DEPARTMENT OF THE INTERIOR
BUREAU OF EDUCATION

BULLETIN, 1916, NO. 25

COMMERCIAL EDUCATION

A REPORT ON THE COMMERCIAL EDUCATION SUBSECTION OF THE SECOND PAN AMERICAN SCIENTIFIC CONGRESS DECEMBER, 1915–JANUARY, 1916

BY

GLEN LEVIN SWIGGETT

BUREAU OF EDUCATION

MEMBER COMMITTEE ON EDUCATION, NATIONAL FOREIGN TRADE COUNCIL
UNITED STATES CHAMBER OF COMMERCE

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LETTER OF TRANSMITTAL.

DEPARTMENT OF THE INTERIOR,
BUREAU OF EDUCATION,
Washington, August 28, 1916.

SIR: The program of the subsection on commercial education of the education section of the Pan American Scientific Congress, held in Washington City December 27, 1915, to January 8, 1916, was so comprehensive and the papers of such value that I requested Dr. Glen Levin Swiggett, assistant secretary general of the congress and chairman of the committee on commercial education, to prepare these papers for publication as a bulletin of the Bureau of Education. This he has done in such way as to preserve the best of the substance of these papers with as little repetition as possible. Because of the increasing general interest in commercial education in all parts of the country, and especially in the centers of urban population, I recommend that the manuscript transmitted herewith be published as a bulletin of this bureau.

Respectfully submitted.

P. P. CLAXTON,
Commissioner.

The SECRETARY OF THE INTERIOR.

COMMERCIAL EDUCATION.

The Second Pan American Scientific Congress convened in Washington, D. C., December 27, 1915, and adjourned January 8, 1916. The congress was held under the auspices of the Government of the United States and was recognized officially by the 21 Governments constituting the Pan American Union, all of which were represented by 111 official delegates.

This congress had its origin in the Latin-American Scientific Congress that was held in Buenos Aires in 1898 under the auspices of the Government of Argentina, on the occasion of the celebration of the Silver Jubilee of the distinguished Sociedad Scientífica Argentina. Subsequent congresses were held in Montevideo, 1901; Río de Janeiro, 1905; and Santiago de Chile, 1908. The last-named was called the First Pan American Congress owing to the generous invitation extended to the United States and that Nation's participation in the congress.

There has been a remarkable growth of interest in this organization on the part of the Governments and scientific and learned societies of the Western Hemisphere. The first congress emphasized a relatively larger degree of interest in pure science than have the subsequent ones, which have placed an increasingly larger emphasis upon questions bearing on the practical application of science. The latter received a preponderant attention in the Second Pan American Scientific Congress. There were 868 papers presented before this congress. The total membership was 2,566; from the United States, 1,899; from Latin America, 667. The following persons constituted the executive committee and officers of organization:

Executive Committee.

WILLIAM PHILLIPS, Third Assistant Secretary of State, chairman ex officio.
JAMES BROWN SCOTT, Secretary Carnegie Endowment for International Peace, vice chairman.
WILLIAM H. WELCH, President National Academy of Sciences, honorary vice chairman.
JOHN BARRETT, Director General Pan American Union.
W. H. BIXBY, Brigadier General United States Army, retired.
PHILANDER P. CLAXTON, Commissioner of Education.

WILLIAM C. GORGAS, Surgeon General United States Army.
WILLIAM H. HOLMES, Head Curator Smithsonian Institution.
HENNEN JENNINGS, former President London Institution Mining and Metallurgy.
GEORGE M. ROMMEL, Chief Animal Husbandry Division, Bureau of Animal Industry, Department of Agriculture.
L. S. ROWE, President American Academy of Political and Social Science.
ROBERT S. WOODWARD, President Carnegie Institution of Washington.

Organization Officers.

JOHN BARRETT, LL.D, secretary general.
GLEN LEVIN SWIGGETT, Ph. D., assistant secretary general.

The program of the congress was divided into nine main sections, which were in turn subdivided into 45 subsections. The program of each subsection was in charge of an officially appointed committee. The Commissioner of Education of the United States was the chairman of Section IV, Education. This section was one of the largest of the congress. Section IV and the 10 subsections, with their respective committees, were as follows:

SECTION IV—EDUCATION.

Chairman.—P. P. CLAXTON, Commissioner of Education of the United States.
Vice chairman.—S. P. CAPEN, Specialist in Higher Education, Bureau of Education, Washington, D. C.

SUBSECTION 1.—*Elementary Education.*

JOHN H. FINLEY, Commissioner of Education, State of New York, Albany, N. Y., chairman.
PAUL MONROE, Teachers' College, Columbia University, New York, N. Y.
ERNEST CARROLL MOORE, Department of Education, Harvard University, Cambridge, Mass.
M. P. SHAWKEY, State Superintendent of Schools, Charleston, W. Va.

SUBSECTION 2.—*Secondary Education.*

ELMER E. BROWN, Chancellor New York University, New York, N. Y., chairman.
JESSE BUTRICK DAVIS, Principal Central High School, Grand Rapids, Mich.
ALEXIS F. LANGE, Head of the Department of Education, University of California, Berkeley, Cal.
BRUCE R. PAYNE, President George Peabody College for Teachers, Nashville, Tenn.

SUBSECTION 3.—*University Eaucation.*

EDMUND JANES JAMES, President University of Illinois, Urbana, Ill., chairman.
JOHN GRIER HIBBEN, President Princeton University, Princeton, N. J.
BENJAMIN IDE WHEELER, President University of California, Berkeley, Cal.
HARRY BURNS HUTCHINS, President University of Michigan, Ann Arbor, Mich.
WILLIAM OXLEY THOMPSON, President Ohio State University, Columbus, Ohio.

SUBSECTION 4.—*Education of Women.*

SARAH LOUISE ARNOLD, Dean Simmons College, Boston, Mass., chairman.
MARGARET SCHALLENBERGER, Commissioner of Elementary Education, State Department of Education, Sacramento, Cal.
MARION TALBOT, Dean of Women, University of Chicago, Chicago Ill.
MARY E. PARKER, Western Reserve University, Cleveland, Ohio.
SUSAN M. KINGSBURY, Bryn Mawr College, Bryn Mawr, Pa.

SUBSECTION 5.—*Exchange of Professors and Students.*

NICHOLAS MURRAY BUTLER, President Columbia University, New York, N. Y., chairman.
EDWIN A. ALDERMAN, President University of Virginia, Charlottesville, Va.
GEORGE E. VINCENT, President University of Minnesota, Minneapolis, Minn.
HENRY SUZZALLO, President University of Washington, Seattle, Wash.

SUBSECTION 6.—*Engineering Education.*

ARTHUR A. HAMMERSCHLAG, Director Carnegie Institute of Technology, Pittsburgh, Pa., chairman.
FREDERICK A. GOETZE, Dean School of Mines, Columbia University, New York.
G. C. ANTHONY, Dean Engineering School, Tufts College, Mass.
R. M. HUGHES, President Miami University, Oxford, Ohio.
HERMAN SCHNEIDER, Dean College of Engineering, University of Cincinnati, Cincinnati, Ohio.
CARL L. MEES, President Rose Polytechnic Institute, Terre Haute, Ind.
JOHN B. WHITEHEAD, Johns Hopkins University, Baltimore, Md.

SUBSECTION 7.—*Medical Education.*

WILLIAM CLINE BORDEN, Dean Medical School, George Washington University, Washington, D. C., chairman.
C. E. MUNROE, George Washington University, Washington D. C.
PAUL BARTSCH, George Washington University, Washington, D. C.
B. M. RANDOLPH, George Washington University, Washington, D. C.
F. A. HORNADAY, George Washington University, Washington, D. C.

SUBSECTION 8.—*Agricultural Education.*

WINTHROP ELLSWORTH STONE, President Purdue University, Lafayette, Ind., chairman.
ANDREW M. SOULE, President Georgia Agricultural College, Athens, Ga.
ROBERT J. ALEY, President University of Maine, Orono, Me.
RAYMOND A. PEARSON, President Iowa State College of Agriculture, Ames, Iowa.

SUBSECTION 9.—*Industrial Education.*

WILLIAM T. BAWDEN, Specialist in Industrial Education, Washington, D. C., chairman.
CHARLES A. BENNETT, Bradley Polytechnic Institute, Peoria, Ill.
CHARLES A. PROSSER, Director Dunwoody Industrial Institute, Minneapolis, Minn.
DAVID SNEDDEN, former Commissioner Massachusetts Board of Education, Boston, Mass.

SUBSECTION 10.—*Commercial Education.*

GLEN LEVIN SWIGGETT, Bureau of Education, Washington, D. C., chairman.
J. PAUL GOODE, University of Chicago, Chicago, Ill.
FREDERICK G. HICKS, Dean University of Cincinnati, Cincinnati, Ohio.

JEREMIAH W. JENKS, Director Division of Public Affairs, New York University, New York, N. Y.
L. C. MARSHALL, Dean College of Commerce and Administration, University of Chicago, Chicago, Ill.

DEVELOPMENT OF COMMERCIAL EDUCATION.

The subcommittee in charge of commercial education considered carefully the task of constructing a program and decided finally to invite the preparation of papers under topics that would give to these papers, when printed in the proceedings of the congress, the character of a dependable monograph on commercial education, a book for which there is great need, not only in the United States, but throughout Latin America as well. Commercial education has been the last of the so-called technical phases of education to receive attention and careful study on the part of educators. This is particularly true with reference to courses of study that prepare for foreign service, commercial and consular. The National Education Association has a department on business education and committees on vocational education and foreign relations, but the association has not given special attention to this phase of training. It has been left largely to extramural agencies, business and public activities, to awaken and stimulate the desire for the immediate introduction in schools and colleges of adequate preparatory courses of study on domestic and foreign trade. The National Foreign Trade Council has already prepared, through its committee on education, of which Mr. Wallace D. Simmons is chairman, a report based on a questionnaire submitted to the leading business men of the United States. Copies of this printed report may be obtained through the secretary, Mr. Robert Patchin, India House, Hanover Square, New York City. The Chamber of Commerce of the United States has appointed recently a committee of experts on vocational education, which is to include commercial education. The chairman of this committee is Mr. Frederick A. Geier, president of the Cincinnati Milling Machine Co. Information concerning the work of this committee may be obtained through Mr. Geier or through the secretary of the Chamber of Commerce of the United States, Mr. Elliot H. Goodwin, Riggs Building, Washington, D. C. The Commissioner of Education of the United States recently called a conference of representative educators, business men, and Government experts interested in the foreign aspect of business training. This conference was held Friday, December 31, 1915, during the sessions of the Second Pan American Scientific Congress. The president of the National Foreign Trade Council, Mr. James A. Farrell, presented on that occasion a notable address under the title "Preparation for Trade, Domestic and Foreign, from the Standpoint of the Business Man." A comple-

mentary paper, discussing the same question from the standpoint of the educator, was presented earlier in the same week by the dean of the graduate school of business administration of Harvard University. An abstract of Dean Gay's paper will be found in this bulletin, page 24. Pursuant to a resolution introduced at this conference, the Commissioner of Education has appointed a committee of 15 members to investigate the status of commercial education in the United States and other commercial nations, to recommend a course of study, and to suggest ways and means for its early establishment in educational institutions. Inquiries concerning the work of this committee should be addressed to the chairman, care of the Bureau of Education, Washington, D. C.

The following are members of this committee:

E. D. Adams, Professor of History, Leland Stanford University.
Morton A. Aldrich, Dean College of Commerce and Business Administration, Tulane University.
John Clausen, Manager Foreign Department, Crocker National Bank, San Francisco.
James C. Egbert, Director School of Business, Columbia University, New York City.
William Fairley, Principal Commercial High School, Brooklyn, N. Y.
J. F. Fish, President Northwestern Business College, Chicago, Ill.
Frederick C. Hicks, Dean College of Commerce, University of Cincinnati.
Lincoln Hutchinson, Professor of Commerce, University of California, and former American commercial attaché, Rio de Janeiro.
Jeremiah W. Jenks, Professor of Government, New York University.
Samuel MacClintock, Director La Salle Extension University, Chicago, Ill.
Samuel B. McCormick, Chancellor University of Pittsburgh.
Leo S. Rowe, Head Professor of Political Science, University of Pennsylvania.
John E. Treleven, Chairman School of Business Training, University of Texas.
Charles H. Sherrill, Counsellor at Law and Chairman Committee on Foreign Relations, United States Chamber of Commerce, New York City.
Glen Levin Swiggett, Bureau of Education, Chairman of the Committee.

The papers on commercial education of the Second Pan American Scientific Congress present a new body of material from which to proceed for further study and incorporation in the proceedings of subsequent congresses. In the earlier congresses the theme of commercial education was well-nigh negligible. The same remark holds true largely of vocational education in general, but applies in particular to commercial education. The program of the First Pan American Congress, at Santiago de Chile, contains titles of two papers on this subject by Prof. Francisco Araya Bennett, of Valparaiso, Chile. The titles of these papers are as follows:

1. "The desirability of introducing commercial education into the primary, secondary, and higher grades to meet the various requirements of business. The necessity also of maintaining supplementary courses for persons actually engaged in business."

2. "In what form should commercial instruction be carried on in professional schools for girls."

The earlier congresses seem to have omitted completely any consideration of this question. Deeming it, however, of paramount importance at this time, not only for economic reasons of higher efficiency in the organization of business and the marketing of products at home and abroad, but for less apparently selfish reasons of acquiring by study the international way of looking at things and of assisting in establishing international amity, the committee on commercial education, as mentioned above, constructed a program that would permit the definition of commercial education through a series of graded papers by persons expert in the particular phase of the subject which they were invited to discuss. Beginning with introductory papers presented by men prominent in business, education, and government, and proceeding through a symposium of brief talks which would show the intimate relations between the fields of education, business, and government in the establishment of commercial education, the program discussed carefully the general phases of this type of education in elementary, secondary, and higher schools, whether a part of, or separate from, the regular public-school system, and treated under separate headings each of the well-recognized subjects taught or to be taught in the curriculum of commercial education. Further, in view of the fact that certain private educational agencies, established solely for the purpose or as a part of a mercantile, manufacturing, or exporting system, have been prominent in the United States in offering specific or general courses of business, the committee included in its program papers from most of these agencies. The executive committee of organization of the Second Pan American Scientific Congress authorized the framing of certain topics, the discussion of which by a representative from each of the participating countries would create a series of Pan American conferences, with the idea that some joint action might be taken now or at some subsequent congress leading to mutual benefit in the carrying out of the resolutions consequent upon the discussion of the particular topics. The committee on commercial education submitted for discussion the following Pan American theme:

How can a nation prepare in the most effective manner its young men for a business career that is to be pursued at home or in a foreign country?

(a) In schools that are a part of the public-school system.

(b) In schools of private endowment.

(c) In special business schools of private ownership.

Outline a course of study that will best prepare young men to engage in such a business career. Each suggested outline should consider not only the character of the educational system of the country for which the course of study is intended, but the desirability and practicability of a uniform course of business education for all Pan American countries.

The program on commercial education, prepared by the committee in charge, follows.

TUESDAY AFTERNOON, DECEMBER 28, 1915, 2.30 O'CLOCK.

Pan American Union Building.

Chairman: PHILANDER P. CLAXTON.

Joint session of Sections IV and IX, with program furnished by subsections on commercial education and commerce.

INTRODUCTORY REMARKS.

WILLIAM C. REDFIELD, Secretary of Commerce, Washington, D. C.
ANDREW J. PETERS, Assistant Secretary of the Treasury, Washington, D. C.
JOHN H. FAHEY, President, United States Chamber of Commerce, Boston, Mass.
EDMUND J. JAMES, President University of Illinois, Urbana, Ill.

GENERAL TOPIC.

Preparation for Trade, Domestic and Foreign.

(a) *From the Standpoint of the Business Man.*[1]
J. A. FARRELL, President, National Foreign Trade Council, New York, N. Y.

(b) *From the Standpoint of the Educator.*
EDWIN F. GAY, Dean, Graduate School of Business Administration, Harvard University, Cambridge, Mass.

WEDNESDAY MORNING, DECEMBER 29, 9.30 O'CLOCK.

Pan American Union Building.

Acting Chairman: S. P. CAPEN.

Is There a Profession of Business, and Can We Train for It?
ELLIOT H. GOODWIN, Secretary, U. S. Chamber of Commerce, Washington, D. C.

The Proper Use of Business Experts in Class Instruction on Domestic and Foreign Commerce. (*Symposium—five-minute talks.*)
ROGER W. BABSON, President, Babson's Statistical Bureau, Wellesley Hills, Mass.
EDWARD N. HURLEY, Chairman, Federal Trade Commission, Washington, D. C.
WALLACE D. SIMMONS, Chairman, Committee on Education, National Foreign Trade Council, Philadelphia, Pa.
B. OLNEY HOUGH, Editor, "American Exporter," New York, N. Y.
WILBUR J. CARR, Director, Consular Service, Washington, D. C.[1]
HARRY ERWIN BARD, Secretary, Pan American Society for the United States, New York, N. Y.
J. F. CROWELL, Executive Officer, Chamber of Commerce of State of New York, New York, N. Y.

[1] Presented before the Conference on Foreign Service Training, Friday, Dec. 31.

The Proper Use of Business Reports, etc.—Continued.

JOHN CLAUSEN, Manager, Foreign Department, Crocker National Bank, San Francisco.

E. T. GUNDLACH, Gundlach Advertising Co., Chicago, Ill.

WEDNESDAY AFTERNOON, DECEMBER 29, 2.30 O'CLOCK.

Pan American Union Building.

Acting Chairman: ROGER W. BABSON.

Commercial Education.

In Latin America—

EDGAR E. BRANDON, Dean, Miami University, Oxford, Ohio.

In England—

I. L. KANDEL, Carnegie Foundation for the Advancement of Teaching, New York, N. Y.

In Germany—

FREDERICK ERNEST FARRINGTON, Special Collaborator, Bureau of Education, Washington, D. C.

THURSDAY MORNING, DECEMBER 30, 9.30 O'CLOCK.

Pan American Union Building.

Acting Chairman: ROGER W. BABSON.

