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Nobody's Fool

By
PETER B.
KYNE

and that as yet he was not aware that any of his product had been diverted secretly to bootleggers. No, he did not care to sell at any price.

When this information was conveyed to Henry Ladley old Henry loaded his gun and waited calmly for Dean Keller to stick his head up over the horizon, when old Henry planned to shoot it off—both the gun and the Keller head!

Now, Henry Ladley, in the ordinary affairs of life, was neither brutal nor ruthless. Indeed, he preferred to be kind and generous whenever kindness and generosity did not interfere with his business, for to him business was a sacred thing, and almost anything done in its name, and of course strictly within the law, was—well, something to be done. He had not accumulated twenty-odd millions of dollars by being soft-hearted and soft-headed.

Since his fifteenth birthday life had been for him a never-ending battle, and he expected to keep on battling to the ultimate finish: not because he desired to accumulate more money (indeed, he had always had a flair for philanthropy) but because he desired more power and found a thrill in the battle that usually ensued before he acquired it. If somebody had something that old Henry coveted, the latter would offer a good price for it; if the owner refused the offer, then old Henry would start scheming to force him to sell. And, once his hands closed over the victim's throat, his hold would not relax until victory, as it were, perched on his standard.

HENRY LADLEY had but one worry—his daughter Jean. Once he had had two worries, but the other had died some three years before old Henry made up his mind to own the Keller By-products Corporation.

With the passing of his wife (who had an uncanny knack of peering into the innermost recesses of the Ladley soul and criticizing mercilessly what she saw there) old Henry had dreamed of a peaceful old age. Alas, that was not to be! Jean was her mother reincarnated. She had no respect for money



He didn't believe in mixing business with sentiment but what can you do when your daughter falls in love?

She taught him mournful little Hawaiian folk songs because she liked his voice

HENRY LADLEY was very much disturbed. Sentiment was being complicated with his business, and since this procedure was violently contrary to his code, the mental gymnastic resulting from the mixture threatened to set his reason tottering on its throne.

He occupied an uncomfortable position which, to a large extent, was of his own making. He, with others, had made a plan to do one of two things; to wit,

purchase the Keller By-products Corporation at Dean Keller's price, provided young Keller would name a reasonable price, or ruin the Keller By-products Corporation and later purchase the corpse at say fifty cents on the dollar. Old Henry and his colleagues really were indifferent as to which course they pursued; that all depended upon Dean Keller's view of the situation. However, since a show of ethics is always desirable when one contemplates a raid, old Henry had, prior to loading his gun, sent a secret agent to Dean Keller to sound the latter out on the subject of selling control of his company.

Promptly young Mr. Keller had politely informed this agent that he did not care to sell his profitable business and become an idler and a waster; moreover, it was a business that had been established by his grandfather, and he desired to retain it in the family for sentimental reasons. Furthermore, it had always been a clean business, and in these brisk days of "get the money and take a chance" the loss of control might mean association of the honored name of Keller with unlawful deeds. He reminded his caller that the Keller By-products Corporation was engaged in the manufacture of industrial alcohol

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or power and she despised all but the most ethical and honorable methods of accumulating both. Had she been a man she would have been a lamentable business failure!

She was now twenty-two years old and glorious to look upon, with the additional assets of high intelligence and courage. A score of eligible young gentlemen in her set had besought her to marry them, but without success, and this irked old Henry.

He feared she might become an old maid—what with her exacting demands in the matter of a husband—and thus deprive her father of the delights of grandparenthood. At his death she would be his sole heir, and a fortune such as he had to leave her clamored, nay shrieked, for masculine handling. He wanted Jean to marry some safe, sane, conservative and highly respectable business man of, say, thirty-five, and seemed to feel himself singularly competent to select a husband for her. So far he had failed in a dozen trials but was far from being discouraged.

This is an age of business associations, allegedly for the greater good of industries in general. Old Henry was president of the Hawaiian Sugar Planters' Association, and he was a power in it, for in addition to his own vast plantations he was a heavy stockholder in many others. Each year the Hawaiian Sugar Planters' Association held a convention, at which he made the welcoming address to the members and then patiently listened to discussions of the labor problem, which contemplated combating the increasing demands of Japanese labor and the importation in greater numbers of Porto Ricans and Filipinos, a less sturdy race, without national cohesion and national aspirations, hence prone to work for lower wages.

The problem of keeping in check or eliminating the millions of rats which annually destroyed thousands of tons of cane was another problem attacked by the association. Methods of accounting, freight rates to the mainland, irrigation, business ethics, credits and a thousand and one details connected with the successful growth of cane and the successful manufacture of raw sugar occupied the attention of the convention for three days. Then it closed its deliberations with a banquet and a ball.

