

THE UNIVERSITIES AND COMMERCIAL EDUCATION.

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THE creation of a "Faculty of Commerce" in the new University of Birmingham, the industrial centre of the English Midlands, is one of the most striking manifestations of a new and most significant movement in university circles by no means confined to Great Britain. In each of the three great commercial countries of our time,—in the United States and in Germany, as well as in England,—the same needs are being felt by academic administrators, and the same problems are being faced. And in each, the movement is still in its experimental stage. In some directions, both the United States and Germany have preceded England; and England can learn something from their experience. But no country has a system to exhibit which other lands can simply copy: each must give its own mind to the task, and deal with the task as its own conditions suggest. What the University of Birmingham has done has been simply to indicate, by its bold employment of the term "Faculty," its opinion of the momentous character of the enterprise. The term suggests that the training of business men is as important for the community as the training of lawyers and doctors, and that Commerce needs to have its adequate and organized body of teachers in a great university just as much as Law or Medicine.

For what do the leaders in this new movement aim at? They aim at nothing less than the education of the future officers of the mercantile and industrial army; of those who will ultimately, as independent manufacturers and merchants, as members of firms, as directors or managers of companies, have to guide business policy, to make decisions, to run risks, to assume responsibility,

to control men. It is, of course, hard to draw the line between the merely executory and the higher determining functions; and the great majority of business men have to pass through a period of subordination, in which they do little more than carry out the orders of their superiors, before they rise to positions of command. But the distinction in itself is a perfectly clear one; and it is the increasing perception of the distinction by men of affairs which is giving its bent to the new movement. For years past every large American city has had its "commercial college," where tens of thousands of industrious youths of both sexes have acquired the arts of bookkeeping, shorthand and typewriting. Many of their pupils have risen to important positions; but this has been the result of their native qualities rather than of the instruction they received. The instruction itself has been adapted only to make them efficient servants of a very subordinate and executory grade—good clerks or bookkeepers, in short. The commercial schools which are dotted all over Germany are governmental institutions, and not simply private enterprises as in America; they have a longer and more systematic course, and a more ambitious programme; but they, also, have hitherto done scarcely more than turn out a vast army of painstaking clerks. Such an army is a valuable possession to a nation; almost as valuable as that other army of competent mechanics which a modern industrial state ought to possess; certainly not more valuable. Clerks and mechanics alike are even less capable than a crowd of privates would be of achieving any large success without efficient officers.

It is the American university which, even before the recent developments to which I shall shortly refer, has most nearly approached the solution of the problem. Let me make it clear at the outset that no educational machinery can possibly be devised which will pick out the altogether exceptional business genius: colleges can do nothing for the boy who begins by sweeping out the office and ends as an industrial magnate. All that the community can do for boys like him is to provide a sensible common-school system, with a sufficient number of evening classes and wisely-stocked public libraries. For an indefinite time to come there are likely to be many opportunities, here and there, for such exceptional boys to make their own way. But most business men—most even of the obviously fairly successful business men—don't begin by sweeping out the office. They come of commercial or professional

stock; their parents can afford to give them the best available education; they need not hurry to "get out into the world." It is people like these for whom our measures of higher commercial education are, in the first instance, intended to provide. And the interesting peculiarity of the United States is this, that business men there, for the last two or three decades, have sent their sons to the universities in far larger number than either in Germany or England. The German universities prepare men chiefly for "the learned professions"—above all for governmental service and the legal career. Hitherto the mercantile classes have kept away; and when, occasionally, a boy is sent to the university who is destined for a business life, it is a common complaint that the university turns him into a jurist. The position of affairs is somewhat more satisfactory in England: the richer manufacturers and merchants are sending their sons to Oxford and Cambridge in increasing numbers—partly because they think the experience will itself be profitable, partly to secure social advantages. But it is still much more unusual for the average fairly prosperous business man to send up his son to college than it is in America.

The differences between the two great English universities on the one side and the dozen or more really considerable American universities on the other are deeply rooted in the history and institutions of the two countries, and no one explanation is at all sufficient. But after four years of service in the University of Toronto (which in many respects resembles an American State University) and nine years in the oldest and largest university of New England, namely Harvard, I am inclined to believe that one reason at any rate why business men in America have been more ready to send their sons to college is to be found in the wider range of interests covered by the instruction and the larger opportunity of selecting studies which stand in some sort of relation to a boy's after-life. Take, for instance, Economics. The very mention of the word reminds one of the astounding contrast between England and America in this one subject alone. Excellent work is being all the time produced by the few serious students of the subject in England, and their works are read with attention in American universities. But as a subject of undergraduate study Economics attracts but a scanty band at Cambridge, and at Oxford it is practically dead. This is not necessarily an indictment against either of these great seats of learn-