Modern Business and the New Orientation of Commercial Education.

ISAAC GREINFELD, Director, International Correspondence Schools, Buenos Aires, Argentine Republic.

(a) *Preparation for a Business Career in Chile.*

(b) *Latin-American Standpoint on Business Education.*

FRANCISCO ARAYA BENNETT, Attorney at Law, University Professor of Political Economy and Principal Commercial Institute, Valparaiso, Chile.

The Arguments for a Separate or Combined Course of Commercial Study.

ROSWELL C. MCCREA, Dean, The Wharton School, University of Pennsylvania, Philadelphia, Pa.

What Can the Small College Do in Training for Business?

GEORGE W. HOKE, Miami University, Oxford, Ohio.

How to Procure Adequately Prepared Instructors for Colleges and Universities.

JAMES C. EGBERT, Director School of Business, Columbia University, New York, N. Y.

THURSDAY AFTERNOON, DECEMBER 30, 2.30 O'CLOCK.

Pan American Union Building.

Acting chairman: ROGER W. BABSON.

The Problem of Commercial Education in (a) *Elementary Schools.* (b) *Secondary Schools.* (c) *Colleges.*

(a and b) *Elementary and Secondary Schools—Foundation; Subjects: Articulation, Correlation, and Methods.*

(a) F. G. NICHOLS, Director Business Education, Department of Public Instruction, Rochester, N. Y.

(b) PAUL MONROE, Teachers College, Columbia University, New York, N. Y.

DAVID SNEDDEN, former Commissioner of Education of Massachusetts, Boston, Mass.

(c) *Colleges—Entrance Requirements.*

DAVID KINLEY, Dean Graduate School, University of Illinois, Urbana, Ill.

W. F. GEPHART, Professor of Economics, Washington University, St. Louis, Mo.

MONDAY MORNING, JANUARY 3, 9.30 O'CLOCK.

Pan American Union Building.

Acting chairman: ALBERT A. SNOWDEN.

The Teaching of Special Subjects in the Collegiate Course of Study for Business, Domestic and Foreign.

Languages—

GLEN LEVIN SWIGGETT, Bureau of Education, Washington, D. C.

Geography—

J. PAUL GOODE, University of Chicago, Chicago, Ill.

History—

WM. R. SHEPHERD, Columbia University, New York, N. Y.

Government—

JESSE S. REEVES, University of Michigan, Ann Arbor, Mich.

Mathematics—

EVERETT W. LORD, Boston University, Boston, Mass.

Banking and Finance—

CHARLES LEE RAPER, University of North Carolina, Chapel Hill, N. C.

Business Law—

WARD W. PIERSON, the Wharton School, University of Pennsylvania, Philadelphia, Pa.

Business Ethics and Psychology—

JAMES E. LOUGH, New York University, New York, N. Y.

Organization and Administration—

ARTHUR E. SWANSON, Northwestern University, Evanston, Ill.

Statistics—

E. DANA DURAND, University of Minnesota, Minneapolis, Minn.

Accounting—

JOHN B. GEIJSBEEK, Foster Building, Denver, Colo.

DONALD F. GRASS, Leland Stanford Junior University, California.

MONDAY AFTERNOON, JANUARY 3, 2.30 O'CLOCK.

Pan American Union Building.

Acting chairman: ALBERT A. SNOWDEN.

Special Schools of Secondary Grade: Raison d'être; character and method of instruction.

Commercial High School—

WILLIAM FAIRLEY, Principal, Commercial High School, Brooklyn, N. Y.

Young Men's Christian Association—

EDWARD L. WERTHEIM, Director, West Side Y. M. C. A., New York City.

Business Colleges—

C. C. GAINES, President, Eastman Business College, Poughkeepsie, N. Y.

Value of Commercial Education—

WILLIAM JENNINGS BRYAN.

TUESDAY MORNING, JANUARY 4, 9.30 O'CLOCK.

Pan American Union Building.

Acting Chairman: FREDERICK C. HICKS.

Special Schools of Commercial Education of College and University Grade.

Tulane University.

DEAN MORTON A. ALDRICH, College of Commerce and Business Administration, New Orleans, La.

University of Cincinnati: Continuation and Evening Courses.

DEAN FREDERICK C. HICKS, College of Commerce, Cincinnati, Ohio.

University of Oregon: Problems of the Detached School.

HARRY B. MILLER, Director, School of Commerce, Eugene, Oreg.

New York University: Two-Year Course and Individualization of Training for Business.

JEREMIAH W. JENKS, Director, Division of Public Affairs, New York University, New York, N. Y.

The Graduate School of Business:

Amos Tuck School of Administration and Finance, Dartmouth College.

DEAN H. S. PERSON, Hanover, N. H.

Harvard Graduate School of Business Administration.

DEAN EDWIN F. GAY, Cambridge, Mass.

TUESDAY AFTERNOON, JANUARY 4, 2.30 O'CLOCK.

Pan American Union Building.

Acting Chairman: ROGER W. BABSON.

Special Courses for Commercial Study. Statement as to Aims and Achievements since Establishment.

Correspondence Schools.

T. J. FOSTER, President, International Correspondence Schools, Scranton, Pa.

SHERWIN CODY, Director, National Associated Schools of Scientific Business, Chicago, Ill.

University Extension Work for Men in Business.

SAMUEL MACCLINTOCK, Director, La Salle Extension University, Chicago, Ill.

Alexander Hamilton Institute.

JOSEPH FRENCH JOHNSON, Dean School of Commerce, Accounts, and Finance, New York University, New York, N. Y.

National Association of Corporation Schools.

LEE GALLOWAY, Secretary, Alexander Hamilton Institute, New York, N. Y.

Commercial Museum.

W. P. WILSON, Director, Commercial Museum, Philadelphia, Pa.

The National City Bank.

F. C. SCHWEDTMAN, Educational Director, the National City Bank, New York, N. Y.

Bureau of Commercial Economics.

FRANCIS HOLLEY, Director, Bureau of Commercial Economics, Washington, D. C.

FRIDAY AFTERNOON, JANUARY 7, 2.30 O'CLOCK.

New Willard Hotel.

Chairman: JOSÉ MARIA GÁLVEZ.

Discussion of the Pan American Topic:

How can a nation prepare in the most effective manner its young men for a business career that is to be pursued at home or in a foreign country?

(a) *In schools that are a part of the public-school system.*

(b) *In schools of private endowment.*

(c) *In special business schools of private ownership.*

Outline a course of study that will best prepare young men to engage in such a business career. Each suggested outline should consider not only the character of the educational system of the country, for which the course of study is intended, but the desirability and practicability of a uniform course of business education for all Pan American countries.

Papers presented by—

SANTIAGO H. FITZSIMON, Professor International Correspondence Schools, Buenos Aires, Argentina.

AGUSTIN T. WHILAR, Lima, Peru.

ANTONIO L. VALVERDE, Professor, School of Commerce, Habana, Cuba.

A. AUBERT, Managua, Nicaragua.

M. DELLEY, Caracas, Venezuela.

FRANCISCO ARAYA BENNETT, Valparaiso, Chile.

In the belief that the main facts of the papers presented before the subsection on commercial education should be made known as early as possible, the Commissioner of Education of the United States requested the publication of the abstracts of these papers in advance of the publication of the latter in the proceedings of the Second Pan American Scientific Congress. These abstracts have been made by the writers of the papers or by the compiler of this bulletin. In a few cases the statement is taken from the official stenographic report.

FIRST SESSION.

The Secretary of Commerce of the United States, under whose direction the Department of Commerce has shown a keen interest in the early establishment of commercial education in schools and colleges, was the first speaker at the opening session of this subsection. Mr. Redfield spoke, in part, as follows:

It is a sad fact that in business of all lands science and commerce have been greatly divorced. They have looked at each other askance, and not in this country alone, for there have been in America, and there still are, men who speak of the "practical" things as distinguished from the scientific thing; who argue that the scientific mind is the most modest of all minds if it be truly scientific, because it is that mind which seeks ever for the new truth. And

this antagonism between the so-called practical and the scientific method has been deeply hurtful to American commerce; has resulted too much in the reign, now largely passing, of what we may call the "rule of thumb." I find in a newspaper published this week what will strike you, I am sure, strangely as the title of the article. It reads, "Adapting Science to Commerce." As if science, after all, was to come to be a servant and handmaiden of this thing we call commerce! I hope there yet may be a larger development of this thought, and that we shall come to recognize our own beginnings, at least, of a science of commerce, that we shall consider commerce itself as a matter requiring in very truth a scientific training.

And now, how do we make the science with which we have to deal the servant of commerce? I purpose to touch only very briefly on a little of what the scientific work of the Government does, so far as we have to do with it. First, as to how it affects the commerce of the country; for, to my thinking, we shall never reach what the commerce of America ought to be; it will never be the friend of our country and the other countries that it is possible it may be; it will never spread its influence abroad as it ought to do until we picture the United States aiding her commerce with the light that science can shed upon it. We need our industries; we greatly need the aid and constant thought of scientific men. We are as yet bunglers in much of our commercial work. We are attempting to do a great deal of commercial work all over the land with untrained and untaught instruments. We have not yet developed a class of trained commercial men. If you knew the difficulty we have to get men fit to go into the lands at the south, fit to be seen in the presence, as the equals in mind and training, of the great merchants and bankers and business men of the great South and Central Americas, you would realize this more fully. The simple question: What modern languages does this gentleman speak? mows down like a scythe the great mass of applicants for commercial work. In what particular branch of commerce is the gentleman trained? acts like a sickle. The few we are able to get are pitifully few as compared with the needs that exist for trained men, speaking the languages of the living world, and not the dead languages, and knowing something at least of what commerce means in all its broad significance. For the modern conquistador of commerce leaves no ruins in his path. He is a builder up of things. He is not the man who tramples with the iron heel of war, but he is a true constructor. He draws nations together; and just as the conquistador of old had to be trained for his fierce and cruel war, so the conquistador of to-day needs to be trained for his work of useful living, of helpful service. And we know perfectly well that to send men out into the great commercial arenas of this world untaught, untrained, with what we are pleased sometimes to call a general education, is to send him to defeat, and to submit the nation to harm because the man is not equipped for the task. That is a branch of commercial education which has its manifold phases. I could not as much as touch upon them all here to-day, but I may lift a corner of the veil which shows how true it is that the scientific man of this hour is the servant and supporter of commerce, and how upon his work commerce is building. If it were not for applied biology, there would be no pearl-button industry in America. I presume there are a great many pearl buttons in this audience. You take them and use them, pay a few cents for them without one thought that it requires constant active work of biological scientists to provide so simple a matter as a pearl button. And yet if we did not have applied biology your pearl buttons would be very high-priced, because the supply of them now comes from the rivers of the Mississippi Valley and the supply was long ago threatened to be exhausted. How was the supply

replenished? That meant that some one, somewhere, must find where the fresh-water clam came from, for it is his shell that provides the raw material from which the pearl button is obtained.

I should like to talk to you about the researches in the Bureau of Standards; to go into the great facts, the great truths which underlie our industries. There we keep something like 400 young scientific men working all the time. Did it ever strike you that there is no such thing as a standard of color? That your views and your fellowman's views as to what was red, yellow, or green may be different? There is no such thing as a standard red. Did you ever realize that there are great industries depending upon accurate colors? And there is no standard by which these things can be positively determined; so that I doubt if there is anyone in this room who could say with accuracy as to red, green, blue, or yellow. If I asked you to bring me red, I am sure 20 different shades, if not 200, would be brought. These things have to be known. There are industries depending upon a definite known standard of color, such as oleomargarine, butter, cottonseed oil. We are working at the department on what standards of color are. It is our duty to go into many facts which are a little beyond the ordinary things of living and bring them out and see if we can determine the lines by which nature operates and make them useful to mankind.

In all this we are simply the servants of commerce, and it rejoices us day by day and more and more to see the recognition of this service coming from the men who are the great producers of the commercial world, until we have come to believe that the veil is lifting and the scientific man is finding his place, and that we shall add to the science of commerce as it should be done by trained men in science, in all its bearings, backing up commerce by scientific truth and supporting commerce in its final phases.

The Assistant Secretary of the Treasury, Hon. Andrew J. Peters, followed the Secretary of Commerce, and in his remarks, particularly timely because of his intimate knowledge of the very successful achievements of the recent Pan American financial conference, convoked in the city of Washington by the Secretary of the Treasury, addressed himself, among other things, to the question of training for foreign trade. Mr. Peters said:

Since the outbreak of the European war interest in foreign trade in the United States has been something entirely unparalleled in our previous experience. During the last half century, when our foreign trade has been growing steadily from year to year, we have not had the same attitude toward foreign trade which the people in the principal nations of Europe have had. In the first place, we have not possessed a merchant marine. Thus our foreign trade has been physically in the hands of the people of other commercial nations. We have exported chiefly raw materials and agricultural products which practically sold themselves, and consequently did not have to go out and study foreign markets and possible foreign outlets for our principal export products. Instead, the representatives of foreign merchandising concerns and the foreign merchants came to us and took off our hands what we had to supply, and there was the end of the transaction. All the merchandising problems, with a few notable exceptions, were solved for us by the mere force of economic conditions. We were anxious to sell only to the same extent that foreign buyers were anxious to buy.

The result of it all has been that foreign trade has not offered a career to a large number of Americans in the same way that foreign trade has offered a

career to a large number of Englishmen, a large number of Dutchmen, Germans, and Frenchmen. The peoples of those nationalities have for years been marketing manufactured products, and manufactured products which required the cultivation of sales ability and vigorous penetration into foreign markets. Those countries have been developing their merchant marines and have been actually handling their own export commodities up to the time when they reached the consumers in foreign lands. Foreign commerce in those countries has consequently for years offered a career. In England young men starting in business have been confronted with specific opportunities to go to the colonies and to go to foreign countries representing English industrial concerns. In France the development has been along the same lines, though on a smaller scale. In our country we have thought of "the learned professions," the Army and Navy, and possibly some other branches of Government service under the conception of a career. Certainly the ordinary employee beginning with a commercial concern has had no such lofty idea as that of a career ahead of him. He has had a job, no very definite aims or ambitions; if another line of employment offered a better job he would take it no matter how far removed it might be from the line he was in before, if he thought he could hold down the new job, liked the firm, etc.

We must acknowledge that Germany is indisputably ahead of us in the whole matter of vocational training, and though the development of the fine network of schools of commerce in that country is recent, the system has brought and is bringing such good results that the appropriations for the extension of this kind of instruction have not been begrudged. It is in these schools that the Germans get the training which fits them for commerce as a career; those who select foreign commerce, world commerce, receive the proper training for their chosen work. Before 1880 the commercial schools (Handelsschulen) were almost unknown even in their elementary forms, and it is only since 1890 that their development has been really notable. The commercial schools were at first looked upon as superfluous or as specializing too early or too highly. Gradually, however, the various governments, the trade organizations, the chambers of commerce, came to realize the importance of this class of instruction, and to-day in Germany the higher institutions of learning devoting special attention to the training of men to meet the vast problems of world trade are better established and better equipped than those of any other country. The trade schools teach the artisan how to apply science and skill in the handicraft employments, and the commercial schools educate the merchant, the wholesaler, the world dealer, the great banker, the consular officer—in short, the men who stand at the head of the commerce of the Empire. It is felt that both systems of education are necessary for the successful development of the manufacturing industry and the marketing of commodities, upon which, in truth, the success of the manufacturing industry so largely depends. A few years ago United States Deputy Consul Meyer made an interesting report on the development of these schools and on the attitude toward them in Germany. This report was published by the Department of Commerce as Special Consular Reports, volume 38. Mr. Meyer has pointed out that in Germany education invests a man with a peculiar social prestige, irrespective of his personality. The social standing of the mercantile classes has been elevated by a higher education in the schools of the type of the commercial high schools. Instruction in these schools is given not only by the regular professors, but is in a very large measure given by practical men of affairs. The effort has constantly been made to safeguard the instruction from becoming too academic and including too practical aspects; that is, to keep the instruction from becoming of a typical professorial sort. In one

or another of the schools practically all the languages of the civilized world are taught, not only the ordinary commercial languages which are a subject of instruction in our universities, but even the most outlandish tongues, such as the bantu and other negro dialects which prevail in some sections of Africa where the Germans have been seeking foreign trade.

In our Government service we have recently expanded our foreign trade work in consequence of the ever-increasing demand for such work on the part of American manufacturers. I have been informed that the Department of Commerce and the Department of State have experienced difficulty particularly in getting men with the proper education and training to do this class of work. In language training most candidates have been decidedly deficient. The Bureau of Foreign and Domestic Commerce of the Department of Commerce has been conducting examinations practically every month during the year 1915. Candidates have reported that they have studied French, German, or Spanish for so-and-so many years in our universities, and when the tests have come it has been shown that they are woefully deficient in practical knowledge of the languages. Their training in commercial geography and in matters relating to the technique of the export trade has been equally deficient. Perhaps the most discouraging feature in this problem is that the leaders in our schools and colleges seem unable or unwilling to see the need, or, having seen it, are unable or unwilling to give the thorough instruction necessary. If ever the educator had a definite, concrete problem to solve, it is this. Up to the present time there are no appreciable results. Several of the commercial schools and colleges are giving excellent instruction to young men intending to engage in business in this country, and some are offering good courses in foreign trade. But these courses have not been grouped so as to give the all-around training necessary for success in export trade; the language work is inadequate, and no opportunity is provided to acquire the requisite practical experience.