There was nothing in the activities of the Hawaiian Sugar Planters' Association that could possibly bring it to the attention of those watchful senators whose thoughts are never very far from the rights of the Common People and the Sherman Anti-Trust Law. When prices of sugar and its by-products went up Henry Ladley could always prove that the rise was in obedience to the immutable law of supply and demand: crop failures on this island of the Hawaiian group, Java, Madura, Cuba or Porto Rico; a shortage of water for irrigation; the depredations of rats, or the failure of the beet-sugar crop in Europe, necessitating heavy exportations of pure sugar from the United States, with consequent shortage of local stocks.

A board of directors of the Hawaiian Sugar Planters' Association, meeting as friends at a dinner at old Henry's house at Waikiki Beach, could reach a prompt

understanding of market conditions over the small black coffee and liqueurs, for they had long since learned that in union there is strength and that a house divided against itself must surely fall. And the sugar industry was their house.

Now, molasses is a by-product of the raw-sugar industry, and alcohol is a by-product of molasses. Up until the Eighteenth Amendment to the Constitution of the United States of America had been passed, old Henry and his associates, in common with all American citizens, had given little, if any, thought to the

manufacturer of commercial alcohol for a generation before prohibition had even been dreamed of. It was he who had built up the Keller By-products Corporation and it was Dean's father who, with a farseeing eye, had observed on the horizon the dark cloud of prohibition. So since all of his molasses was obtained from Hawaiian sugar plantations, and transported in the Keller By-products Corporation's own tank steamers to that company's factory in San Francisco, he had, looking ahead into the hectic years, entered into a five-year contract with old Henry Ladley and a

They would have to build a complete organization after building the factory; they would have to build molasses tankers to transport the molasses to the mainland, since there was little skilled labor available in Hawaii and hence the factory might not be erected there. Of course they could raise the necessary capital, but at their age was it advisable to take in so much territory? Why not—

Old Henry cut short their logical protests. "We will buy the Keller By-products Corporation of San Francisco," he announced, "and with the acquisition of the factory we will take over the Keller organization. We might even arrange to retain young Keller as vice president and general manager. Once we have an option on his property we will float a bond issue, if necessary, to finance the deal, although I do not think that will be necessary."

"But will young Keller sell?" a director queried.

"That remains to be seen," old Henry replied brightly, "as the monkey

Jean looked as if she had recently emerged from mental chaos with a definite plan and the resolution to carry it through



matter of industrial alcohol. Alcohol, in those degenerate days, was something the nurse rubbed one with when one was ill, a fuel for spirit lamps, a solvent for fats, oils, gums and resins and employed in the preparation of dyes, tinctures, varnishes and perfumes. Also it was to be found, in varying degree, in the wines, beers and liquors in old Henry's well-stocked cellar.

WITH the passage of the Eighteenth Amendment, however, commercial alcohol—but why, in the language of a popular vaudevillian, bring that up? The press of the country has teemed with complaints from the government regarding the illegal disposal of "grain" alcohol to those faithful disciples of John Barleycorn who make their own gin and are thus enabled to boast of its purity.

Even those of us who know all about alcohol are not disposed to believe that there exist in the United States today people who do not know something about it!

Dean Keller's grandfather had been a

dozen of his fellow planters who controlled the output of Hawaiian molasses. The price was reasonable and netted the planters a reasonable profit; it made a couple of million dollars for the Keller By-products Corporation which Dean Keller 2d had invested in a newer and larger plant and died, leaving his stock to his son, Keller 3d.

During the last two years of that contract old Henry had thought more and more of molasses and alcohol, until eventually he had arrived at this conclusion: The Hawaiian Sugar Planters' Association was permitting a very profitable by-product to escape from it. What good reason, if any, existed why the members of the association should not manufacture their own alcohol from their own molasses?

When he had his plans in shape he gave a dinner to his fellow directors and talked the project up.

He met with the usual objections of the cautious—the capital necessary to erect a huge plant on the mainland and the problem of successful manufacture.

remarked after locking the cat in a bureau drawer. Just now he declines to consider selling. However, our five-year contract with the Keller By-products Corporation expires next July, and young Keller has written me that he will be in Honolulu during our annual convention in February. Of course he's coming at this time in order to meet all of the planters in Honolulu; his object is to enter into a new contract. If we decline to enter into such contract or if, which seems more politic, we whoop the price of molasses on him to a prohibitive figure, it would seem likely that the young man may have something to think about. He may change his mind."