ing: the traditions of English education, the trammels of the examination system—these and half a dozen other considerations must all be allowed for. And even if some good fairy could endow both the two old English universities with three or four Professors of Economics each, and bring them in this respect up to the level of Berlin or Harvard, it is to be feared that they might have to wait long before they obtained very big audiences. The English economists of to-day are bearing not only their own sins, but also the much heavier burden of the sins of their predecessors,—their predecessors of the cock-sure period, who, with all their admirable qualities, did manage to set up the backs of the business community, and left them up. I could hardly say that in America Economics is positively popular; but certainly its universities have not to reckon with the atmosphere of dislike and distrust towards the “science” which is so very evident in England. The consequence is that, in all the larger American universities, Economics is read by hundreds of students. At Harvard, for instance, the general introductory course is taken every year by some four hundred and fifty men. A good deal must doubtless be attributed in this case to the shrewd practical sense and the remarkable gifts of exposition which distinguish Professor Tausig. But the feeling prevalent at Harvard certainly exists in several other universities—that a general economic course,—as students have told me again and again,—is “a good thing for a fellow going into business.” And the American universities do not stop, as the English are apt to do, at the general course. They always offer a number of special courses on such subjects as Railroad Transportation, Tariffs, Money and Banking. Such courses handle topics which have in the past furnished burning questions to American politics, and may easily produce them again; they necessarily introduce students to some of the larger phenomena of the commercial life of the time; they cannot but appear “practical”; and yet the reasoning they involve gives abundant opportunity for real mental discipline.

And,—this is a further point of importance,—the American student who wants to take two or three economic courses is not shut up to Economics for the rest of his work for the degree, or even to such kindred fields as History on the one side and Philosophy on the other. Under the Harvard elective system to which the other great universities are more and more approximat-

ing, a young man who looks forward to a business career can, if he chooses, combine with his Economics the study of one or more Foreign Languages. He can do even more: he can select a number of courses in physical science, pure or applied; and, if he is going to be a manufacturer, he may be wise to do so. Such a case as that of the man who, taking my course on modern economic history, told me that he was also learning Spanish because he expected to deal with South-American customers, and Chemistry because his father manufactured—I forget what, would be absolutely impossible under the regulations that have hitherto prevailed in English universities. I am no out-and-out admirer of “the elective system”; I am certain it calls for a good deal more safeguarding than it has yet received. But surely for such a young man, the combination, surprising as it may seem, was a wise one. Nor was it necessarily despicable from the point of view of general culture. We in England have, perhaps, aimed too exclusively at general culture, and been content with utility as a by-product. It may be worth while to try the other policy. We may aim at utility; but if we take care to make the training thorough (the proviso is not unnecessary), we may look for no small amount of general culture as a by-product. The man who learns Spanish to sell to Spaniards may use it to read Cervantes; and the man who learns Chemistry to make soap may still be capable of appreciating the Atomic Theory.

Here, then, is one of the reasons why the business world is in closer touch with the university in America than in either England or Germany. It is because much has already been done there for commercial education, in a broad sense. But it may have been observed that what has been done has been largely incidental. The characteristics of the new movement now taking possession of one university after another are, firstly, the conscious and intentional grouping of courses with a direct view to the training of future business men; and, secondly, the supplementing of the instruction already given by courses dealing with aspects of business activity which have hitherto been left outside the range of college studies. It is this second feature which is most interesting; for, without it, there is a certain danger lest the new “Schools” or “Departments” should be only paper improvements—mere permutations and combinations of already existing elements. It is in these new subjects, also, that there is most room for experiment

and most demand for fresh and independent thought. Take, for instance, the subject of Accounting. Obviously a course in the *interpretation* of accounts,—the criticism, for example, of a balance-sheet from the point of view of sound business policy,—may be made a valuable training in commercial common-sense. But it needs the greatest watchfulness at the start to prevent such a course from degenerating into a schoolboy bookkeeping, and thereby failing almost entirely in its object. So, again, it is evident that the economic teaching must necessarily, in one shape or another, come into closer touch with the larger problems of policy confronting business men in the course of their operations—questions, let us say, of capitalization, of extent of operations, of amalgamation, of combination, of reserves, and a score like them. But, thus conceived, the whole study of what may be called Private Economics (in no unworthy sense, for it involves the most far-reaching social consequences), has first to be created, by the collection of material already existing, and still more by the gathering of fresh material from the direct observation of commercial life. This work will require the best brains the universities can procure; and they will have to be well-paid brains, or else, like lawyers, they will be drawn away into practice. But the men who are creating the new university schools, men like Professor Scott, of the University of Wisconsin, and Professor Adams, of the University of Michigan, realize clearly enough the difficulty of the undertaking. One thing is certain: the movement is one to meet a want widely felt by the business community itself; and where, as in the University of Wisconsin, the school is being properly equipped with teachers and has a carefully thought-out programme, it is already drawing scores of boys to college whose fathers would otherwise have put them into the office or workshop at eighteen.