Mr. Fahey, president of the Chamber of Commerce of the United States, called attention in his paper to the increasing interest on the part of the business men in the United States in the schools of the country, and to the fact that emphasis is being laid upon education for business and commerce as never before. Referring to the successful High School of Commerce in Boston, he said:

This school has been established something like nine years now, and at present is educating a little less than 1,600 pupils. The course is a four-year course. The average number of graduates is in the neighborhood of 200; and as an evidence of the value of this type of education, the fact that there is a demand for it, you will be interested to know that fully 70 per cent of the graduates have positions waiting for them two and three months before completing their education, and most of the others are quickly snapped up by the business houses of Boston and Massachusetts. The system has been developed to a point where, in the view of our local business men, it is meeting their needs in a most satisfactory way. The school has an advisory committee composed of business men among the business men of our community who give their time willingly in superintending the courses of study and the detail work. Moreover, they are devoting their time to series of lectures on the part of the business men to the pupils of the school. The young men in the school do a certain amount of continuation work in that a large proportion of them secure positions during the holiday season and during the summer vacations in business houses in and about Boston. The records they have made there have been

most satisfactory. There is being developed in connection with the school a rather promising commercial museum. We are likewise raising the funds for scholarships to send young men abroad to take up special courses of study, fitting them for their life work. As evidence of very practical work, there is maintained now within the school a savings bank, as a branch of a local bank, all the detail work being done by the pupils of the school, and only the results when accumulated turned over to the banking institution. That has given not only a mental training, but a physical training is not overlooked. It has been realized by our men that these youngsters who are trained at our schools serve their purposes in life most when they are personally strong as well as mentally fit. An elaborate system of gymnastics, therefore, is encouraged, with satisfactory results.

Work along these lines is also being done with most satisfactory results in the New York High School of Commerce; also at Detroit, Springfield, and Providence, and a number of other cities. It is being taken up rapidly by one town after another. As a result more business men, chambers of commerce, and boards of trade have cooperated with educational systems.

For one, I believe that the cooperation which has already gone on can go still further; first of all, so far as business organizations are concerned, I think that every city of any size in this country ought to have an intelligent, efficient organization as a part of the system, a business organization. Moreover, some scheme might be developed that would lead to a great international coöperation between schools and between the business men themselves. There is an appreciation of that need, not only on the part of legal business organizations, but on the part of the national federation which is represented by the chamber of commerce, in that we have a committee on education, and that, aside from that, we are just completing a special committee to undertake to go into university needs and to devise better means for the promotion of cooperation between them than have existed so far. Organized methods should be devised for the interchange of students between the countries of North and South America, and better organized methods should likewise be worked out for a closer cooperation between the business men of the countries. So far as the students are concerned, I know some demands have already been made on the part of the South American countries to place young men in the business houses and manufacturing establishments in this country, and because it has been more or less haphazard it has not been as successful as it should be. Much better results will be secured if they undertake to organize. I know the Chamber of Commerce of the United States will be glad to cooperate with the chambers of commerce and other business bodies of South America to help in this direction.

President Edmund J. James, of the University of Illinois, and Dean Edwin F. Gay, of the Harvard Graduate School of Business Administration, who rank easily among the best-informed educators in the United States on the subject of business training, presented papers at this session, speaking largely from the standpoint of the educator.

President James said in part:

Thirty-two years ago this autumn I joined the faculty of the Wharton School of Finance and Economy of the University of Pennsylvania. This school was an integral part of the college department of the University of Pennsylvania. So far as I know, it represented in its origin and development the first real attempt either in Europe or America to develop a center of higher

learning in intimate connection with the other important faculties of our historic universities, to provide a curriculum of university grade and university character which it would be worth the while of the future business man to complete before beginning the practical work of his career.

Many of the subjects which entered into the curriculum of this school had, of course, been for a long time objects of cultivation in university centers, both in Europe and America. Economics in the widest sense of the term, politics, history, had been, of course, important subjects of study in university centers since their establishment. More practical subjects, like bookkeeping and accounting, commercial geography, and similar subjects, had been utilized in the secondary schools and in special technical preparatory schools in all countries. A course in commercial education had been organized and conducted for a brief period in the University of Illinois in the latter part of the seventies, but it did not succeed, according to the ideas of the men responsible for the conduct of the institution, and was soon dropped.

The great commercial schools in Europe, such as those at Antwerp, Leipzig, Vienna, and Paris, had no intimate connection, and, generally speaking, no connection at all, with the universities or university life of their respective countries. In fact, it was felt that there was nothing in the business career, nothing in the subjects with which a business man busied himself, which offered any good ground for including them within the university curriculum or locating their cultivation at the university centers.

In this sense, therefore, the Wharton School of Finance and Economy represented a real departure. Its organization, development, and great success marked an epoch in the development of this important side of higher learning. The Wharton School of Finance and Economy has been a pioneer and has influenced the policy, not merely of this country, but of foreign countries as well. I think it is not too much to say that the establishment of the commercial courses at Manchester and the other provincial English universities, the affiliation of the great schools of commerce in Berlin, Leipzig, and Munich with the universities can be traced pretty directly toward the movement inaugurated and ever pressed by this original university school of business.

If the university, therefore, is to become a center of training for the future business man, it must have a set of sciences by the acquisition of which it can give this fundamental training which shall prepare a man for the largest success in a business way.

This was to a considerable extent the greatest obstacle which we had to overcome in initiating the work of the Wharton School of Finance and Economy. There was little or no valuable literature accessible to the student bearing on the subjects which he might wish to pursue as a part of his training for business. One reason why the movement has received such a great impetus in the second 15 years as compared with what was possible in the first 15 years of this development is to be found in the fact that we are finally developing a literature worth studying, worth reading in the English university sense of the term "reading."

I expect to see the university in the United States of America a center for the scientific study of business and for valuable scientific contributions to our knowledge of business. I expect to see our practical people turning more and more toward the university as the place from which thoughtful logical analysis and criticism of business methods and business practices shall proceed. I expect to see further the business world coming to an ever greater realization of the fact that they can find in the young men who have had this business training of the university most valuable assistants, men who can do in 5

years or 10 years what untrained men can not do in a generation, and many times can not do at all. If this comes about, the young man who is looking forward to a business career, who is expecting to become a banker or a railroad officer, or an insurance officer, or the head of a merchandising firm, will think as little of going into any one of these businesses without a preparatory university training as the youngster thinks to-day of following a medical career without going to a medical school, or a legal career without attending a law school, or an engineering career without completing the course of an engineering school.

The following is an abstract of Dean Edwin F. Gay's paper:

The educational organization has not kept pace with the industrial organization since the great changes wrought by the industrial revolution. In the earlier period the educational system, including apprenticeship as well as formal schooling, was adapted vocationally to the social needs. The factory system undermined apprenticeship, the type of education evolved under the handicraft system, and has put nothing in its place. The readjustment of the educational organization has been retarded in taking over this work not only by its traditional conservatism, but by the pressure, imposed by political democracy, of extending elementary education to include all classes. This great task having been successfully undertaken, attention has been turned in recent decades to the problem of vocational training. In this direction industrial education has earlier worked out a clearer program for future progress than commercial education. Training within the business, such as that provided by the older apprenticeship system and more recently by the corporation school, is inadequate for present conditions. The older established commercial courses in the high school have been limited to clerical education. The secondary schools and colleges are now called upon to develop their commercial training, and they have made a promising commencement in this work. In relation to the whole field, the schools of business administration have the especial function of leadership in research. A fuller content and a more advanced theoretical basis must be given to the courses of study leading to a business career, and it is for this reason that emphasis should be laid for the present upon the opportunity and responsibility of the schools of college grade. The growing international competition is likely to compel a more serious attention to educational problems, especially in their vocational aspects.

SECOND SESSION.

The second session of this subsection was held Wednesday morning, December 29, in the building of the Pan American Union. This session was carried on as a symposium in which several experts took part, speaking to the topic, "*The proper use of business experts from the business world in class instruction on domestic and foreign commerce.*" Introducing this symposium, the secretary of the Chamber of Commerce of the United States, Mr. Elliot H. Goodwin, presented a paper on "*Is there a profession of business and can we really train for it?*" In Mr. Goodwin's opinion the feasibility of training for business must be decided by the business men themselves; for the

result which advocates of commercial training seek is an increased demand by business heads for trained subordinates, a demand that will be based upon an increasing success of school-trained over office-trained men and must lead to an increased number of students. Enlightened business opinion, he said, has been the incentive and moving force which has created the growth and support of commercial education in this country and has led to the installation of courses of business administration.

Mr. Goodwin said in part:

Whatever skepticism on the part of business men may have existed in the past in regard to the practicability of commercial training certainly has been greatly lessened in the face of the crisis through which we are now passing. The lessons of the war in regard to business come home particularly to those engaged in intercourse between North and South America. What more than any other one thing stands in the path of complete development of commercial relations between the nations of the south, cut off from their usual sources of financial aid and industrial supplies, and that rich nation of the northern continent, seeking new markets for its oversupply above domestic consumption? In the face of the emergency and the opportunity bitterly must we, north and south, in Pan America regret that lack of real commercial education which goes beyond languages, commercial usages, international banking, credits, and foreign trade—needs which we are endeavoring to supply by emergency schools and classes—to those fundamentals of successful commercial intercourse, knowledge of geography, racial conditions, history, customs, and social life. The cataclysm of the European war caught the Americas, North and South, commercially unprepared, and that unpreparedness lies mainly in the lack of commercial education.

Competition in business is becoming keener, success is requiring a greater degree of knowledge, breadth, and ability. The development of foreign trade has brought the American merchant in touch with foreign competitors, and the lessons thus learned as to new methods of doing business have been reflected at home. It is one thing to compete with your fellow countryman in the home market behind the protection of a tariff wall, and a totally different thing to break into the foreign market where a foreign competitor has already intrenched himself and compete with him with no protection of any kind. The lessons thus learned have their application to domestic competition. The field for business education is there. How it shall be taught and how far it can practically be carried, are the main questions. Clearly the school of practical experience produces but a small proportion of men with large business capacity. As a method of training it is wasteful. It is equally clear that the college or university commercial training can not be expected to graduate only those of marked business ability any more than law schools produce great lawyers or medical schools produce great surgeons. Much remains with the man himself, his inborn capacity and power to expand. Yet professional training for lawyers and doctors is now universally accepted. What is there about business capacity or executive ability that would place them beyond the pale of those things for which a special education is valuable? Is it the power to handle men? Then, the traning of the army officer or the professor should be equally futile. Is it the imagination, the power to grasp and arrange in an ordinary manner and execute? If these can not be trained or trained in part, what practical purpose does education serve? To what end the study of history and biography, if it does not

enable us to apply the experience and the ingenuity of others to our own problems? In spite of the example of men in all walks of life who have started at the bottom and risen to the highest places, there is nothing so sad in business and industry as the consideration of that 90 per cent of those who are competent for the positions they fill, but who lack the education or the almost superhuman will to make up for its lack, which will permit them to rise above a certain dead level. In commercial education lies the hope for the future of American business.

Mr. Goodwin's paper was discussed at length by Mr. Albert A. Snowden, of the National Association of Manufacturers, and Mr. J. F. Crowell, of the Chamber of Commerce of the State of New York, an expert on foreign trade.

Mr. Snowden said in part:

The National Association of Manufacturers is composed of about 4,000 concerns engaged in business. All of these member concerns have something like 6,000,000 employees. The extent of the organization is shown by the fact that our members produce more goods than any other industry in the country. We are interested in industrial education rather than in commercial. Perhaps there are hundreds of thousands of students getting instruction in industries and in industrial and commercial education in various forms of schools—State, municipal, private, and other forms. The students in our institutions are receiving education in a peculiar way. They are our employees, and while they are earning money they are receiving instruction in a practical way. I feel as though we ought to have a complete and thorough organization for finding out what has been done in similar organizations in other countries of the world. We have a very large audience through our publications in connection with these industrial matters. A perusal of these publications will show you that this body is greatly interested in commercial and industrial training.

There is a wonderful lack of space in this congress devoted to manufactured goods. It is in education along this line that we are interested. In the promotion of foreign trade it is absolutely essential that the trader may have knowledge of the manufactured goods in detail and the conditions of sale of such goods, etc. From our point of view, at least, it is considered quite practical that these courses, especially studies which are supplementary to the regular courses usually given in schools, include continuous instruction in matters connected with exports, the banking business, etc. There ought to be some classification of manufactured articles—from experiments myself I know there are somewhere between 35 and 40—and a part of the program should be given over to the treatment of manufactured goods.

Mr. J. F. Crowell remarked:

I wish to say a few words on the general question of whether business is a profession. It seems to me, from the experience I have had in the field, that it is not yet what it may aspire to, because the business man, taken as a class, has not developed any such privileged position as the lawyer, the physician, or the engineer. Again, the field of commercial knowledge is in no sense organized, as it is in medicine or in law or in engineering or in theology. In the third place, the sense of economic responsibility by which all business conduct can be referred to a common standard, is not so highly developed in the business man of to-day as is the ethical which we find in the ministry or in the law or other professions. Fourthly, a professional career is not primarily a career whose end is economic profit. The business man's aim and end is primarily profit. The

professional man works to attain and maintain a privileged position and a high standing in his community. Any profit connected with that work is, in a measure, incidental. The standing he attains in his community is a part of his reward. Furthermore, he works for progress in his profession—medicine, theology, or whatever it may be. The business man devotes himself to his business for gain, for profit, primarily; while the professional man follows his pursuit for the attainment of a privileged position. These distinctions seem to me to be conclusive as against the claim that you can train business men up to the high plane occupied by the professional man. Certainly business has not yet attained to anything like a professional status. I believe, however, that with the development of education there will be a marked rise in the standards of business men in business pursuits.

PROPER USE OF BUSINESS EXPERTS IN CLASS INSTRUCTION ON DOMESTIC AND FOREIGN COMMERCE (SYMPOSIUM).

The following are the authors' abstracts of papers presented at this symposium:

Mr. ROGER W. BABSON, president of Babson's Statistical Bureau, Wellesley Hills, Mass.—The president of one of our country's great industrial organizations asked me concerning the best college to which to send his son, whom he desired to fit to become vice president of the great corporation and eventually to have entire charge of its investments, property, and employees. I suggested a general four-year course at some university and two additional years at the Massachusetts Institute of Technology, or four years at the institute and then two years at the Harvard School of Business Administration. He agreed that either of these would be an ideal combination, but he believed six years was, in this instance, too long. This incident well illustrates the position which many men take relative to higher education for administrative positions, and I hope to see some institution soon make definite provision for meeting this well-justified demand. The first year of such a course might be identical with the courses at any college, while in the second year the student might take up, with the general work common to the engineering courses, the study of bookkeeping and business mathematics and begin the study of applied economics. The third year he might specialize along the lines of options and begin the practical engineering work most applicable to the special option chosen. If the student decided to enter manufacturing, he should then take up some fairly advanced studies in mechanical engineering. If he decided to enter the transportation business, he should take strong courses in railroad engineering and electrical engineering. If he intended to go into banking or general business, he should study the financial side of railroad and industrial enterprises, as well as the more advanced features connected with general banking.

The main reason why I am anxious to have schools establish such courses of commercial training is because at the present time there are no such combined courses provided. The establishment of such courses in any school would greatly help the institution on the public and financial side by causing the leaders of industry to interest themselves more directly in its work and by attracting young men of wealth seeking to prepare themselves for administrative positions. There is, however, a far greater reason why all of us should aid in establishing a course in commercial training. I refer to our Nation's need for men trained along these lines. Every feature of mechanical, electrical, and chemical engineering has been taught in its minutest details; but to the great fundamental factors of trade, upon which the ultimate progress of all

our industrial, electrical, and transportation enterprises rests, we have given only the briefest consideration. For this reason, probably more than any other, we so long had to endure one of the poorest monetary and credit systems on the face of the globe. Young men are graduated from our universities utterly unable to discuss intelligently the fundamental principles of credit, trade, and conservation. Our people are wasting their resources, misdirecting their efforts, and playing at politics because the graduates of our colleges are not thoroughly grounded in applied economics.

Mr. EDWARD N. HURLEY, chairman of the Federal Trade Commission of the United States.—Professional and business activities were once limited by national boundaries, but to-day the pursuit of any profession or occupation is likely to lead into the foreign field. Only political boundaries now remain; economic and industrial frontiers have been swept away. The business man, more frequently than any other now, becomes a citizen of the world. As foreign trade increases, the question of industrial efficiency and of the fitness of the business man of to-day becomes more important. This touches particularly the college student, to whom the business man of the present, versed in the requirements of the domestic market, must eventually pass over the reins. A manufactured article never sells itself abroad as does a bushel of wheat. It must either fill a new demand or displace a like product from another country. And the early detection of the new demand requires as much, if not more, skill and organization than does the attainment of superiority in quality over the rival British or German article.

While the boys of the United States have been educated to the responsibilities of domestic trade, a large percentage of the youth of Europe has been specially trained for foreign commerce. In languages, in world-business practice, in banking, and in shipping law they have been painstakingly instructed, and thus each of our great competitors has a huge army of capable young foreign traders familiar with the rules and phraseology of world trade, subjects of which all but a comparatively few Americans are ignorant.

Nothing would enable the college student to grasp the significance of foreign trade so quickly as a contact in the classroom with men prominent in the foreign business of the United States. Men who are directly in touch with foreign competition can furnish detailed and practical information obtainable nowhere else, and in addition they will inspire the student with the enthusiasm which comes only from personal touch with big affairs. My intention is not to undervalue the systematic teaching of foreign languages, banking and shipping laws, commercial geography, and the intelligent use of statistics, cost accounting and bookkeeping, and, in fact, a general systematic course in foreign trade. These are, of course, essential. I think, however, that such a course should be supplemented from time to time by lectures of experts from the business world. These men will make the student realize the vital relation between his studies and the conquest of foreign markets and give him enthusiasm for achievement over our foreign competitors.

MR. E. T. GUNDLACH, of the Gundlach Advertising Co., Chicago, Ill.—Recent college experiments in the use of business men as class lecturers prove, in spite of many failures, that the innovation can be made a success. But the talent must be carefully sifted, then coached in advance, and properly restricted. This conclusion may be stated with considerable confidence, for it is the unanimous verdict, both as regards the value and the limitation of the plan, of 15 leading universities. In several institutions, notably at Harvard University, experiments were begun early and have ripened into a system. This past

experience, combining encouragement and warning, may serve as a guide to other colleges which, it is hoped, will begin similar work.