ANOTHER director nodded comprehension. "He has a huge plant, and it cannot be operated without molasses. He might prefer a sale to an indefinite shutdown. If he cannot serve his trade, he will lose it, of course."

"Dean Keller is nobody's fool," a third director warned them. "He will make arrangements to receive his

supply of molasses from Cuba, Porto Rico and the Southern states."

"He'll not." Old Henry's fist came down on the table. "I've been to see that crowd. They're all for securing control of the industrial-alcohol market in their territory also; there's been quite a lot of talk done about a huge merger. Well, I pointed out to them that there is room in the country for two mergers. I made so bold as to tell them that if they stayed off the Pacific Coast and left that territory to the Hawaiian planters, we would not, in the event of a molasses war, do business with alcohol manufacturers in their territory. We understand each other thoroughly."

"In fact," old Henry continued, as he held his glass to the light and watched the ruby lights play over it, "everything connected with the making of this ball has been attended to. All that now confronts us is the problem of firing it. I have a huge mass of data on every alcohol plant on the Pacific Coast; there are a lot of little fellows who don't interest us—now. The boy we're gunning for is Dean Keller. Once we get control of him, we can cut the price of alcohol and make the little fellows see the light; then we'll form a merger and—"

He paused significantly. Indeed, he had no necessity for being obvious. All present realized the benefits of an absolute monopoly, for the merger is the

Illustrated by
FRANK
GODWIN

*"I'd just as lief
wage war on an
unwelcome son-
in-law as upon
anybody else"*



answer to the Sherman Anti-Trust Law!

In the end they pledged themselves to

old Henry's plan, for that board of directors of the Hawaiian Sugar Planters' Association controlled absolutely the commodity young Dean Keller had to have or retire from business.

"We may be embarrassed for quite a while with a glut of molasses at our factories," Old Henry reminded them at parting, "so start building tanks to hold the excess now. In the long run we will be reimbursed, with interest, for the money expended on those tanks. Mark my words."

"Within six months young Keller will come to our agent with an offer to sell to us. He'll try to outgame us by importing molasses from Java and Madura, but a long haul like that, even with his own ships, will run up his overhead and he'll lose money. Then he'll start borrowing at the banks, and the banks will look into every detail of his business before accommodating him. The outlook will not appear promising to the banks, I assure you—and the loans will be refused."

"Gentlemen, when we're ready, we'll buy the Keller By-products Corporation, lock, stock and barrel, at our own price."

The board of directors by unanimous vote left the details of the deal up to old Henry.

IN FEBRUARY young Dean Keller had arrived in Honolulu, to fraternize with and renew acquaintance with

the planters attending the convention. As Henry Ladley had anticipated, promptly he took up with the board of directors of the Hawaiian Sugar Planters' Association (that is to say, he took up with old Henry) the matter of a new long-term contract.

Old Henry was most agreeable and appeared quite sympathetic to the idea; he promised to talk the matter over with his fellow planters and the directors of the association. Of course (he reminded Keller) he could not presume to speak with any authority for the others; the Hawaiian Sugar Planters' Association was not in any sense of the word a trust; it knew the law and kept within it—no dictation of prices on raw sugar or molasses. No, indeed, nothing like that! However, old Henry felt that while the planters would be agreeable to a renewal of the contract, Mr. Keller could scarcely hope to interest them at the old price. No, indeed. Ha, ha! Not with gin being quoted at sixty-five dollars a case.

Of course, old Henry realized the Keller By-products Corporation obeyed the law and saw to it that no alcohol was diverted from its factory to bootleggers, but—ha, ha!—He poked Dean Keller in the ribs—"Molasses has gone up, my boy. Gone up!"

"Yes, it has," Keller agreed. "I expect to pay more on the new contract. I realize it is but natural that you should want more. Live and let live is my policy. You are the leader in the sugar industry in these islands, Mr. Ladley, and no inconsiderable portion of our molasses has been furnished by your plantation. Suppose you take the matter up with your friends and neigh-

bors and let me have their reactions. Cut-throat business helps nobody. A flat price for all—eh?"

"Right you are, my boy. I'll get busy. Of course I cannot speak with absolute assurance, but I imagine that whatever price I suggest, if within reason, will meet with the approval of my fellow planters."

Then he invited Dean Keller up to his home for dinner, and there the latter met Jean Ladley.

