transactions have been recorded since our last report: A. Booth, receiver, to S. E. May—West three-quarters of south half of southwest quarter of section 17, township 8 north, range 5 east, less 10 acres; 57.234, pursuant to sale in suit of Batcher vs. Saunders. J. J. Heffernan to Patrick Heffernan—North half of east half of lot 4, J. K. Twenty-third and Twenty-fourth streets. Emerson Gilkey to Catherine M. Gilkey—East half of lot 4, R. L. Seventeenth and Eighteenth streets. J. A. Duncan and wife and J. G. Barker to G. M. Hignett—South half of north half of lot 3, N. O. Eleventh and Twelfth streets. J. W. Bradley and wife to Anna Cousins—South half of lots 3 and 4, V. Y. Ninth and Tenth streets; \$1,100. Fred Feil to Charles Feil—All interest to east quarter of southwest quarter of section 21, township 8 north, range 5 east. A. M. Plummer to county of Sacramento—A piece of land 40 feet wide between sections 19 and 21, township 2 north, range 7 east.

He Hit Behind Trees.

A negro named J. H. Johnson was arrested last night at Third and N streets, some boys having stated to the police that he had been acting strangely, and hiding behind trees along the sidewalk. It is not known whether he contemplated robbery or not, but he is not a prepossessing looking customer.

Awarded Highest Honors World's Fair.

DA PRICES' Clean Baking Powder. The only Pure Cream of Tartar Powder.—No Ammonia; No Alum. Used in Millions of Homes—40 Years the Standard.

The Nonpareil AT 25c EACH. We will sell TO-DAY a line of Satin Damask Towels, superior to anything you have ever bought at 50c. They are bright, new goods, just received from the East, made to sell at 50c apiece at least. They were sold to us at such a great sacrifice as to enable us to mark them 25c, and give you the best value of your life at the price.

Here are two lines, also of special interest, that will be on sale to-day: 50 dozen of extra quality Barnsey Cotton Towels, in eight different patterns; size, 22x46; will be sold at 12 1/2c each. A good Towel; especially so for hotel or lodging-house use. 40 pieces of Bleached Linen Crash, 16 inches wide; will be sold for 8 1/2c a yard. Would be considered good value at 12 1/2c a yard.

We have received a case of extra quality of Flanellette, in light and medium shades. A good variety of patterns and colorings, 30 inches wide. We have marked them 7c a yard, though they are worth fully 12 1/2c a yard.

WASSERMAN, DAVIS & CO. Corner Fifth and J Streets, Sacramento. AGENTS FOR BUTTERICK PATTERNS.

"WELL BREED, SOON WED." GIRLS WHO USE CAPOLIO ARE QUICKLY MARRIED. Try it in Your Next House Cleaning.

W. L. DOUGLAS \$3 SHOE BEST IN THE WORLD. W. L. DOUGLAS shoes are stylish, easy fitting, and give better satisfaction at the prices advertised than any other make. Try one pair and be convinced.

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DOMESTIC SEWING MACHINES. THE LIGHT-RUNNING, HIGH-ARM POMMER Sewing Machines. For \$35, at \$2 50 a month.

Metropolitan Market. S. W. COR TWELFTH AND E STREETS. SELLS MEAT CHEAPER THAN ANY OTHER MARKET IN THE CITY. Try it and be convinced.

AMERICAN STEAM LAUNDRY. Nineteenth and I Streets. "GOOD AS GOLD," The Best 5c CIGAR in the State.

WORTHY OF EMULATION. What a Contemporary Thinks of the "Record-Union." The RECORD-UNION has entered upon a new volume. We have in this journal an example worthy of emulation by other newspapers.

BRIEF NOTES. Peter Specht, for disturbing the peace, will languish in jail for forty days. Michael Driscoll, convicted of vagrancy, has been given an opportunity to leave town.

FISHY Salt Cured, Pickled and Canned. We have a very nice Mackerel at 5c each. Kilgore & Tracy, CASH GROCERS, N. E. Corner Eighth and J Streets, Sacramento.

W. L. DOUGLAS \$3 SHOE BEST IN THE WORLD. W. L. DOUGLAS shoes are stylish, easy fitting, and give better satisfaction at the prices advertised than any other make.

Meeting Notices. STATED ASSEMBLY OF SACRAMENTO COUNCIL, No. 1, R. and S. Masters, THIS (Monday) EVENING, at 7:30 o'clock. W. O. PORTER, T. L. M.

General Notices. "BEHOLD HE COMETH"—GOSPEL Preaching—NIGHTLY Gospel Room, 1009 K; subject: "The Church and Its Hope—The Coming of the Lord." MADAM PORTER, CLAIRVOYANT; fortune telling by cards and palmistry; ladies, 50c; gentls, \$1; children, 25c. \$1.50, 625 L, bet. Sixth and Seventh, 1623-W.