But before business experts can be used more largely and more successfully in our universities, attention must be called to the difficulties. In the first place, courses entirely in the hands of business experts, through a series of lectures, are nearly all failures. A regular teacher must take charge, mapping out the course and assigning subjects. In other words, there must be a master mind, a director, continuously in charge. In the second place, the detail of each subject must be sketched out. It appears almost necessary to tell each business expert exactly the limits within which he is to speak, perhaps even giving him the questions in trade or manufacture to which the lecture is to be a reply. Many outsiders, upon appearing before a class of students, proceed to air their views on business ethics and on life in general. It is important to tell these business men that they are asked to speak because they know a subject, that other subjects are covered by other lecturers, and that each speaker will please confine himself strictly to his theme. In the third place, the lecturers must be thoroughly prepared. They must be notified long in advance, and they must be asked to work up not one lecture of an hour, but, let us say, one lecture of three or four hours, and then to condense it into 50 or 55 minutes; for one of the most common complaints made by the universities appears to be that half the lecturers come without having much of anything to say, merely talking in a general way and sometimes closing before the hour is half over.

Mr. WALLACE D. SIMMONS, chairman, committee on education of the National Foreign Trade Council, New York City.—The National Foreign Trade Council, through its committee on education for foreign trade, has obtained from several hundred American manufacturers, merchants, exporters, bankers, etc., expressions with reference to our present methods of education and the extent to which they offer to our young people an adequate opportunity to get a thorough grounding for successful service in connection with foreign trade, either in work in the home office or in the foreign field. The opinions expressed and the suggestions made cover a wide field and a great variety of ideas. One can not help being impressed, however, with the extent to which a large percentage of the replies point to certain few fundamental defects in our educational systems which exist to-day in most of the school districts of this country. These defects appear both in our elementary and our secondary schools. The opinion was generally expressed that the changes most needed are (1) an improvement in the ability to write a business letter expressed in terse grammatical English, (2) the ability to figure accurately and rapidly, and (3) a thorough knowledge of geography both of our own country and of the world at large.

Through the cooperation of business men, it may be possible for the educators of the country to impress our students more thoroughly with the importance of these fundamental things, and also to impress their parents with the relative value of thoroughness in them. The field of opportunity in this direction is so vast and the present variety of available information so great as to make it an exceedingly puzzling problem to know how to begin to coordinate our efforts in some general movement that will make for effectiveness. Other nations have been giving this subject very much more thought and attention than we have during the past one or two generations. If we can not at first cover the whole field in such a way as to enable us to get as favorable results, we should find a way to concentrate on a few fundamentals and expand from them. If we can get the educators of this whole country to teach these few things and teach them as well as they are being taught to the youth of other nationalities, we shall have made a long step forward, and will make possible

further development approaching the standards of our competitors for the trade of the world.

DR. HARRY E. BARD, secretary of the Pan American Society of the United States.—In the preparation for a career in foreign commerce four things seem to me to be of essential importance: (1) A complete course of study of constructive character, which would represent the experience and wisdom of various competent authorities in the field; (2) special methods for the different subjects which go to make up the course of study, including a complete outline of subject matter, proper method of presentation, classroom technique, etc., for each; (3) professionally trained teachers, having each a mastery of the subject matter, special method, etc., of the subject he is to teach and a good understanding of the relation of this subject to the whole; (4) business experts competent to supplement the efforts of the professionally trained teachers by lecturing on special topics in accordance with the general plan and method under the immediate guidance and direction of the teacher in charge, bringing to the students something of the knowledge and experience gained in practical foreign commerce life.

The number of different subjects which merit consideration in preparing a satisfactory course of study is large, and the work of choosing the most important and of organizing these so as to meet at once the demands of pedagogical science and the practical requirements of foreign commerce is such as to engage the best thought and efforts of those most competent for the task.

The work of developing a special method for each of the subjects included in the course of study is even more important. The selection and organization in detailed outline of the subject matter and the development of proper method of treatment and classroom technique can not ordinarily be left entirely to the individual teacher, although room should be left always for the exercise by the teacher of personal initiative and some reasonable measure of original thought. The work of business experts must be considered, and careful thought given to the nature of the subject matter which these experts will be expected to present and its proper relation to the whole.

The business expert will, of course, be a person practically engaged in the field of foreign commerce, who has a special message and is competent to present it. The topic of his lecture will have very definite relation to the subject as a whole. The students will be prepared to appreciate his message by previous instruction and assigned reading, which will be further driven home by subsequent classroom discussions and examinations. Occasional lectures on unrelated topics, even by the most competent business experts, will not give satisfactory results.

MR. B. OLNEY HOUGH, editor of the American Exporter and author of the well-known textbook on exporting.—Schools, and especially colleges, too often disdain not only the motions, but the very spirit of work in the business world for which they profess to be preparing boys and young men, devoting themselves wholly to what may be called the higher aspects of commerce, to theories of tariff and finance, to pure economics, if there is such a thing, instead of to applied business science. On the other hand, it is certain that few business men have either the inclination or the time to take any active or personal interest in the progress of the employees in their own offices. Our apprenticeship system, lacking or woefully weak in the trades, absolutely does not exist in the office.

Undoubtedly the business man can profitably be utilized in schemes for more practical business education, especially in view of the intensifying conscious-

ness of civil and national responsibilities, which is so encouraging a characteristic of the times. Business men are to be found who not only are masters in a broad way, as well as in detail, of the principles and minutiæ of their own affairs, but who are generously disposed to do what they can to raise the plane of the country's business life. But none of them are teachers. To ask business men to take into their offices for practical work boys or young men who are spending a part of their day in the schools is, theoretically, an ideal plan, coupling educational equipment, textbook training in theory and the "reasons why" with actual, routine, day-to-day business transactions, and furthermore cultivating habits of method and application. Such opportunities may be earnestly sought and eagerly embraced, but are almost certain to be few. It is to be doubted if any considerable number of employers will be willing to suffer the really severe tax on their time and the inevitable disruption in their offices which such a course is bound to occasion, if the young men are to receive real assistance, even attention. On the other hand, if business men are only to be relied upon as lecturers, supplementing school and college courses, then it will probably be the part of the professional teacher to take his business man in hand, and, through a joint study of the situation, in a spirit of mutual helpfulness, together map out clearly and definitely the exact lines of the business lecture.

The criticism which I have had to make of certain experiments during the last year or two, with business men's talks on export trade to classes in New York, has been that lecturers have been given, or have been allowed to choose, subjects at once too broad and too deep—subjects whose adequate discussion would probably involve a series of 10 or 20 lectures.

The benevolence of manufacturers and merchants of the United States has freely been bestowed on trade and technical schools. Can it not be wisely extended to schools of commerce of a broader description? I have always been particularly attracted by the *bourses de voyage* offered by many a European chamber of commerce to prize students in local business schools. I especially remember reading two really interesting and informing theses submitted after a year of business experience, respectively, in Hamburg and Manchester by students holding such prizes from the chamber of commerce of Algiers. Why should not our American, North, Central, and South American, business men and chambers of commerce similarly encourage commercial students, encourage them by making it easy to acquire that actual acquaintance with and experience in other lands which is indispensable to the closer understanding, sympathy, and community of interests which we preach and seek? To the personal assistance of individual business men to higher commercial education let there be added the broader interests of manufacturers' associations and local chambers of commerce. Support, help, encouragement of individuals is necessary and good. 'Better, maybe, the official recognition by important bodies of business men of business students' diligence and success. Students from Latin America, following many different courses, are plentiful in schools of all descriptions in the United States; the working, business, postgraduate student from North American commercial colleges is unknown in Latin America.

DR. JOHN F. CROWELL, Chamber of Commerce of the State of New York.—The expert should not be put in charge of directing and instructing those contemplating a commercial career. Commercial education is not well enough organized, however, on the part of teachers to dispense with the specialist. The kind of specialist will depend somewhat on the course of instruction included in the curriculum. For the undergraduate school the general results

of expert experience should be emphasized rather than the special results. Undergraduate commercial instruction should include the following topics:

1. A statistical expert on population, including occupational classes.
2. A statistical expert on natural resources.
3. An expert on the products and distribution of the products of agriculture, manufactures, etc.
4. An expert on the different branches of commerce, including raw materials, manufactured commodities, and miscellaneous.
5. An expert on inland transportation.
6. An expert on maritime transportation.
7. Engineering experts in various fields of construction.
8. An expert on financing commerce, both domestic and foreign.

Instruction in commerce should always be given from the international viewpoint. There should be close cooperation between teacher and expert. In engaging a specialist for an individual talk or two, it is in general a safe thing to ask him to keep in mind three or four main topics and to have a good illustration or two upon each topic. The use of the expert will be very much enhanced if students be held responsible for having certain information on the subject, either by reading beforehand or within a certain period thereafter. Excellent results may be obtained through the use of a single page outline or syllabus of the main topic which the speaker is to discuss. This may cover probably a third of the page of the syllabus; the second third may be occupied with references to several books on the reserve shelves of the library; the third feature should contain a list of 10 questions to show how much the student carried away with him.

JOHN CLAUSEN, manager foreign department, Crocker National Bank, San Francisco.—The people of this country are awakening to an appreciation of the importance for more intimate relations—in business, social, and intellectual activities—with our sister Republics in Central and South America. In the development of closer relational ties our first thought and attention must, therefore, be given to the necessity of acquainting ourselves with the customs and languages of the peoples of those Republics—as also of other foreign countries. Our attention is daily called to the scarcity of available young men who in a competent and honorable manner are qualified to occupy positions of trust and responsibility. To meet this crying demand of the commercial world too little importance is given to the necessity of finding a common ground on which the business man and the educator can meet and solve the great problem for a better cooperation in the national movement of fostering trade relations.

It would seem that the first forward step to devise effective courses of study and developed methods of commercial attainments would be to unite the educational agencies in promoting the move of specialization in instruction for the most direct preparatory training, as covered by the following principal class subjects, viz:

1. History.
2. Modern languages and literature (preference to be given to Spanish and Portuguese).
3. Industrial economics.
4. Commercial economics.
5. Political economy.

A young man with a theoretical commercial training and the additional linguistic attainments brought about by such a course would assuredly prove of infinitely more value to his employer in many fields than one who lacks such qualifications. For the benefit of the scholar a merit system should be

encouraged for appointments, into the staff of commercial and banking institutions engaged in foreign trade, of worthy graduates who in their sphere of endeavor have demonstrated their fitness to occupy such positions of junior posts.

The laudable activities of institutions such as the Young Men's Christian Association and the American Institute of Banking can well be considered criterions in the demonstration of the desire for education along commercial lines, when it is considered that even members of advanced age studiously devote their evenings in acquiring the essential points of business training which were not afforded in their younger years of schooling.

It is of interest here to note that the San Francisco Chapter of the American Institute of Banking offers every opportunity to its members for the acquisition of a broader knowledge in banking and finance, commercial laws, accounting, public speaking, as also in the study of the Spanish language, which only recently was inaugurated in the interest of better Pan Americanism, and the institute now boasts a class of 135 pupils who are enthusiastically lending every effort to the successful mastery of this linguistic attainment.

The paper of Mr. Wilbur Carr, director of the consular service of the United States, invited for this session, was presented before the above-mentioned educational conference on foreign service training, and will be found in the report on that conference. Keen interest was shown at all times in the papers of this session, several of which were discussed at great length from the floor.

Mr. JOHN F. CROWELL remarked:

The expert is the hard man to find. This is not because he does not exist, but because he is working in a particular field. One of the main difficulties is that the average school-teacher is not acquainted with a large number of business men. The man who teaches commercial education and does not make at least two new acquaintances in the business world every day is a failure. But when we come to specialists, we have to hunt for him in the business world. We should go to him and tell him to come up before our boys and tell them what he does in the handling of a particular line of goods. He will come before the pupils and tell them where the article originates, how it is distributed, what depots there are for meeting the national and international needs, and why they are located at Shanghai rather than at Hongkong or Harbin; what is the object of maintaining this kind of organization rather than that kind; what kind of implements are sent to this country or to that, and why. The youth will grasp the idea. He will talk to them in such a way that the boys will have a mental picture of the country, of the conditions, and they will, as the bent of the boys naturally is, want to go to that field.

When you come to the problem of transportation you can go out and get a man like the traffic manager of one of our trunk lines and bring him before a group of boys, and he will tell them of how tens of thousands of cars are handled, how they are moved from, for instance, Pittsburgh to the seaboard. He will tell the students of a concrete instance where a man arranges for the sale of a large quantity of commodities, say, 10, 20, or 30 carloads, but is unable to get them to destination and close the sale, and may be compelled to dispose of them by auction in order to protect himself. These things mean something to the boys. There is not an expert that can not light up the dull theme of arithmetic, for example, by applying its principles to the huge business of transportation.

Take the marine expert. You can get a man who has spent all his life in the shipping business, and he will come to a class and ask what is the average tonnage of ships built in the United States in a year. Teachers, as a rule, do not impart to boys such information as that. Their mind has not been trained in that direction. The mind of the expert has. Therefore, while you, on the one hand, do not put such questions as the one I have suggested, the expert in marine shipping would naturally think of such a question at the very outset of his talk with boys.

Prof. JOHN E. TRELEVEN, representing the University of Texas, spoke of the effort made by that institution to use the expert in its business training courses. In part he said:

We have first tried to select our men with unusual care before we have extended an invitation to an expert to address our students. We have selected the expert with an eye to the probability, as near as it could be determined, of his delivering to them a logical, practical, and beneficial talk. In the second place, we have been trying to prepare our students to listen to the lecturer. We have been trying to prepare them by some systematic course in the same line as that upon which the expert will address them when he comes into the classroom, and by means of assigned readings. In the third place, we have made it a point to have a conference with each person who is to come in contact with the boys. We have also made it a point to talk to the latter themselves before the lecture is given by the expert. Usually, when our professor visits the expert, he does so in his own office; that is, the office of the expert. He talks with him about his work, finds out the things in which he is particularly interested, and helps the expert to furnish the materials which he will use in the presentation of his lecture to our classes. We have found that if we take the expert out of the formal atmosphere of a classroom, he does better work. Then, in the smaller classes, we ask him in to a round-table discussion, either in the homes of professors or in the lounging rooms of the school. In the larger classes, we ask the expert to meet our classes in the lobby, where there are easy-chairs, and where the expert does not feel that he is delivering a formal lecture. The professor is furnished beforehand with a line of questions to which he wishes answers. This line of questions furnishes the basis for the expert's talk, and this serves to keep the lecture within the bounds intended.

Mr. E. L. Wertheim, of the Young Men's Christian Association, West Side Branch, New York City, said:

Out of 3,600 students last year who came to us to study something along definite commercial lines there was collected over $90,000. That is one association.

The matter of getting men to lecture is of especial interest and importance. The expert has a contribution to make to the cause of education, and if we can guide him we are doing something that is well worth while. You will find that if you ask an expert to come in and speak, he thinks it necessary to go immediately to the library and read up on his question, rather than take something he is dealing with constantly, daily, and that will be of much more interest than anything he could prepare on. The man who tells of the things that are of everyday occurrence with him is the man who will be the most beneficial to the men and boys.

I am afraid we have not in the past sufficiently recognized the dignity of commercial education. We have not sufficiently recognized, in practice, the fact

that men fail in business because of the lack of proper training. I wonder whether commercial education will receive very much attention in the future unless we begin now to give more attention to it. We have schools, secondary schools, which prepare boys for college. There we have preparation. Why is it not just as possible to spend a portion of the preparatory period for training the boys to take their places in the commercial world, rather than to step from the secondary schools into the college? Isn't the one as feasible as the other?

Mr. S. P. Capen, the acting chairman, specialist in higher education of the Bureau of Education of the United States, remarked:

It seems to me that the profession of business, which is becoming recognized as a learned profession, is itself undergoing the experience of older learned professions. Originally all professional training was in the hands of the practitioner, and you must suppose for the professions a condition very similar to that in which commercial training now finds itself, commercial training being largely in the hands of the practitioner or the expert. This is for two reasons chiefly: First, that you have not enough trained teachers, or teachers trained in exactly the right way for your needs in training others in the profession of business; and, secondly—and this seems to me most important—as I judge from what has been said here, that you have as yet no recognized teaching content. Is not that the case? Isn't it necessary, first of all, to know just exactly what knowledge shall make up your higher courses of commercial training, and isn't it necessary to organize that knowledge into a system, to organize, in a word, a teaching content, and turn that over to the teacher? It is only the occasional expert which you now get in schools of medicine and in schools of law. In medical schools the teachers give almost their entire time to the work of teaching. The same is also true of the law schools. I anticipate it will be true of the schools of commerce and business administration in a very short time.

THIRD SESSION.

The third session was held Wednesday afternoon, December 29, at 2.30 o'clock, in the Pan American Union Building. Mr. Roger W. Babson presided.

Papers of a general character on commercial education in Latin America, Germany, and England were presented.

COMMERCIAL EDUCATION IN LATIN AMERICA.[1]

By Edgar E. Brandon.

The traditional form of education in Latin America, in both the secondary schools and the universities, was distinctly cultural. This type descended in direct line from the old colonial universities, modeled after the medieval universities of Spain, and continued in the national universities after the independence of Latin America. It was an education that looked forward distinctly to the so-called liberal professions, the priesthood, the law, and somewhat later, medicine. The curriculum of the secondary schools was formed in harmony with this tradition. In former times it included the classics, studies in literature and philosophy, with a relatively small amount of mathematics and

[1] Author's abstract.

little science. In more modern times the classics have been generally replaced by modern languages, but the study of mathematics and science has always remained overshadowed by the so-called cultural and liberal studies.

This being the status of the traditional university education, it became absolutely necessary in the commercial period of the latter half of the nineteenth century to establish schools distinctly devoted to the study of commerce and business administration. The crying need of such institutions was emphasized by the commercial development of Latin America. As long as this section of the globe remained in the semi-isolation that was its lot until the middle of the nineteenth century, the old classical and liberal education satisfied the needs of the country, but with the development of commerce a reform was imperative, and it seemed much easier to educators to institute a distinctive type of commercial schools than to engraft the idea of a more practical education on the older and established forms.