PROMPTLY Dean Keller lost interest in the renewal of his contract for molasses. He canceled his return steamer passage, and if he thought of business during the next month he never mentioned it. Seemingly too he forgot that Henry Ladley existed, unless by accident he met the old marauder when calling to take Jean to the country club, to luncheon at Haleiwa or to a dinner at the home of one of the reigning families. They swam together, and Jean gave him lessons on the steel guitar; she taught him mournful little Hawaiian folk songs because she liked his singing voice. He danced well and played better than average polo and, best of all, he was quite useless at small talk but a brilliant conversationalist when there was something worth while to discuss. He was well-read and well-bred, and even old Henry, who had had no experience in affairs of the heart since marrying Jean's mother, eventually realized that his daughter was head over heels in love with Dean Keller. Wherefore he commenced to suffer.

One day while he was seated on his lanai, watching the long skirmish lines of breakers rushing in across the bay to pile on Waikiki Beach, Dean Keller came in unexpectedly. "I'm going home tomorrow, Mr. Ladley," he announced. "What have you got to report on the

subject of that molasses contract?"

"A renewal for one year at a price 100 per cent over that in the old contract, Mr. Keller. It seems rather high to me, but that is the best I have been able to induce my associates to consider. Indeed, some favored a price greater than that."

"It is much too high, Mr. Ladley. I could stand 50 per cent raise, but any price over that means to my company slow financial disintegration. At what price may I expect to contract with you for your molasses?"

"Son," old Henry almost moaned, "you have me in a tight pocket. I know the price quoted is too doggoned high, but—I never was a price cutter. I'd like mighty well to do business with you on a reasonable basis, but if I do my friends will accuse me of undermining a good market, and I'll not be popular. I'm afraid I'll have to stand with the majority, for a while at least. If we can move our molasses at the price they demand, of course our first duty to ourselves is to do so. If we cannot move it" (here old Henry bent upon his youthful victim a bright paternal smile), "why, I imagine you'll have us well licked and be in a position to dictate the price. You're the largest consumer we have and the loss of your trade must be considered."

"Yes, our company can handle up to 80 per cent of your output now, what with our increased facilities and the expansion of our trade. And, of course, I understand your position thoroughly. Would you care to state to your people that I offer an increase of 50 per cent over the old price?"

"Of course I'll do it for you, my boy, but really I think I will be wasting my time. They all seem very set on a 100 per cent increase. Personally, Keller, I think it's bad psychology to argue with them now. If I were you, I'd just fade out of the picture and do business elsewhere until the Hawaiian planters come to their senses."

"Thanks for your advice. I feel certain that at the proper time your broader vision in this matter will be apparent to your associates and that we shall then do business on a basis mutually profitable. I loathe wars."

"Rest assured I will, my boy," old Henry boomed heartily. "And you're going home—when?"

"Tomorrow." Dean Keller appeared a bit depressed. "I was going to delay my departure another week, but it would seem now that I should lose no time looking after my fences."

"I shall hope to have some comforting news for you before your supply on hand is exhausted," old Henry interrupted kindly. "Shall we be seeing you again before your sailing?"

"I think not, sir. With your permission I shall now make my adieu to Miss Jean." He rose and held out his hand.

WHEN Dean Keller had driven off, Henry rose and pussyfooted into his daughter's sitting-room. She was not there, but from the bedroom beyond he caught the sound of sobs. His daughter lay across her bed weeping.

"Hello," called old Henry, much concerned, "what's making you feel badly, honey? Anybody dead, or is somebody you like going away and never coming back?"

Jean nodded miserably. "You got pretty deeply interested in young Keller, didn't you, honey? Are you engaged to him, Jean?"

Again the violent shaking of the tousled head. (Continued on page 45)

Gooda-By, John

JOHN had a job. Common labor, they called it. He got 38 cents an hour for it, but he couldn't keep a family of five on that. So he asked the boss for more money. And that was the beginning of the end of John, the common laborer. His boss started to figure. He discovered that while common labor was the cheapest on the pay roll it was also the most expensive. John produced nothing. All he did was to move things around, and it was expensive to do the moving.

"The boss," said John, "he say, 'Hello, beega machine. Gooda-by, John.'"

So on with the story! What's to become of John?

By
JOHN T.
FLYNN

SOME time ago I visited a charity society in search of information. There were a number of people in the outer office seeking aid: weary, saddened, squalid creatures. But there was one man who caught my eye and interest. He was a big hulking Pole named Jan Kabiro—or we will call him that—strong, decent-looking, tidily though cheaply dressed. The secretary told me his story.