WILL TRADE FOR SACRAMENTO CITY property, good farm of 165 acres in San Mateo County; first-class land and five acres in French creek. Address Postoffice Box 93, Sacramento. MARRIED LADIES' SAFFORD; PATENTED; no medicine; no equal money returned; no return of any kind. Ladies' Novelty Co., Kansas City, Mo.

WANTED—BY A SWEDISH GIRL, A position to do general housework. Apply at 1219 Sixteenth street, in rear, 1623-0. \$500 FOR TWO YEARS—WILL PAY 20¢ PER WEEK FOR THE REST OF THE YEAR. \$1,000 assessed value of land as security. Particulars SIROBEL, 317 J street. 1624-47.

WANTED—A MAN AND WIFE WITH no children to work on a farm. Apply 713 E street, Sacramento. 1624-10. WANTED—A LEADING SOPRANO FOR a prominent church in Sacramento; a good strong voice and knowledge of church music required. Address P. O. Box 643, Sacramento. 1624-21.

WANTED—ENERGETIC MAN OF GOOD address; salary paid. Apply between 7 and 8 p. m., 509 J street. WANTED—SECOND-HAND PIANO; state price, make, age and where can be seen. Address J. W., this office. 1623-37.

WANTED—EVERYBODY TO KNOW that KELLER has reduced his Cabinet Photos from \$1.00 to 85¢ per dozen. From now until the last of March, 719 K street. WANTED—SCHOLARS FOR EVENING school, from 7 to 9 o'clock. Tuition, 50 cents per week. Mrs. M. MOORE, 1806 O.

REWARD—STRAYED OR STOLEN \$5 from Sheldon, black mare, 3 years old; white star on forehead; weighs 1,200 pounds. JONATHAN STOUT, Sheldon, Sacramento County, Cal. 1620-07.

TO LET—STORE ON K STREET, NEAR Third. Good location for jewelry or clothing store. Call on J. H. HOLMES, 1624-10. PASTURAGE—\$1 PER HEAD FOR horses, 50 cents per head for cattle; located adjoining Carwell Colony. Apply on premises to WILLIAM GERKIN. 1624-24.

TO LET—REAR OF 3313 K STREET; good house, 2 1/2 stories, and basement. Apply 719 L street or 1313 K street. 1624-19. ALL RIGHT, MARY ANN, THIS LATE A I know, but I was at the club; now open the door, as 'tis a social club. "No, I won't." "Well, I will go to the club." N. H. 2625, Third and J streets, then, as rooms there are dirt cheap, 25c to \$1 per night, and by the week \$3 up.

TO LET—HALLS FOR LODGE PURPOSES, meetings or banquets. Address the Secretary, C. H. HOLMES, or Janitor, B. H. CHAPMAN, Odd Fellows Temple. 1616-1m. TO LET—1621 K STREET, HOUSE SEVEN rooms; also dining, fruit box, 1614. Place CURTIS & BOWLEY, Real Estate and Insurance, 1012 Fourth street.

1514 O STREET—TO RENT—HOUSE OF modern improvements and supplied with all modern conveniences. For particulars inquire on the premises. For Sale. FOR SALE AT A BARGAIN—RESTAURANT and coffee-house, doing a good business. Apply at 1624-10.

A FARM FOR SALE IN SOUTHERN California—I have 640 acres of land in Tulare County, good pasture land suitable for a stock range, which I will trade for vacant lots in Sacramento, Oakland or San Francisco. Here is a chance for someone to get hold of a section of land for a little money. This offer will remain open but for a short time. Address P. O. box 354, Sacramento City. LOOK AT THIS BARGAIN—I HAVE 50 acres of the finest fruit land in Placer County. Landers Station is on the land. Nine trains pass through it, going and coming daily. Here is an excellent place for a store, butcher shop and blacksmith shop, also a postoffice. Landers Station is on the main line of the Central Pacific Railroad, and only three miles from Colusa, N. H. 2625, Third and J streets, then, as rooms there are dirt cheap, 25c to \$1 per night, and by the week \$3 up.

FOR SALE—A LOT IN A VERY DESIRABLE location; size, 30x80; price, \$600. Inquire 1425 1/2 Q street. FOR SALE—IN LOTS TO SUIT, 50,000 Resident Riparian Cuttings. Address W. SEARLY, Yountville, Cal., or JOSEPH HAHN, Sacramento.

FOR SALE—DIFFERENT SIZE PIPE dipped; guaranteed to stand high pressure; at low rates. SACRAMENTO PIPE WORKS, in octagon building near depot. FISHY Salt Cured, Pickled and Canned. We have a very nice Mackerel at 5c each. Kilgore & Tracy, CASH GROCERS, N. E. Corner Eighth and J Streets, Sacramento.