The Latin-American mind lends itself readily to commercial education, which in its broadest form must be liberal as well as technical, and include the modern commercial languages, a very considerable amount of history, geography, and political institutions, as well as economics and accounting. When once the need was fully recognized and commercial schools began to be established, they met with unusual favor. Their establishment and development in the different countries of Latin America has been in direct ratio with the commercial advance of the country. In very few cases was their origin similar to that of the so-called business colleges of the United States, and likewise it was not often that their establishment was due to individual initiative. On the contrary, in almost every case it was by act of government that the schools were established, and they have been from the very first an integral part of the national educational system. As at present constituted, they are of different types or grades. At the top of the list are the colleges or higher schools of commerce, such as the one at Buenos Aires which is a part of the University of Buenos Aires; and the one at Santiago, Chile, which, although not connected with the University of Chile, is of a rank that almost, if not quite, equals that of a university faculty. The more common grade, however, is the secondary school of commerce. This grade does not always require a completion of the studies of the elementary schools for admission. There are often two or three classes below the ordinary rank of high school, and two or three classes above the entrance grade of a high school. This is the type of the ordinary schools of commerce in Chile. Nearly every town of importance in this Republic has a commercial school of this grade.

In some countries the commercial school is a section of the regular high school. This system of organization is in vogue in Cuba and Peru, for example. The entrance requirements to the section is the same as for the other sections, but the course of study is distinctly of the commercial type. The commercial high school or the commercial school, which is a combination of the upper elementary grades and the lower high-school grades, usually attracts a different class of students than the traditional and literary high school. The latter remains the school of the upper classes, since it leads on to a university career. The former is patronized by the middle and lower middle classes who are engaged in commerce.

It is for this reason that the separate installation of the separate school is usually thought preferable in Latin America, and it has only been for reasons of economy that the commercial section has been introduced into the regular high school rather than erecting a separate institution. There is the fear that the older type of secondary education will absorb the newer and

prevent it reaching its fullest development. This is a condition imposed by the social structure of Latin America.

No part of the public education in Latin America has to-day a greater appeal to the whole public than has the commercial school, notwithstanding the facts mentioned in the preceding paragraph. A liberal profession may still be looked forward to by parents as the desirable one for their own sons, but none fail to recognize that it is the practical education which will bring the greatest material benefit to society. For this reason business men of means and commercial associations take an active part in fostering the commercial schools in their locality, and in aiding the institutions to acquire an installation and equipment adequate for this purpose. Gifts of material, of money, and of service are often made, and local business houses apply to the schools for trained young men for positions in their business.

Commercial education in Latin America is of recent foundation, while there were some ephemeral institutions toward the middle of the nineteenth century. It was not until about 1890 that the Governments took up the matter in a serious way, and the national schools of Chile and Argentina date from the last decade of the nineteenth century. The same is true of Mexico, and the other countries followed at an even later date. At the present time there are either separate commercial schools or commercial sections in the high school in practically all the countries of Latin America.

COMMERCIAL EDUCATION IN GERMANY.[1]

By FREDERIC E. FARRINGTON.

Germany has long been a fruitful source of educational inspiration to the American student, but this has largely been confined to the traditional subjects. Commercial education represents a field hitherto little noted by American investigators.

During the 25 years from 1882 to 1907 Germany underwent a marvelous transformation from an agricultural to an industrial nation. The education of the German youth for commerce has played its part in this change. In Germany specialization is the order of the day. Every effort is made to find out early what a lad can do best, and he is then trained thoroughly for that particular work and for no other. All this results in a vocational stratification which parallels the social stratification so characteristic of German life.

Germany has two distinct educational systems, one for the masses and the other for the classes. Commercial education cross-sects them both, and appears in three degrees or levels—lower commercial schools, middle commercial schools, and higher commercial schools. The first, beginning at 14 years of age, is represented by the continuation school, a part-time school demanding the pupil's time for six hours per week for three years. Here one finds a high degree of specialization, the youth being trained for a particular line of commercial work. The instruction is more or less theoretical, paralleling closely the practical training the youth is receiving pari passu with his employer. Compulsory continuation schools for boys are found in 12 of the 26 States of the Empire, and for girls in 4. In 1907, of the 460 German cities with 10,000 and more inhabitants, 291 had continuation schools, and in 220 of these attendance was compulsory. Commodities of commerce and training for citizenship are noteworthy subjects of study.

[1] Author's abstract.

Middle or secondary commercial schools are chiefly attached to the regular secondary school system, although class prejudice has prevented this grade of commercial school from attaining the prevalence or the success which characterize the lower and the higher commercial schools. A variant of this middle commercial school is found in some half dozen centers wherein a more advanced and more highly specialized type of training is given. This represents a protest against the narrower humanistic influence of the older type of regular secondary schools and responds more closely to the changing needs of modern life.

In the highest group of commercial schools appear the colleges of commerce, schools which are well worthy to rank alongside the old-line universities, with which they are legally on a par. The establishment of the commercial college is the result, rather than a contributary cause, of Germany's commercial progress, but it bids fair in the future to enhance that progress even more. Training for the civil and municipal service, together with opportunities for modern language training, are perhaps the most striking features of colleges of commerce. Private and semipublic activity figure largely in their foundation and support and show one phase of the spirit of cooperation which brings out the most important lesson we can learn from a consideration of German commercial education.

COMMERCIAL EDUCATION IN ENGLAND.[1]

By I. L. KANDEL.

The provision of commercial education in England is of recent origin, and dates from the beginning of the present century. The causes for this slow development have been the great success of English trade and commerce during the nineteenth century, which was due not to specialized training but to a wealth of natural resources and a native bent for mercantile pursuits. To this was added the opposition of educators, on the one hand, to early specialization and vocational preparation and their belief in the value of a general education as a foundation for life occupations, and, on the other, of employers who prefer to train their own employees through the actual routine of the shop and office and see no value in theoretical training. The present development of commercial education has been due to the agitation of a few men at the close of the nineteenth century, to the increasing severity of foreign competition, and to the success attained by competitors largely through training. An important element has been the establishment of examinations in commercial subjects conducted by such national bodies as the London Chamber of Commerce, the Royal Society of Arts, and the Union of Lancashire and Cheshire Institutes.

The facilities for commercial organization are not systematized, but they follow three main directions—the training of boys and girls who can remain at school until the age of 15 or 16, courses in evening continuation schools for those who are engaged during the day, and courses of university grade leading to degrees. It will be noticed that the secondary schools hardly provide instruction in commercial subjects, and this for the reason mentioned above—the educational opposition to providing special preparation in schools whose chief function is conceived to be the imparting of a general education. The first type mentioned above is in an experimental stage and has attained completeness only in London in what are known as "central schools," to which boys and girls are drafted from local elementary schools at the age of 11 for four-year

[1] Author's abstract.

courses, one of which may have a commercial bias. The preparation is of a general character, only the elements of the technical branches being taught. The evening continuation schools furnish, among other courses, organized commercial courses of four or five years' duration. The schools are open for about 30 weeks a year, and students may attend on three evenings a week. Efforts are made to secure the cooperation of employers. The work of the first two years is general in character, and in the third and fourth years there may be specialization according to the different branches of commerce. The last year offers advanced work in language and special branches. The course includes commercial arithmetic, English, geography, shorthand or bookkeeping, commercial correspondence, a modern language, and office routine, with economics, accountancy, commercial administration, banking, commercial law, etc., in the advanced courses.

Finally, the present century has seen the development of faculties of commerce in the new universities and university colleges like Manchester, Liverpool, Birmingham, London School of Economics, Nottingham, Reading, and Southampton. The courses are organized in connection with the faculties of commerce and the advice of local chambers of commerce, and other commercial interests is enlisted. Diplomas are awarded usually after two years' work, and degrees at the close of three. The subjects of study include modern languages, statistics, accounting, banking and exchange, commercial geography and history, economics, the organization of commerce and industry, and commercial law.

Progress has been slow in England in this field, but the development has begun and a new stimulus has been furnished by recent events, and increasing attention is being given to the subject by the Government and unofficial authorities which will undoubtedly lead to more rapid advance and increasing recognition of the value of training in the future.

FOURTH SESSION.

The fourth session of this subsection was held Thursday morning, December 30, 9.30 o'clock, in the Pan American Union Building. Mr. Roger W. Babson presided.

The following is a résumé of Director Grinfeld's paper:

MODERN BUSINESS AND COMMERCIAL EDUCATION.

By ISAAC GRINFELD.

In spite of the nature of modern commercial transactions, the underlying motives for preparation are the same to-day as they have always been. The technique of buying and selling is, however, so intricate and the latter carried on on so vast a scale that educational preparation, presented in a scientific and adequate manner, is absolutely necessary. Three men play an essential part in a commercial transaction to-day the success of which depends upon their training as experts; e. g., buyer, salesman, and the organizing and administrative head. The expert buyer must have a thorough knowledge of the articles manufactured or sold by his firm, and the sources of production, markets, and prices for the same. Schools must aid, supplementing actual practice, in furnishing this knowledge. This information can be best given in special schools,

as this is a day of specialization. For example, industrial chemistry, applied mechanics, and electricity, necessary for certain buyers, can be better taught in technical institutes, provided they be taught in a special group of commercial technology, than through courses in these same subjects in regular schools of commerce. Most schools, whatever their character, can offer a course in buying and selling with reference to the products in the study of which the school is engaged. In view of the present-day specialties, such a procedure would be best. Commercial preparation is only possible, however, in a school organized for that purpose where due respect is given to economic considerations and less to industrial and legal. This view needs to be encouraged in the Latin-American countries, where too much attention is given to the legal aspects.

Preparation for the salesman and the advertising expert is no less important a branch, but has been considered of even less importance in the Latin-American countries. The agent or broker carries on here the work of buying and selling. This system of brokerage, however, is a failure largely through the inadequate preparation of the broker and the character of the class from which the agent is recruited for this work. On the other hand, no subject is given greater attention in the United States. Extra-mural courses, like those of the International Correspondence Schools and the Alexander Hamilton Institute, demonstrate that buying and selling can be taught. Further, large industrial and manufacturing concerns have established highly successful schools in connection with their plants, where their salesmen are not only instructed thoroughly about their own products, but are given a fairly satisfactory course in commercial training. The training course in publicity or advertising is one of the most important subjects to be considered in these special training schools. Thousands of dollars are lost annually through the incompetency of those engaged in this work. More and more such loss is being reduced in the United States through the employment of men trained in the salesmen's training schools. The profession of salesmanship must be given greater dignity. Pupils engaged in the study of it must be given a clear comprehension of general business principles, supplemented later by a specific knowledge of each particular business.

Of greatest importance is the training of the organizing and administrative heads. The qualifications for these two branches of business service are different, but the same person is frequently called upon to act in this double capacity. The knowledge of general principles in reference to the economic forces that affect his business are of greater importance to the organizing chief than to the administrator, to whom the knowledge of accounting, office practices, and daily trade movements are necessary.

Elementary schools of commerce prepare largely clerks; the higher schools, experts in buying, selling, and advertising, organizing and administrative chiefs. The latter schools, owing to the complex character of society to-day, must include studies that will furnish culture and arouse in the students lofty aspirations. The lower schools must inculcate the spirit of patriotism, the higher schools establish a sense of social and industrial justice. The instruction given, however, must be practical above all. Practical courses must be given whereby students may be trained to observe and coordinate phenomena of interest to them, and to test their own productions by comparing them with actual results. The problems studied should be similar to those with which the students will be confronted in the practical business world.

The acting chairman read the following abstract of the paper by Prof. Bennett:

PREPARATION FOR A BUSINESS CAREER IN CHILE: LATIN-AMERICAN STANDPOINT ON BUSINESS EDUCATION.

By FRANCISCO A. BENNETT.

The Instituto Nacional of Santiago de Chile, established in 1813, holds to-day a leading position among the secondary training schools. The Memoria Ministerial of 1889 contains plans for the establishment of training schools of commerce. Vocational training in agriculture and mining had been developed prior to this date. The Instituto Comercial of Santiago was established with the hope of creating a college of commerce similar to the college of commerce of Antwerp and the college of advanced commercial studies of Paris. A Belgian gentleman was invited to organize and take charge of the school. The idea of establishing a commercial university was then abandoned, and a plan proposed to establish instead practical schools like the Italian technical institutes. The disparity in plans proposed has resulted in creating a type of school similar to that which the chamber of commerce of Paris maintains in the Avenue Trudaine, or to the German, Austrian, and Italian schools of the same grade. There are at present in Chile schools of commerce in Santiago, Valparaiso, Iquique, Antofagasta, Concepcion. Arica, Vallenar, Coquimbo, Talca, San Carlos, and Talcahuano. The Instituto Comercial of Santiago is called the Instituto Superior de Comercio. The institute has a training course for professors and teachers of commercial subjects.

Commercial education is under the general direction of a council, the president and secretary of which are, respectively, the minister of public instruction and the visitor of commercial institutes. A more or less uniform content of instruction for these commercial institutes is the following: English, Spanish, bookkeeping, typewriting and stenography, commercial geography and history; commercial arithmetic, natural sciences with direct reference to commercial products, political economy, commercial law, commercial writing and commercial practices.

In the Commercial Institute of Valparaiso, which we shall take as a model, the course is one of four years. The first is devoted to studies of general knowledge; in the second are introduced elements of commerce and commercial arithmetic; the third is given up to commercial theory; and in the fourth the studies are of a more practical nature and are completed by work in the "model office." Students and graduates of the institute easily find remunerative positions in commercial houses.

In Chile, as in the larger part of South America, importing and exporting business is carried on largely by foreigners. In view of this fact the commercial institutes prefer to give courses that will train the native clerk, merchant, and clerks for foreign commerce. The idea of the institute of Valparaiso is to prepare young men to enter commercial establishments, and, after they have learned the methods practically, to enable them to organize on their own account and later to help enlarge Chilean business enterprise. Some of these schools also consider for their graduates work in connection with the customs, consular service, railway administration, the teaching of commercial branches, etc. For the present there does not exist the official position of commercial expert.

The Latin-American point of view in regard to commercial education is rather that of the German Handelsschule than the American business college, which

stresses the application and use of certain technical acquirements. A young man, possessing a thorough training and a well-informed mind, can use his novitiate in any mercantile branch to greater advantage and advancement. The young Latin American with lively imagination wishes to know always cause and effect in the pursuit of his studies and labors. The Institute of Commerce, further, believes the literary course and school prejudicial to a successful commercial career, and is opposed very much to receiving students from the "liceos." It prefers to take students between 10 and 11 years of age and give them the necessary general training basic to later courses of a more special commercial character which will enable them at the age of 15 or 16 to take a position as a "junior" in commerce. For those unable to take this course of training in this manner there are schools similar to the American business college. Some schools of commerce and nearly all of the private schools have night schools for this type of student.

Commercial education on the whole only occupies at present, as a branch of public instruction, a secondary place in Chile. In time, as this phase of education improves, the commercial schools will prepare through systematic and organized knowledge for a higher professional career.

THE ARGUMENTS FOR A SEPARATE OR COMBINED COURSE OF COMMERCIAL STUDY—THE CURRICULUM OF A SCHOOL OF COMMERCE.[1]

By ROSWELL C. MCCREA.

The organization of the curriculum of a graduate school of commerce and business administration is relatively simple. The curriculum of such a school may well be highly technical, narrowly confined to business problems, and conducted by methods of instruction which largely follow the research plan. The ideals and methods of such a school are strictly professional. The school of commerce of undergraduate type likewise has professional ends, but its ideals are less strictly vocational, and its methods more closely approximate those of a college of liberal arts. The main variation from the scheme of the college is in the content of courses. A school of commerce may so organize its four years of study as to realize most of the primary aims of college instruction in discipline and breadth of view, and at the same time lay foundations for speedy adaptation to the requirements of later business life. There should be training in the fundamentals of business science and practice. But general educational aims should ever be in the foreground. Courses other than strictly technical ones must be woven into the curriculum in such a way as to develop on the part of the student liberality of view, intellectual perspective that extends beyond and behind purely contemporary phenomena, a socially minded attitude toward public problems, and a mental discipline and grasp of scientific and philosophic methods.

To be more specific, the curriculum of a four-year student should include not only required courses dealing with broad fundamental aspects of commercial and industrial organization and activity, but as well properly devised courses in English, history, psychology, economics, politics, sociology, and biology or chemistry.

I have omitted mathematics and foreign language work from the list of required studies. From the standpoint of utility, college mathematics is ordi-

[1] Author's abstract.

narily not of fundamental importance in the equipment of the business man. For purposes of mental discipline there are various substitutes for mathematics. For training in analysis there is ample scope in the study of accounting, of political science and business law, where the case method is used, and of economic theory.

Foreign-language study is usually urged because of the discipline it affords, because of its utility in intercourse with foreigners, and because it opens a new avenue to an understanding of the literature and life of other people. From the disciplinary standpoint the disadvantage is that results are hardly commensurate with the time spent in study. Equivalent discipline may be secured more readily in other ways. From the standpoint of practical serviceableness the great difficulty is that not more than 1 student in 25 gets enough out of his course to put it to practical use. For the few who may have subsequent use for a language, ample provision should be made; but the many should not be forced into a meaningless routine looking toward ends that are not realized. The opening of new fields of culture is quite as vain for the usual student as the utilitarian ideal.

With reference to the order of presentation of studies, advantages preponderate on the side of a mixed scheme. In the freshman year the student should be placed in intellectual touch with his environment—physical, economic, social—and taught how to use its component parts. The second year should emphasize mental processes so that he can turn to principles developed in the first year's work and apply them more fully to practical affairs. Two such years should develop a viewpoint, often so sadly lacking in the amorphous preparatory years, and should awaken enthusiasm and help toward an interpretation of the world of affairs. The last two years should be both more general and more specialized. The business man must have breadth as well as special training, for he touches at some point the social, economic, and cultural problem of his time. It would seem unwise to exhaust the first two years of his course in elementary liberal studies, and then compress in the last two years the routine tasks that prepare for his future career.

Let a study of the fundamentals of the physical and business environment exert its influence during the first years while the boy's preparation for his career is receiving initial impetus; and do not narrow the horizon in the last two years by an intense specialization that will result in efficiency at the cost of a restricted intellectual growth.

The university school of commerce is a modern college. Its function is to stand side by side with the modernized college of arts and sciences in the effort to revivify and extend culture studies, to afford special training and to yield a clearer insight into the complicated relations of modern life, whether in business, the old professions, or in the broader field of social service.