Big Jan was in dire need. But the interesting part of his case was this: most of those who appeal to this society are out of work or they are in ill health or have serious illness in their homes or have been overtaken by some sudden disaster—death, accident or perhaps crime. But Jan was not out of work. He was in excellent health. He had a wife and four children, but no sickness and all with excellent appetites. No unexpected disaster had visited his household. He was employed as a common laborer in a large mill. His wages were about 38 cents an hour—\$17.12 for a 44-hour week, or, roughly, \$2.88 a day for six days. And poor Jan—hard-working, thrifty, honest and willing to get along—was finding it impossible to do so on \$17.12 a week plus \$4 a week extra money made in his spare time at night. The problem of sheltering, feeding and clothing six people on that small sum had just got beyond him, and he had come shamefaced and in desperation to a charity office for help.

This statement of facts interested me. I volunteered to investigate his story for the charity society and report to it. I visited that mill the next morning. There I saw Jan in the yard along with at least a dozen other men loading huge metal ingots on a hand truck. Throughout that factory I saw many other men doing the same type of work. All were



Two road menders, old style, working hard but moving slowly

getting about the same money. The superintendent told me Jan had a good record, was prompt and steady, and had worked there for two years. I asked if there wasn't some way in which this man could earn more money.

"This mill," explained the superintendent, "makes a product which is sold to farmers. There is a good demand for our product. But you know how the farmers are. They are selling their crops for about what they got before the war. Badly as they want our goods, they refuse to buy unless we keep the prices at the lowest possible point. The price at which we must sell, therefore, does not permit us to pay these laborers any more. Indeed, it hardly justifies their present pay. We have handed out no dividends in several years. Now, then, what do you suggest? Is there anything we can do about it?"

No, I had to confess, there was nothing at the moment I could think to do about it. Of course it is always possible to sit around and cuss the "system" and denounce business for not paying a living wage. Seventeen dollars a week is not a living wage. Jan should have not less than \$30 a week to support his family. All the experts agree about that. But that is practically twice as much as he is getting.

How, then, is Jan to get his living

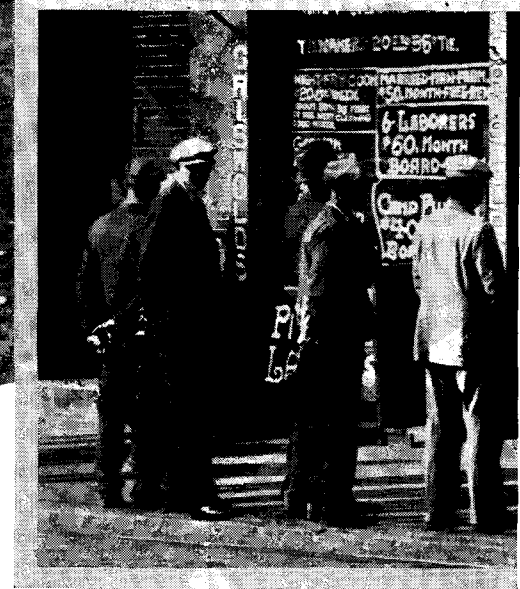
wage? The factory could raise the price of its product, which would produce more income if the farmer did not quit buying altogether—which is what he would do. And in the meantime an industrious workman must ask charity to eke out his living.

The man's problem haunted me, and the more I thought about it the more I became convinced that it was not wholly his problem but was in a larger sense the problem of those who have taken upon themselves at excellent remuneration that very important function called management.

Some time later I put the matter up to the executive head of a large copper-mining corporation in the West. Then he told me this interesting story:

The Closed Door

"NEXT door to one of our buildings is a large material-supply concern. Among other things it handles iron pipe. In one corner of its yard it piles continually large quantities of iron elbows and straight joints. Daily I have seen men with wheelbarrows laboriously load them with these joints and elbows, push them slowly across that yard near the outer gate and dump them on the ground. Other men throw them to still



These laborers waiting in front of a St.

others in a flat car, where they are piled by hand for shipment. I have watched them work and have timed them, and I have calculated that it costs that concern 7 cents to transport that wheelbarrowful of cast-iron joints across that yard. The man who carries on this perfectly useless piece of work gets \$3.60 a day. But do you not see that the company that hires him cannot really afford to pay him that? Of course it isn't his fault. It's the fault of the man that hires him."

"But what are you going to do about it?" I asked. "If he is getting too much already, you can't raise his wages. Then what are you going to do?"

His answer is the solution and the only solution of the whole trouble.

"YOU HAVE GOT TO ABOLISH THE MAN WITH THE WHEELBARROW."

"Out in our plant," went on this man, a very able engineer, "after the war we were employing 568 men. Practically all of them were common laborers. We