It is surprising, when one turns to Germany, to find to what an extent the movement for higher commercial education has broken away from the universities. Only one of the three important institutions at Leipzig, Frankfort and Cologne, the one, namely, at Leipzig, is closely associated with a university. The institution at Frankfort pursues other objects besides the training of business men. But the Cologne School, the most thorough-going experiment of the three, confines itself to the one purpose of commercial education; is entirely independent of other educa-

tional organizations; and intends to be as well equipped and as self-sufficing as any of the great technical colleges of the Continent,—as Charlottenburg or Zürich. That commercial, like technical, colleges should thus set up for themselves has undoubtedly some immediate advantages; but the grave disadvantages are equally apparent. It is far healthier for society when young men, who are going into one particular career, can associate at the most impressionable period of their lives with men going into different pursuits. But the conditions which dominate the universities of Germany do not exist in America, and will not exist in the English provincial universities which the next decade will see established, not in Birmingham only, but in Manchester, Liverpool and Leeds as well.

And now I may be allowed to explain just what we hope to do in Birmingham. The new university expects soon to have all the main subjects of human interest represented among its teachers, and to be able to assist those who may come to it along all the chief avenues of culture. But it does not dream of rivalling the two older English universities in the studies peculiarly associated with them, like Classics, Mathematics, Philosophy and History. It will give its energies, and turn its resources, towards those fields in which they do little, and in which the loss of the amenities of college life is counterbalanced by the advantages derived from a position in the midst of a great industrial population. The Medical School, already not inconsiderable, will doubtless grow. It is as certain as anything can be that the university of Birmingham will be the home of great Engineering, Mining and Metallurgical Schools: for such objects the local authorities will be ready to expend public money, and there is crying need for properly qualified technical experts. The university will seek to provide the schools of the district with scholarly and yet practical Modern Language masters. It will offer to the local authorities of the Midlands, who are about to be intrusted with the control of primary education and a large influence over secondary, the assistance of its Department of Education in the work of co-ordination, inspection and reform. And, finally, it says to the substantial merchants and manufacturers of central England: "For your sakes we have established a Faculty of Commerce. We have organized a systematic three years' course of training which, we trust and believe, will make your sons better men of

business. We cannot turn fools into wise men; men may have natural ability in abundance and yet not ability for that sort of life; and we cannot guarantee to put 'business sense' into everybody. The homely virtues of perseverance and punctuality we can, indeed, do something indirectly to cultivate. But boys will be boys; and all work makes Jack a dull lad; and we expect our students to get a good deal of wholesome pleasure out of their sports and societies. Nevertheless, the tone of the place will be one of steady work; business problems will be discussed in a business atmosphere; and if fathers will only tell their sons a little about their own affairs, and if the sons will use their eyes and ears in vacation as well as in term-time—we shall do what we can to help them to do so—our students will not be likely to get 'out of touch' with real life. We want you to break away from the old rule-of-thumb traditions, and intrust your sons to us—for a year to begin with, if you don't yet see your way to anything further. But let them come with a good school education to build upon, and be able to pass our Matriculation Examination or some similar test. And when we have got them, we shall bear in mind that 'Commerce' in the Midlands is not simply an importing and exporting business, as at Liverpool, nor one of staple manufacture, as at Manchester. It is an extraordinarily varied range of manufactures and merchandising; and, accordingly, our curriculum will be very elastic, and every student's course of study will to a considerable extent be determined by his prospects or aptitudes. The study of contemporary industrial and mercantile conditions in all parts of the British Empire and in the great rival countries of Europe and America; Accounting from the most elementary bookkeeping to the deepest scrutiny of the most complicated financial statements; Foreign Languages for correspondence, for conversation, and for the unlocking of foreign sources of information; Commercial Law; such Physical Science as may, in any particular case, be practically useful; these and half a dozen other cognate subjects in varying measure enter into our scheme. But the centre of it all will be the courses dealing directly with the practical questions of business policy; and it is our conviction that courses of this nature can actually be constructed which will not only give information,—though this is important enough,—but also train the reasoning powers and strengthen the judgment."

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IS THE BRITISH ARISTOCRACY ON THE WANE?

BY SIR GEORGE ARTHUR, BT.

IN various quarters and in various ways, interest attaches to the question whether the British aristocracy is, as an institution, on the wane.

Thirty or forty years ago, there were hardly two opinions on the subject. Almost everybody believed that "aristocracy" was, as a political if not as a social force, nearly played out. On this point, men of various opinions were substantially agreed; some regretted, some feared, some welcomed the prospect which all alike anticipated. The era of popular government had set in in Great Britain as in other countries; the new many-headed master was to grow and develop, to become more and more conscious of his strength, and at last to use that strength in establishing his supremacy. The rising flood of democracy was to swamp and overwhelm all other authorities than its own. The deluge would sweep all before it. The near future was to bring the disestablishment and spoliation of the Church, it was to see the abolition of the House of Lords, even perhaps of the Throne, though the possibility was conceded that the latter, as a sort of decorative and comparatively inexpensive figure-head of the state, might be suffered to remain at least for a while. Those were the palmy days of Little Englandism, when the principles of Cobden were regarded as part of the appointed order of the universe.

But these prognostications of revolution failed of verification. Reform Act has followed Reform Act, the masses of the people have been enfranchised, a good many Parliaments have been elected on various issues, and all with this sum of results:—the Church stronger than ever and disestablishment removed from the field of practical politics; the House of Lords so powerful as successfully to have withstood, and to have won emphatic