HOW TO SECURE PROPERLY PREPARED INSTRUCTORS FOR COLLEGES AND UNIVERSITIES IN COURSES ON DOMESTIC AND FOREIGN COMMERCE.[1]

By JAMES C. EGBERT.

The expression "domestic and foreign commerce" may be described in general as standing for the interrelations of trade as maintained at home and

[1] Author's abstract.

abroad. When, however, it is considered as a subject of instruction in our institutions of learning, it evidently has a wider significance, inasmuch as it apparently includes the study of business, a term used in its broadest sense. It will be well, therefore, to modify the title of our theme by substituting the word "business" for commerce.

We must consider first the development of commercial study in the American college and then the place it holds in such institutions. Early schools of business were developed in large cities; they were private institutions. Then followed the high schools of commerce. These prepared many young people for a business career, but served another purpose in calling attention to the need of training of a more advanced character.

Political economy was the predecessor of the various related subjects of economics now admitted into the college curriculum. Finally the graduate courses were established. Then it was realized that a more complete and independent treatment was necessary, and schools of commerce of a collegiate and university grade were begun. There are three types of these schools to-day: The school of commerce, which takes the period usually assigned to the college; then the professional school of business, built on a partial collegiate career; the third type is the graduate school, as existing now at Harvard.

In our desire to secure instructors for such schools we must understand that these schools must be operated for a double purpose, the training of students for a business career and the preparation of those who will serve as teachers in the higher institutions of learning devoted to business as the subject of instruction. The preparation of a larger number of instructors in these subjects is very necessary. We can not expect in general to draw our teachers from business life. The teacher must be trained and must be qualified to impart knowledge. Three important facts should be recognized: First, the colleges have been preparing students for instruction in the secondary schools and not for the colleges; again, graduate students tend at present toward the theory of business. The laboratory method is almost entirely neglected. We must first establish a profession of business and receive more recognition in the colleges. The professional school of business must form the background in the education of teachers. The practical or laboratory work must not be forgotten. Business houses may cooperate with the schools of commerce and afford an apprenticeship to the students, who may there receive practical experience. Colleges of business must be carefully organized with an understanding as to the possibilities of specialization. The problem will be solved by regulating, adapting, and developing agencies now existing and emphasizing the profession as the center of interest.

If we consider our theme as concerned with the special subject of foreign and domestic commerce, we should recognize the importance of securing instructors trained in commercial geography and the colloquial use of modern language, and particularly in the institutions of the countries with which trade is desired. The cooperation of business firms will be invaluable in this particular. Finally, we must secure suitably trained instructors by requiring a general education, followed by professional training, with opportunity for specialization and for practical experience.

WHAT CAN THE SMALL COLLEGE DO IN TRAINING FOR BUSINESS?[1]

By GEORGE W. HOKE.

Three points are prominent in this discussion:

(1) The function of the college is to develop ability in its students to give efficient and versatile response to environment.

(2) One-sided response of the college product is due to the fact that experience in the promotion and administration of affairs has no adequate representation in the training given by the college.

(3) Certain readjustments are necessary to meet this situation: (*a*) The organization of a system of academic and vocational guidance; (*b*) the establishment of functional relations between the various departments of the college; and (*c*) the grouping of a series of prebusiness courses.

The chief obstacle to training for business is the conservatism of the college faculty. They do not seem to realize that such training is not an innovation, but a return to the functional responsibility of the college, made necessary by the acute maladjustment of its product to life. Three instances are selected to show the need of training for productive service:

(1) The conservation of resources is too serious a responsibility to intrust to men without adequate training and foresight.

(2) The organization of modern business demands a type of management that can be provided only by men trained in psychology and scientific methods.

(3) Changes in standards of behavior, incident to our complex régime of mutual dependence, require a trained insight into problems of conduct and responsibility.

Six general qualifications are necessary for the efficient conduct of affairs:

(1) Vision, i. e., the ability to see the signs of opportunity and responsibility.

(2) Mastery of scientific method, i. e., ability to organize a situation with economy and efficiency.

(3) Understanding of human nature, i. e., ability to anticipate mental reactions.

(4) Capacity for self-expression, i. e., ability to deliver an acceptable message by word or deed.

(5) Capacity for recreation, i. e., ability to take leisure after labor, and make it profitable.

(6) Capacity for productive service, i. e., ability to recognize standards of worth more fundamental than financial profits.

From the day that a boy enters college he should have sympathetic advice, and his course should be routed to meet his specific needs. The departments of the college should remember that they are conducting partial processes only and that their work should conform to the standards of quantity and quality set up for the final product. The college should insist that every student acquire, before graduation, interest and knowledge in some specific field of the world's work. Upon graduation the college should do all in its power to place the student where he will do the most good.

[1] Author's abstract.

FIFTH SESSION.

The problem of commercial education, as this refers directly to elementary, secondary, and higher schools, was discussed at the fifth session, which was held Thursday afternoon, December 30, at 2.30 o'clock in the Pan American Union Building. Mr. Roger W. Babson presided.

ELEMENTARY SCHOOL COMMERCIAL EDUCATION.[1]

By F. G. NICHOLS.

There is at present a growing demand for an elementary school commercial course to take its place with other seventh and eighth grade vocational courses. The purposes of such a course may be stated as follows: To provide vocational education for a part of the great number of children who leave school before the high school is reached; to hold boys and girls in school a year or two longer; to interest more pupils in a complete education for business; to increase the pupil's knowledge of the opportunities that are open to him; to develop in boys and girls, by concrete instruction, business habits so essential to the largest measure of success in any field of human endeavor; and, in short, to make the seventh and eighth years count for more in the child's education.

It must be kept in mind by those who would frame such a course that it must be essentially vocational; that it not only must be vocational, but it must be within the easy comprehension of the boys and girls of the seventh and eighth grades; it must also be suited to the occupations that are open to such boys and girls; it must be planned with regard for local requirements; it may well be differentiated for the two sexes, in view of the existing differences in occupational opportunities open to each; it may also be planned with reference to urban or rural requirements. It is also important to remember that while early choice is extremely desirable, irrevocable choice at such an early age will always produce much harm unless the paths from one course to the other are kept open as long as possible. Further, it is well to recognize the fact that secondary education can not be forced downward into the lower school without such modification of subject matter as the immaturity of the grammar-school children makes imperative. It may also be suggested in this connection that the traditional business course of the secondary school is rapidly undergoing reorganization to meet the demands of modern business. It must, therefore, be apparent that the old bookkeeping and shorthand course will not meet the needs of the grammar-school boy and girl.

In the junior high schools of this country elementary commercial courses have been organized. Almost without exception they include commercial arithmetic, bookkeeping, shorthand, typewriting, commercial geography, business writing, and English. They do not differ materially from the secondary school commercial course, notwithstanding the important fact that much of the subject matter is beyond the comprehension of grammar-school children, or the more important fact that boys and girls of grammar-school age are not wanted as bookkeepers and stenographers.

A better course of study that is in harmony with the principles set forth above is one that includes the following subjects: (1) English, with special emphasis on spelling, vocabulary building, punctuation, simple business letters,

[1] Author's abstract.

and easy descriptive work both oral and written; (2) business arithmetic, with special emphasis on topics suggested by local conditions; (3) business writing that will insure the mastery of a good business hand; (4) commercial geography, with special emphasis on place geography in general and on local vocational geography in particular; (5) civics, elementary in character and for the sole purpose of developing a high type of citizenship; (6) typewriting for its vocational value, and also to develop accuracy, concentration, neatness, etc.; (7) first lessons in business, to inculcate business habits, to teach simple record keeping, to acquaint the pupils with simple business practice; and at the end of the course to link up the elementary commercial course with the high-school commercial course in such a way that every pupil in the former will want to continue in the latter. Physical training, physiology and hygiene, industrial work for boys and household arts for girls will all receive the usual attention in this course.

COMMERCIAL EDUCATION IN SECONDARY SCHOOLS.[1]

By PAUL MONROE.

There are two hindrances to the development of adequate provision for commercial education in the secondary schools of the United States: (1) The general prejudice in favor of the traditional literary education; (2) the feeling against any differentiation in our school organization which involves special treatment of different groups of pupils. The first feature implies emphasis on preparation for the leisure activities of life; the second renders difficult the consideration of technical preparation of any sort.

It is this differentiation of the school system into a variety of kinds of schools that is the chief characteristic of the system of Continental Europe, and to a less extent of South America. In place of this we have in the United States a prolonged elementary course and a briefer secondary course which is but slightly differentiated and is of the same length for all.

These two characteristic features are now undergoing changes which may ultimately be quite radical. These changes, so far as they have progressed, will explain the present status of commercial education.

Commercial, like industrial, education is education stated in terms of production, rather than in the ordinary cultural terms of consumption. In the United States natural resources and opportunity have been so great that it has been unnecessary until recently to organize education in terms of production. Now, with our approach to the marginal standards of the older countries and with the great influx of unskilled labor, a new attitude is necessary.

For fifty or seve[illegible]ve years we have had numbers of private commercial schools which afforded routine training for routine business procedure. At present there are probably 2,000 such schools giving training to 200,000 students. For some twenty-five years we have supplemented this means of preparation with business courses in our public high schools. Nearly 2,000 public schools now offer some such courses and reach about as many students as do the private schools. The public school has the broader curriculum, but the private school has the advantage of closer contact with business.

The problem for the immediate future is such an organization of secondary education as will place within the reach of every youth in the country the op-

[1] Author's abstract.

portunity for a commercial or an industrial education which shall not only prepare him for the business of life but at the same time be a genuine education. The problem is a wholly different one from that of the private business school. The new curriculum must include a greater variety of subjects. It must consider business from the social and the national as well as the individual point of view. Many problems in the organization and control of these schools have arisen and few have been finally solved. Satisfactory solutions await a longer experience.

A further need is for the awakening of the public to the necessity and the problems of commercial and industrial education. There can be no permanent progress until the people as a whole realize that economic advance, as well as political and social stability, depends upon an adequate preparation through education for dealing with industrial and business processes. Modern democracy demands as a guarantee of its well-being an increased attention to these types of practical or vocational education.

The following is a résumé of a paper on the same subject by David Snedden, former commissioner of education of the Commonwealth of Massachusetts.

COMMERCIAL EDUCATION IN SECONDARY SCHOOLS.

By DAVID SNEDDEN.

At least 350,000 pupils are studying in commercial departments or courses in the schools of the United States. These figures express quite definitely the demand for commercial education in the United States. They do not clearly measure the extent to which occupations of a commercial character finally require or absorb all these young people; but they bear eloquent testimony to the fact that parents see in these occupations desirable opportunities for their sons and daughters. Let us analyze, first, the character of the thousands of pupils taking commercial courses and, secondly, the general character of the instruction offered.

For upward of half a century private and public commercial schools and departments in high schools have offered the most accessible and inexpensive opportunities available for an education of secondary grade that seemed to have a definite vocational outcome.

Hence, a vast army of young people, attracted and sometimes fascinated by the alleged large possibilities of success in business careers, have sought the instruction and training offered through commercial courses. Often these youths have been under economic necessity to seek employment early; often, too, they have either lost or else never developed interest in or capacity for the general studies of high school and college. Classes in commercial studies generally show a large percentage of students of mediocre ability and also a considerable percentage pathetically eager to get the equipment necessary to early entrance on wage-earning employment. Into these classes have been forced or have drifted pupils not bright enough for the college preparatory work of the high school. What have these pupils received? At all times the larger part of the education could be divided into two kinds—(*a*) a variety of definite forms of training in skill and (*b*) a variety of forms of instruction in organized bodies of knowledge of a commercial character.

Judged by any adequate standards, commercial education in the United States during the last half century has, in spite of its seeming successes, been in large measure characterized by poor organization, ill-defined, confused, and unscientific aims, and ignorance, sometimes willful, of the general quality of its output. It has thrived on the credulity of a public deprived of opportunities for thorough and intelligent vocational education and tempted by the allurements of modern business enterprise.

The present is obviously a period of rapid transition in secondary commercial education. Partly under the influence of the general movement for vocational education during recent years, the aims and methods of commercial education are in process of becoming more clearly defined. An increasing number of educators recognize that any form of commercial education which rests largely upon abstract processes, as so often found in high schools now, must in the long run prove wasteful and ineffective. More attention is being paid to training in skill in the various divisions of commercial occupations that are being defined. Systematic comparison of various methods of teaching is being made, with a view to ascertaining which offers greatest economy and effectiveness.

It will be found that there are many commercial occupations which are not yet definitely analyzed, but for which, when analyzed and defined, systematic training can be given. The beginnings of this movement we find now in the interest developing in the direction of training for salesmanship, for office administration, for field salesmanship, for advertising, and the like.

Very probably commercial education in the future will make extensive use of so-called "part-time training," by means of which, after a brief introductory period, the novice will spend part of his time in the lower stages of the commercial occupations and the remaining part in schools, seeking systematically to correlate the practical experience gained in the commercial pursuit with the technical knowledge and training which the school is able to impart.

ENTRANCE REQUIREMENTS TO COLLEGES OF COMMERCE.[1]

By DAVID KINLEY

The principles which control and which, on the whole, should be observed in framing a curriculum preparatory to a college commercial course are these: The subjects of study should afford adequate mental training; they should have proper relation to the civilization, form of government, and opinion of the community; they should stimulate the interest of the students; they should, to a proper extent, have a vocational relation to the subsequent course of study; the subjects should be susceptible of good teaching, and a supply of capable teachers must be at hand.

Not every subject that should be in the curriculum meets all the above tests in the same degree, but every subject should meet one or more of them as fully as possible, and, to a certain extent, should meet all of the others. The general subjects which do so are the languages, mathematics, science, history, economics, and civics. The vocational subjects which meet these tests most fully are bookkeeping, business law, and commercial geography. For a college course in commerce, stenography and typewriting are not educationally necessary,

[1] Author's abstract.

although useful, for the reason that those who take college or university courses in commerce are preparing themselves not for clerical, but for managerial, positions. The educational value of commercial arithmetic is so doubtful and its scope so unsettled as to make its inclusion doubtful.

Practice in the United States conforms pretty closely to the above theories. Taking the Universities of Illinois, Wisconsin, California, and Pennsylvania as fairly representative of the institutions which have undergraduate collegiate courses in commerce, we find that their entrance requirements agree substantially with one another, and also in placing the emphasis as above indicated. All accept approximately from one to four units, or years' work, of high-school grade for admission to their courses. The other units, or most of the high-school work, are in general subjects.

The prospect is that the college commercial course will become more intensely vocational and technical. We must look, therefore, for an increase in the amount of vocational study in the high schools preparatory thereto. Probably the next subjects to be recognized in the high-school course for this purpose will be business organization and practice, salesmanship, and advertising. But while the next few years will see more highly specialized high-school courses preparatory to college and technical courses, there is little probability that these subjects will ever become the main part of the program of the high-school boy. He will still be obliged to have his mother tongue, his history, his science, and, for reasons aside from its obvious utility, his foreign language.

Dean Kinley's paper was discussed by W. F. Gephart, professor of economics, Washington University. The author's abstract of this paper follows:

The demand for formal training for business is due, first, to the wonderful economic development of the United States, with its accompanying complexities in modern business organization and conduct; second, to the rapid development of interest in foreign markets; third, to the splendid results achieved in devising formal training for technical and professional ends.

The particular subjects admitted for entrance credit should not be decided by an attempt to evaluate an assumed worth of a particular subject of study in secondary schools. Any institution which desires to organize a college of commerce should recognize that there are certain well-defined differences in business activity. The chief courses of separate training are for foreign business, domestic business, with its important subdivisions, for technical business positions, such as accountants, and for teachers of business subjects. Thus, with a difference in ends to be achieved, the value of a subject of study in the secondary schools will be determined. The entrance requirements will have a very limited number of required subjects and a large number of electives, depending upon what line of business the applicant expects to enter. Modern language will be required of those who expect to enter the foreign-trade business. A larger amount of subjects called vocational, such as bookkeeping, may be accepted from those who expect to enter accountancy.

Since in many lines of business the facts have not been, and can not for some time be, correlated and scientifically treated in a deductive manner, subjects in the high school which have a large measure of mental discipline should be emphasized.

SIXTH SESSION.

The sixth session of the subsection on commercial education was held Monday morning, January 3, at 9.30 o'clock, in the Pan American Union Building. Mr. Albert A. Snowden presided. The teaching of certain fundamental and special subjects of the collegiate business training curriculum was discussed in brief papers by specialists in those subjects. Abstracts prepared by the writers of these papers follow.

LANGUAGES.

By GLEN LEVIN SWIGGETT.

The teaching of modern languages is perhaps the most unsatisfactory of all subjects in the course of commercial education. This is due to a lack of texts prepared with this kind of instruction in view and to the prevailing method of classroom instruction in these subjects. Foreign-language study in the schools and colleges of the United States has been largely for the purpose of discipline in the earlier school years and culture in the later. This attitude persists in the face of the well-recognized and insistent demand on the part of business men and high Government officials that the modern commercial languages be so taught that students engaging in foreign service, consular and commercial, be given the ability to speak one or more of these languages.

It is difficult to give this ability to students in our schools and colleges as constituted and controlled. Faculty direction of courses of study, the attitude of the teachers of modern languages, and the method of class assignment of students are strong factors still within the school that act in opposition to the growing demand for a more satisfactory and practical plan and method of teaching modern languages. The latter can only be achieved through a larger spirit of cooperation within the faculty, the growth of an interdepartmental esprit de corps, prompted by a larger sense of public service, the emphasis upon a speaking knowledge of the language in the appointment of teachers, and through a larger freedom within the departments of modern languages that will permit either the dropping of students from these courses, after it is plainly shown that they have neither interest nor ability to pursue a course carried on by the conversational method, or their reassignment to special courses carried on by the traditional method.

The number of texts that place value upon the practical teaching of modern languages is steadily increasing. Teachers' courses in these languages are placing an increasing emphasis upon the ability to speak as a necessary requirement in the study of a modern language. Methods have greatly improved. There is still lacking, however, suitable texts prepared to give through content the essential knowledge of foreign countries and prepared by a method that is both interesting and progressive through a period of study of several years. This lack of suitable texts, together with the inability on the part of the teacher to condition a student's opportunity to pursue a modern language by the latter's native ability to take it, are a serious menace and present insurmountable obstacles for the present, except in a few favored institutions, in the teaching of modern languages for commercial purposes.

The study of Latin should precede, if possible, that of the modern languages. To do this the two elementary years of Latin should be placed in the grammar-school period. Sound pedagogy and precedent argue for this. The study of

modern languages in the high school and in the college, on the basis of election and permission, can then proceed naturally and effectively and the real aim and purpose in the study of all living languages achieved; e. g., the ability to speak them.

GEOGRAPHY.

By J. Paul Goode.

Of all the subjects in the school curriculum, geography has, next to language, the largest possibilities for service in the way of a liberal education for business. The phase of geography which is being developed in this service takes its point of view from both physiography and economics, and attempts to find the physical or geographic influences underlying industry and commerce. It is a fascinating field for both teacher and student. Though its principles may be firmly rooted in the nature of things, its data are in continual flux with the everyday changes in market conditions and international relations. For these reasons it is not an easy subject to prepare in or to teach. But the reward of such a study is found in the exhilaration of a constantly widening horizon and of migration out of a provincial frame of mind.

The subject as thus conceived lends itself very readily to a year's profitable work as a general course in the later years of high school or to trade schools and first-year college work. The interest thus roused and taste acquired lead naturally to the more specialized courses in industry and commerce now being developed in colleges and schools of commerce. A brief synopsis of the ground covered here follows:

I. The geographic influences underlying industry:
- Position on the earth, as determining climate, area, and form of the lands under study.
- Land relief-barriers of mountain or dissected land.
  - Passes and valley routes through highland barriers.
  - Plains and their influence.
- Mineral resources: Character, areal distribution, accessibility.
- Climate as an influence on life.
- Plant life, wild and cultivated, as a basis of commerce.
- Human life and development, especially as to stage of development, education and training, population density, government participation in industry and commerce.

II. The chief commodities of commerce: A general view.
- Products of the farm, orchard, and range—The cereals, sugar, fruits, vegetables, beverages, drugs, animal products.
- Products of hunting and fishing—Furs and fish.
- Products of the forest—Lumber, rubber and other gums, cork, dyes, etc.
- Products of mines, quarries, and wells—The mineral fuels, iron and other common metals, the precious metals and stones, building stones, cement, clay products, etc.
- Power as a commodity.

III. The geographic influences in commerce.
- Advantage of position with reference to trade.
- Winds and currents and the great ocean routes.
- The organization of ocean commerce.
- The development of land routes of trade.
- The development of market loci.

IV. Commercial countries and their commerce.

Selected important countries studied as to commercial development and possibilities.

The growth of world trade and the part played by leading lands.

The last two sections as outlined above may well be developed as advanced collegiate work, and even a single country may profitably occupy the time of a college course. The work thus developed opens up almost numberless avenues of special research of university grade. In high-school work a textbook is used, almost of necessity. But even here much reading may profitably be done on library references, especially in periodical literature as in the recent official publications by various Governments.

No subject offers a better opportunity for education by way of the eye, since photographs, stereographs, and lantern slides, or, better still, motion pictures, bring vividly before the student the foreign lands and strange peoples at work on the production of commodities, or the transportation of these wares along the highways of world trade. Fortunate, too, are those schools in the great commercial centers, where access is easy to commercial museums; or better still, where the great industries may be visited, and the actual work be observed in the handling and transforming of the raw products into the finished wares of commerce. Then, too, the subject calls for a large and constant use of maps. The ingenuity of teacher and student will also be well repaid by the conversion of statistics into graphs, which bring vividly before the eye the trend of commerce and the growth of nations.

HISTORY.

By WILLIAM R. SHEPHERD.

Too often is history conceived and written, taught and studied, with the idea that it is an adjunct of belles-lettres and mathematics. But the new concept of history as a record of the totality of human endeavor, as the story of the growth of mankind broadly considered, is giving to the knowledge of the past an organic vigor, a live practical utility, a genuine power of application to the problems of to-day, which differ more commonly in degree than they do in kind from those of yesterday.

In habitual conversation the world over, men and women have talked and continue to talk about business, politics, and the weather, domestic relations, children, and servants, to the utter exclusion of what is ordinarily supposed to constitute material for history. These men and women were and are living creatures, not animated books; their habitat was and is the bright and busy earth at large and not the dark and motionless shelving of a library. What they have done and thought are the things in general that interested them then, interest them now, and will continue to interest them until the end of time. Such things are the veritable stuff out of which history as a living record of human conduct is made.

History, as the word goes and as the child finds it, is only too apt to be dull, and hence profitless for the youthful if not also for the adult mind. Yet it can be made interesting, and hence valuable, simply by humanizing it.

What people to-day really care to know about their predecessors on this planet is what the latter did in the ordinary affairs of life; just how, in fact, they lived and moved and had their being. Obviously, then, studies aimed at affording a practical familiarity with the methods of gaining a livelihood in the realm

of business should include the story of what our ancestors have accomplished in the same realm, pointing out the respects in which they failed and in which they succeeded, and why. The manifold relationships in the actual dealings of people with one another, in their application of the treasures of earth to human welfare, these are the themes on which emphasis should be laid. How our forbears procured the wherewithal to eat and wear and shelter themselves, how such things were produced, exchanged, and consumed; how our parents through the ages contrived to fashion themselves into an ordered society, and how they cooperated to render this world a better place in which to dwell, are questions rising in the youthful mind which call for an adequate answer.

Politics and war, the topics that hitherto have crammed the pages of "history," and commonly made them as dead as the personages of whom they treated, should be relegated to the few who have the leisure and the inclination to learn about them. What the teacher in the modern school of commerce has to present is social history, in the broad acceptation of the term. This will embrace a record of doings in the fields of industry, trade, and transportation not only, but in those of the evolution of groups and classes in the community, their characteristics and relationships, their thoughts, and their deeds, as affecting the development of mankind, quite apart from the spectacular achievements of the soldier and the lawgiver.

The scarcity of available textbooks on organic history of the sort need not daunt the teacher who realizes the value of it. If he will search through the conventional works, he will find many a chapter, many a paragraph, and even a sentence to serve his purpose; for even the mere narrator of wars and politics could not avoid altogether the less spectacular or extraordinary, and hence the more human, and the more interesting, in his record. Diligently to seek them out, and to set them forth means the study of a genuine history that "teaches," and does "repeat itself."

GOVERNMENT.

By JESSE S. REEVES.

In this paper consideration is given to conditions in the colleges and universities of the United States only.

1. Prerequisites, not only for the study of government, but also for general preparation in foreign commerce:

(*a*) Familiarity with foreign languages and literatures. The deficiency noted is that instruction in the modern languages is too often delayed until after entrance into college.

(*b*) A knowledge of geography. The ignorance of college students in this field is notorious. It is a burden upon the college instructor in the fields of history, economics, and political science, as well as in higher commercial education in the narrower sense.

(*c*) College training in history and economics to the extent of at least one year's course in each.

2. Training in government is admitted to be of less direct vocational value in the field of higher commercial education than is training in economics, finance, and transportation.

3. The courses suggested:

(*a*) An elementary course in government which should cover the field of American political institutions, but it is suggested that there should be included

within such a course a treatment of the governments of other countries, European and American, in order to obtain a less provincial point of view and a broader horizon.

(*b*) Commercial law, which should be based not upon the English common law, but upon the legal ideas common to all civilized countries.

(*c*) Private international law, in order that the fundamental differences in the great legal systems of the world may be appreciated.

(*d*) Public international law, in order that the student of international commerce may become familiar with the greater legal conceptions which bind states together, and so develop broader sympathies and a conception of the international mind.

Finally, while these studies are primarily cultural, it is suggested that they may ultimately be of the highest vocational value.

MATHEMATICS.

By EVERETT W. LORD.

Between the colleges and the business world there has been a gulf which sometimes has seemed impassable. Not a few eminent men of affairs have maintained that the college course tended rather to unfit a young man for business than to aid his advancement. At the same time, the average college professor has considered the world of commerce wholly apart from his sphere and has disdained any connection with business men other than that sometimes necessary when the latter were allowed to contribute toward an educational endowment. In spite of this feeling, an increasingly large number of college men in the past few years have gone into business. These men have insisted that the colleges should recognize the importance of business as a profession, and that business men should acknowledge the possibility of learning something from college courses. One after another, leading educational institutions have offered courses in business or have even established departments of business administration or commerce. The teaching of mathematics has formed but a small part of these business courses. There seemed to be no particular connection between higher mathematics, trigonometry, calculus, or even higher algebra, and the routine mathematical transactions of buying and selling. A study of the catalogues of the various schools of commerce and business administration shows that few of them have included college mathematics in their course. As a rule, these colleges have limited their teaching to higher accountancy, to statistics, and phases of mathematics included in marketing and economic courses. The study of banking and foreign exchange has involved some mathematics, although little more than phases of commercial arithmetic, and the study of insurance has brought in a specialized type of mathematical work—the theory of probabilities and actuarial mathematics.

The school with which I am most intimately familiar, the college of business administration of Boston University, includes in its complete course, leading to the degree in business administration, not only the mathematics of accounting, but applications of algebra and geometry, a study of logarithms, and, in one of its divisions, the same work in solid geometry and trigonometry that is required of freshmen in a course in liberal arts. The applications of algebra and geometry are found to be of direct help to the young business man, while the training in solid geometry and trigonometry is warranted as the stimulant to scientific observation and accurate record—two things of the utmost importance

to the business man: When making up the course of this college, the writer conferred with many business men, including bankers and merchants in various lines, asking them for their opinion on the subjects to be required of the college student who aspired to excel in business. In no case did one of these business men suggest the higher mathematics; indeed, several of them were inclined to believe that any mathematical study beyond that needed for work in accounting was little more than a superfluity. College men, when consulted about the same matter, varied in their opinions largely according to their individual tastes for or against mathematics. In spite of the unanimity of opposition or of indifference shown by active business men in the teaching of mathematics, we have found that the modicum of mathematical training included in our course gives good results. We shall not extend the requirements to include any other of the traditional college mathematics, but we shall continue to allow our students to elect higher mathematical subjects as part of their general course, and we shall encourage such elections when students show marked mathematical ability.

BANKING AND FINANCE.

By CHARLES LEE RAPER.

The fact that in many countries the great majority of trades are made on the basis of credit, that much of the productive work rests upon credit, should easily convince us of the vital importance of banking and credit. To make a course on banking and finance vital, the important steps and instruments in the process of banking practice, as well as the chief factors in commerce and industry, must receive large consideration. The study should make clear and real the functions and workings of the bank, the chief credit institution which we have, as it accumulates its resources—capital, surplus, deposits, and credit—and as it makes loans of these resources to the active producers of commodities. The part which bank reserves play in banking practice and in credit and business stability should be intelligently grasped by the students. How large they should be for the sake of the safety of the bank and of its depositors and note holders, and where they should be mobilized for use when the call comes for them, are fundamental questions which bankers have to answer; and the answers should always be in terms of the actual business and political conditions.

The work performed by the various types of banks should be known. Special effort should be made to obtain a clear understanding of the work and the results of centralized banking and of the decentralized system. The weakness of the completely decentralized system which has prevailed in the United States should constantly be contrasted with the strong points of the most effective European banks. To discover how much of governmental regulation and what its form should be, to make the banking practice sufficiently safe and stable, at the same time allowing the managers to perform their work with elasticity, according to business and financial conditions, is one of the precious discoveries of a country. Because the bank should always be prepared to meet the obligations which it owes to its depositors and note holders, and because it should always accommodate business with the maximum loan of its resources, the problem of converting its assets into cash when it most needs it is highly important. One solution of such a problem is to be found in the investment of a considerable part of its resources in the most salable forms of loans.

Three more or less distinct fields are open for the investment of bank credit: (1) Local, (2) national, (3) international. The banking system of a country

should perform services in all of these fields; it must do so before it can render the most complete service. And banking in the international field, as well as in the national and local, stimulates the broadest possible intercourse and confidence and promotes solidarity of business. The student should know the function and the working of the more important instruments of bank credit and finance—the check, bank draft, documentary bill of exchange, commercial bill, finance bill, etc.

To understand the money market and rate is no easy task, but the student must have a firm grasp of these before he can hope to know banking and finance. The money market and rate may at times be largely controlled by Government finance, as is evidenced now in many of the European countries. Ordinarily private finance—the discounting of commercial and industrial paper or lending on promissory notes secured by stock-exchange securities—plays the larger part in the control of the money market and rate. The money market and rate may be local, national, or international, and their scope exercises a large influence upon banking and finance. No one can make the most effective study of banking and finance without an intimate knowledge of the whole field of business, of the making of the raw materials and their finished goods, as well as their exchange. Banking and finance are fundamentally attached to the forces of the production, distribution, and consumption of commodities.

Textbooks should be used as the general guide, but they must be supplemented by much reading in general economics and government. To make the course closely connected with the real currents of life, the daily newspapers and the weekly bank statements, such as are issued by the New York Clearing House and by the Federal Reserve Board, must be read. By a combination of texts, readings, and his own enthusiastic interest, the teacher may bring to the minds of the students the leading principles of banking and finance and the more important facts of the operation of these principles in everyday business life. The task is a large one, but it will pay a large percentage on the investment.

STATISTICS.

By E. Dana Durand.

This paper has reference to the teaching of statistics in institutions of collegiate or university rank which aim to prepare students for a business career. The enormous part played by statistics in modern industrial and commercial life shows their importance in the curriculum. Many of the courses ordinarily offered in schools for business training include statistical information as part of their subject matter; for example, courses in commercial and industrial geography, corporation problems, transportation, money and banking, and the like. Students in such courses should be made familiar by actual use with the more important sources of statistical information and taught the critical use of the data.

There is need, however, for specialized courses dealing with the statistical method. Practically all students preparing for business might well be given at least one such course, as in after life they will often need to use statistical material and should be able to grasp it readily, interpret it clearly, and present it effectively to others. There is also increasing demand both in public and private employment for expert statisticians, and advanced statistical courses should be offered for those who aim to become such.

It is not necessary that statistical courses in the majority of institutions should enter into very advanced mathematical regions. Instruction in the higher statistical mathematics may be confined to a few institutions. On the other hand, a school of business training should not aim to turn out skilled statistical clerks. Practice in the simpler mathematical and graphical processes should be chiefly incidental to practice in the application of analytical methods.

The most important desideratum in statistical work is accuracy in the original data, and much place should be given to instruction in methods of preparing schedules of inquiries and instructions for filling them, and in methods of collecting data in the field. Practical experience is essential in connection with such instruction, as in fact in connection with all parts of a statistical course. Instruction in methods of compilation should lay stress upon the close connection between the methods applicable to a given set of data and the final methods of presentation and analysis to which it is intended to subject the results. Stress should be laid upon form of tabular and graphical presentation, as well as upon analysis. Much of the value of statistics is lost because people can not understand them. Absolute clearness of form and proper perspective are essential. Finally, courses in statistics should obviously train the student to apply adequate methods of mathematical and graphic analysis. Much of published statistics is only raw material, from which lessons of great value might be drawn by trained men.

In every course in statistical method students should be given abundant practice work. There should be a well-equipped laboratory. Much instruction by lecture or textbook will leave the student incapable of actually doing successful statistical work in his later career.

Papers on the teaching of the very important subject of accounting were presented from the standpoint of the teacher and the practicing public accountant. The following is an abstract of the paper by Prof. Grass, of Leland Stanford Junior University:

THE TEACHING OF ACCOUNTING.

By DONALD F. GRASS.

Collegiate instruction in business subjects is a late development in the United States, due to overcrowded curricula and inertia in the educational field. Growth in size of business unit is the most important factor in the increased study of business. Combination, large-scale production, and in some cases, monopoly, bring problems demanding greater efficiency and men of greater mental and moral grasp. These problems awaken people to the greater need of accountability of business men. Government activities in the field of business call for highly and broadly trained men. Peculiarly so in a democracy, as they must be intelligently responsive to the people's will.

Political questions like railroad rates, tariff rates, and questions of monopoly price call for accounting knowledge in the equipment of the statesmen who would handle them intelligently. The response to call for collegiate instruction in business is heartily met when need becomes clear. To-day there is scarcely an institution of higher rank that does not give instruction in accounting and allied subjects.

Accounting should be considered from the collegiate point of view. This is due to the fact that business activities are economic activities. The real work

of the accountant is the tracing of values through all their mutations in the business world. Principles of valuation are economic principles. All the economic forces at work upon these business values must be understood by the accountant. Their intricate play must be made a matter of accurate record just as they occur. The fundamental studies of the accountant should be the principles of economic theory and the social organization of the forces of production in each business unit. Legal knowledge is also necessary to a comprehension of the business and its transactions in relation to the rest of the social organization. Law is the expression of human experience in adjusting equitably these relationships.

Last and least in importance from the standpoint of university study is the technical material of accounting. Technical means and method in the handling of accounting are infinite in variety and vary with growth and development. Study of all important technical devices is necessary, but is incidental to the study of accounting principles and problems. The aim is to give knowledge of underlying principles, and capacity to meet comprehensively a new problem.

A résumé of Mr. Geijsbeek's paper follows. Mr. Geijsbeek was for four years chairman of the committee on education of the American Association of Public Accountants, which has made a very careful and continuous study of this question since 1911.

ACCOUNTING.

By JOHN B. GEIJSBEEK.

1. *What kind of accounting is meant.*—The accounting here treated is the work of the expert accountant, who aids materially in the management of business by furnishing financial statement and data, after the work of the entry clerk is complete.

2. *The education of a person desiring to become an accountant.*—The accountant should receive just as ample an education as the manager. This is to enable him to execute his duties with the greatest sureness and effectiveness. His education must be accomplished in a very much shorter time and through altogther different routes from that of experience.

3. *The necessity for such an education.*—The public and high schools furnish no education of help to the accountant, as the commercial courses in these schools only give good instruction in typewriting and bookkeeping, in which he is not interested. Very little knowledge is obtained in the lower schools that is of real value to the student, and it is the author's opinion that the curricula of American schools should be greatly changed, so as to really furnish a practical instruction. The necessity for commercial education is more important than ever on account of the present war, which will affect the American trade by greatly increasing it.

4. *It should be a college education.*—As the accountant must be able to cope with the mature mind of the management of the firm, it is necessary for him to have a mature education, and this can only be received in a college.

5. *The methods of teaching the subject.*—The greatest difficulty is to make the courses as practical as they will be found in actual business. The author suggests a method similar to the clinic service of the doctor. He suggests letting the student work under guidance on the books of charitable institutions and

small business concerns. The progress would be much greater and the knowledge obtained more profound.

6. *The qualifications of the student.*—Before beginning the study of accounting, the student should possess a thorough general education which will enable him to understand the use of technical terms and fully grasp the instruction offered him. He should have a good foundation in commercial history, commercial geography, commercial law, commercial economics, and like subjects; and, above all, he should be master of the language he is to use and have a good knowledge of other foreign tongues. It is thus easily seen that accounting can not be fruitfully taught before the third year of a collegiate education.

7. *The postgraduate course seems better.*—The postgraduate course seems more adequate to prepare a man for this work, as only a graduate possesses that knowledge of the world so lacking in the college man. As business ability consists chiefly in grappling seriously with the daily problems, it is necessary that the training in directing ability should only be given to graduates and not to undergraduates. The author does not mean by this that instruction should only be given to the college graduate, but desires rather that the course be one of college education for business men than of business education for college men, and concludes by regretting the formalities required of business men who seek to enter colleges after having acquired sound experience in the world of business and practical affairs.

The subdivisions of the courses in accounting are very numerous, but in general may be enumerated as follows: Philosophy of accounts; practical accounting; accounting procedure; accounting systems; simple accounting problems; advanced accounting problems; auditing; advanced auditing; private auditing; accountants' reports; corporation finance; accountancy of investments; and cost accounting.

BUSINESS LAW.

By WARD W. PIERSON.

An investigation recently completed by the business law department of the Wharton School of Finance and Commerce of the University of Pennsylvania brought to light interesting data concerning the teaching of business law in the colleges and universities of the United States. The following is the distribution of educational institutions reporting: Universities, 86; colleges, 149; technical schools, 14; agricultural schools, 8; total, 257.

Ninety-eight of the above institutions offer courses in business law. Taking these numbers as a basis of computation, we find that over 38 per cent, or a little more than one out of every three institutions of higher education in the United States, offer business law as a regular study.

Of the 86 universities reporting, 20 have a separate commercial course of which business law is an integral part; 20 others offer it as a subject under their general curriculum, while 46 universities as yet give no instruction whatsoever in the subject. Of the 149 colleges reporting, 12 have a distinct commercial course, including business law, 31 offer it under the general curriculum, while the remaining 106 do not offer business law in any form. Business law forms an important study in technical and agricultural schools. Reports from 14 engineering schools show that 13 offer courses in agency and contracts, and these courses are required for a degree. Out of 8 agricultural schools reporting, 3 require it before graduation. As to time given over to teaching of business law, only 2 institutions offer courses covering four full

years, these being the University of Pennsylvania and New York University. Four others offer 3 one-year courses, 10 offer two-year courses, and 25 have one-year courses, while 44 offer business law in the form of a short course of one term or less.

In engineering schools the subjects of contracts and agency are emphasized, while in universities the course is broader and the study more detailed. The subject in the latter includes contracts, negotiable instruments, agency, partnerships, corporations, bailments, sales, personal property, crimes, decedent's estates, bankruptcy, suretyship, guaranty, and evidence.

Fifty-two institutions require the subject of business law before graduation, while 46 carry it as a free elective. Thirty-seven institutions reported that they used the combination method, including a study of court decisions, class discussions, and the lecture system. Seventeen used lectures and quizzes, 5 used simply a textbook, supplemented by lectures; while 4 reported courses given through medium of lectures alone. The remaining number offer combination of various forms too detailed and numerous to mention. Forty-three institutions reported that the subject was taught by practicing attorneys. Three reported that, though not practitioners, the instructors were law-school graduates. In 52 schools it is given by instructors holding merely a college degree.

The subject of business law was first introduced in the United States 44 years ago. However, only 13 institutions have taught it more than 30 years. Twenty-five have taught it between 10 and 20 years, while during the last 10 years, 49 have introduced courses in the subject. This proves that the number of institutions where business law is taught has increased in the last 20 years sevenfold, and in the last 10 years it has doubled. Out of 257 institutions reporting, 159 offer no instruction in the subject. Of these, however, 16 are contemplating the introduction of such a course within the next two years. Against this number there are but 8 which at one time taught the subject, but have dropped it.

The investigation proves beyond doubt the growing importance of business law as a college subject. A knowledge of the legal status of corporations, the forms and functions of negotiable instruments, and the laws in regard to property fill a need in the lives of thousands of people engaged in business or professional pursuits. There is probably no other subject which fills so wide a gap in the college curriculum, which has sprung into existence in so short a time, and which gives greater promise of genuine service to the world at large, than does the teaching of the subject of business law.

BUSINESS ETHICS AND PSYCHOLOGY.

By JAMES E. LOUGH.

Until recently business organizations and business operations were frequently regarded as existing and functioning under conditions entirely peculiar to each individual case. We now realize that business is a science and that it is founded on certain general principles. These principles apply to all business operations and include among other topics business ethics and business psychology. Business ethics must not be confused with business etiquette, or with the conventions of business. Business ethics deals with the principles of morality governing business operations and with the duties and obligations of business organizations to other organizations, competitors, employees, investors, and the public. The same principles of conduct that govern the action of the individual apply equally to the activities of business. The obligations

of honesty, uprightness, truthfulness, etc., must be recognized by the corporation as well as by the individuals constituting the corporation.

The aim of a course in business ethics, therefore, will be to teach students to apply the general principles of ethics to business operations. The course should include:

1. The consideration of the evolution of morality.
2. The causes which have produced morality.
3. The necessity of morality.
4. A study of the virtues and duties with special reference to business.
5. Following the discussion of the more formal topics of ethics, consideration should be given to the practical development of ethics as shown in the interest of the larger corporations in welfare work among the employees, the organization of cooperative clubs, vacation clubs, etc.; the general tendency on the part of large corporations to look on the employee as a human being rather than as a mechanism.

The method of instruction is a matter of the greatest consequence. It is most important that the instructor himself should be a man thoroughly familiar with business conditions and who also holds the highest reputation for business integrity. The course must be inductive in nature, must avoid academic discussion and formal definitions, and rich in illustrative material drawn from business.

The general course in business psychology must first of all present in systematic order the essential facts of psychology so far as these apply to business operations. For example, attention, apperception, sensory elements, types of imagination, judgment and reason, emotions and will. This should be followed by a study of the individual, his natural and acquired capacities, and other traits that constitute the elements of his personality.

The following traits should be included in the general course: (1) Physique; (2) knowledge; (3) mental ability, as distinguished from knowledge; (4) disposition; (5) the will; (6) trait chart.

Following this the course should present practical suggestions and exercises for increasing the strength of undeveloped traits. If time permits, some of the more exact methods of psychological measurement may be introduced in connection with the trait chart, or this subject may be treated in a more advanced course. The psychology of salesmanship, the psychology of advertising, etc., constitute special developments of the psychology of business and should be given only a very general treatment in the introductory course.

BUSINESS ORGANIZATION AND ADMINISTRATION.

By ARTHUR E. SWANSON.

A survey of the courses now being offered in 34 universities and colleges under the head of business organization, management, or administration indicates that there is little uniformity in the subject matter taught in these courses. This is to be explained principally by the newness of the subject, since most of the courses have made their appearance within the last five years.

The study of business organization and administration means a study of business enterprises, their structure, methods, and policies, with particular attention to the ascertainment of the principles underlying and determining successful business organization and administration, and an additional study of the observed facts and principles of other fields of knowledge as they bear on this

subject. These peripheral fields include especially economics, psychology, sociology, and accounting. Too much emphasis has been placed on the study of organization and administration of ownership in courses in business organization and administration. This is especially true if it can be assumed that students have taken courses in business law and corporation finance.

In the study of operative organization and administration a course in fundamentals should precede and serve as an introduction to the applied courses. The fundamentals to which I have reference appear to me to be as follows: (*a*) The functions of organization and administration; (*b*) the limitations; (*c*) the dependence of organization and administration on the purposes of a business; (*d*) the delegation of authority; (*e*) the fixing of duties and responsibility; (*f*) the conditions necessary to administrative control; (*g*) the specialization functionally or divisionally of authority and administrative direction, and of the work to be performed; (*h*) the standardization of materials, methods, and policies; (*i*) the assembling, classification, dissemination, and recording of information; (*j*) the personal correlation of men and departments, and the mechanical correlation of materials and equipment; (*k*) discipline; (*l*) incentives, including all forms of compensation and other inducements; (*m*) employment and discharge.

Following this elementary study, strictly applied courses should be given in production and distribution in which a presentation can be made of specific problems of organization and administration in the light of the fundamentals. In the field of production a course in factory organization and administration can well be supplemented with specialized courses in such subjects as motion study, efficiency standards as applied to production and production costs. In the field of distribution a course in merchandising or marketing can be supplemented with specialized courses in foreign trade, advertising, sales organization and management, credits and collections.

Theoretically, the value of special training in business organization and management can be supported on the basis that there are ascertainable facts in this field which can be classified and studied. This process is essentially educational. Supporting this assumption, experience proves clearly that business organizers and managers find courses in business organization and administration very valuable.

SEVENTH SESSION.

The seventh session was held in the Pan American Union Building January 3, at 2.30 o'clock. Mr. Albert J. Snowden presided. The subsection on commercial education was most highly honored on this occasion with an address by the Hon. William Jennings Bryan, to whom an invitation was extended to address the Second Pan American Scientific Congress, the plan and purpose of which he had indorsed and encouraged cordially and constantly during his tenure of the portfolio of State. Electing to speak in a general way to the establishment of relations through educational preparedness, the address of Mr. Bryan was assigned to this subsection as such time as he could conveniently attend it. Space does not permit printing Mr. Bryan's remarks in full in this brief report; the importance and sig-

nificance of which may be readily seen in the following quoted paragraphs:

ADDRESS OF HON. WILLIAM JENNINGS BRYAN.

In casting about for a theme for my brief remarks to-day, it occurred to me that the word "cooperation" might well serve as the point about which to group certain suggestions for which I ask your consideration. Cooperation is the growing word of the twentieth century. There is noticeable everywhere an increasing tendency on the part of individuals and nations to get together in matters of mutual concern. In the business of life the idea is accentuated by the multiplicity of corporate organizations in which individuals associate themselves for the advancement of joint interests. Nations, too, are more and more considering matters of common interest and learning to give each other the assistance which comes from joint action. While the unprecedented struggle now raging across the Atlantic has, for the time being, interrupted cooperation in that section of the world, it should be regarded as a temporary suspension of cooperation rather than a permanent surrender of an ideal. Cooperation in the Western Hemisphere has been more general because of the greater similarity of institutions and political aims. The present conflict in Europe has tended to draw the Republics of the Western Hemisphere nearer together, as their dependence upon and power to aid each other have become more apparent.

With this introduction, permit me to suggest a few lines of action along which I believe it is possible to cooperate to a larger extent than we do now. First, the language tie which binds nations together is a strong one. The ability to speak and understand each other lies at the foundation of both business and social intercourse. The two languages spoken in the Americas are the growing influences of the present century. The rapid increase of the population of the United States would alone greatly influence the English-speaking population of the world during the next century, and in addition to this the use of the English tongue is rapidly spreading in the Orient, in the commercial centers of the world. As the Central and South American countries are likely to repeat during this century the development witnessed in the United States during the past century, the Spanish language seems destined to fill an increasing place in the world's future. The very best encouragement should therefore be given to the teaching of the English language in Latin America and the teaching of Spanish in the United States. There are several ways in which this encouragement can be given. The exchange of professors would be one. If an arrangement could be had by which colleges and universities of Central and South America would accept American instructors in return for Latin-speaking instructors in the United States, the temporary exchange would not only be helpful in extending the two languages, but larger acquaintances would follow, and acquaintance is, after all, the most essential thing in the improvement of international relations, whether social, business, or political. I would turn aside from my manuscript a moment to still further emphasize this idea. It has, ever since my connection with the Pan American Union, been a growing thought with me, that we have not improved to the full the opportunity to increase acquaintance by this interchange of professors and students, and I hope that those who are here assembled will carry back this thought for consideration and development, because whenever a professor comes to us from any of these Republics the students who knew him there will follow him with their thoughts, and where he goes he is apt to establish a center which will draw more and more of these young men to the United

States, and in this country he will become acquainted with students, and he will be able to give to them a better knowledge of the country from which he comes than they can get from books. As this acquaintance is increased and as these ties between us multiply, there will be not only commercial and business advantage, but there will be the advantage that comes from more intimate political relations and more friendly diplomatic relations that rest upon this better knowledge of each other. Encouragement also could be given to the study of the two languages by colleges, especially by those located in the southern part of the United States, and in the northern Republics of the Latin-American countries, where special inducements could be offered to foreign students. The United States, for instance, could establish in Porto Rico, Panama, and accessible points along the Gulf Coast, schools in which special attention would be given to the teaching of the Spanish language and Spanish history, and the Latin-speaking nations could in return offer similar inducements to students from the north. In these special schools young men from the United States intending to go to South America, and young men from South America intending to come to the United States, could meet and while preparing themselves for their work, acquire that personal acquaintance which contributes so largely to success. This thought occurred to me first when nearly six years ago I visited Porto Rico, and again when I visited Panama, and I have not from that time failed to think of the opportunity which we have, as a nation, to extend our ideas as represented in our educational systems where they will be seen and taken advantage of by our neighboring Republics.

The establishment of some monetary unit throughout the Western Hemisphere has long been discussed, and there is no doubt that it would greatly facilitate the exchange between countries. The currency law now in force has, by authorizing the establishment of branch banks in foreign lands, greatly aided in the improvement of trade conditions, but it will require some years to realize to the full the advantages made possible by this law. It is worth while to consider whether it would be wise for the American Governments to facilitate exchange by an arrangement under which they could cable each other deposits made with each to cover foreign purchases.

During my connection with the State Department I had an opportunity to learn of the enormous burden thrown on the small Republics of Central and South America by the high interest rates they are compelled to pay. I became convinced that these high interest rates not only worked an injustice to the countries that paid them, and retarded proper development of those countries, but these loans, the very best that could be secured under existing conditions, sometimes caused insurrection and revolution. I learned of one incident in which the Government had to pay 22 per cent interest. I talked with the representative of that Government which was paying what would seem to us a very excessive rate, and found that the men who loaned the money felt justified in charging the higher rate to cover what they called the "risk." I also found that some of these people, after being paid for the risk, then asked the Government to take the risk off their hands and give them the profits without the risk. I came then to the conclusion that it would be much better for our Government to remove the risk and thus remove the burden instead of allowing the risk to be paid for and then removing it for the benefit of the man who loaned the money.

This Congress has already under consideration the possibility of cooperation in the defense of the Western Hemisphere as embodied in the proposition recently submitted by the President through Secretary Lansing, which con-

templates a joint convention providing for the investigation of all diplomatic differences and arbitrary boundary disputes among the Republics of America, a convention which will go far toward removing the possibility of armed conflict between them. This evolution of the Monroe Doctrine enforced by the United States alone into Pan Americanism, supported by Latin America generally, will not only insure a solidarity of sentiment, but will, by the union of strength, lessen the expenditure necessary for protection, in case of a possible attempt of invasion, especially since the danger of invasion has decreased in proportion as the population in Europe has been reduced by the enormous loss of life occasioned by the war.

In conclusion, permit me to express the deep gratification which I feel over the spirit of cooperation and friendship which has made possible the treaties already negotiated between the United States and Latin-speaking republics. The plan, providing for the investigation of disputes of every character, was submitted to all the nations of the world at the same time, but to Latin America fell the honor of first accepting the proposal. The Republic of Salvador signed a treaty of this kind on the 8th of August, 1913. Guatemala, Panama, Honduras, and Nicaragua followed in the order named. It was not until after these five treaties had been concluded with the Latin-American Republics that the first treaty with a European nation was negotiated, namely, that of the Netherlands, signed on the 18th of December following. We now have 30 of these treaties connecting us with nations exercising authority over three-fourths of the peoples of the globe. Nearly all of the Republics of Central and South America are included in the 30, and the plan embodied in these treaties has been followed in a treaty recently entered into between Brazil, Argentina, and Chile. And when could an example set by the western Republics be more timely. While Europe, rent with passion, is in the throes of a struggle more bloody and costly than any the world has known before, peace prevails in the Americas. On the north of us, there is an unfortified boundary line of 3,000 miles, and our Nation has relieved our neighbors on the south of any fears that they may have had of invasion or conquest by us. Nor is our Nation the only one in giving evidence of peaceful intention. On the boundary line between Argentina and Chile there stands an heroic figure, the Christ of the Andes, erected by the joint contributions of the citizens of the two Republics, a proof of present amity and a pledge of future friendship. God grant that all the American Republics, one in their reverence for God and in their worship of His Son, identical in their aspirations, similar in their governmental methods, may, in the spirit of brotherhood and faith, cooperate in the advancement of the material, intellectual, and moral welfare of the western world, honorable rivals in helpfulness and service. They are joint tenants of a new land, neighbors in a new country, and are united by ties of interest as well as by ties of sentiment. What God hath joined together let no man put asunder.

The character and method of the instruction given in special schools of secondary grade were discussed at this session. Papers on the work of the business college, commercial high school, and the Young Men's Christian Association were presented, respectively, by President C. C. Gaines, Prof. William Fairley, and Mr. Edward L. Wertheim.

COMMERCIAL HIGH SCHOOL.

By WILLIAM FAIRLEY.

The most striking recent development in our secondary education has been along commercial lines. The reasons for this are twofold: The demand for a practical bread-winning training for that large proportion of our young people who can not go to college, and the demand of business men for young people in their offices who have some training in business operations. The report of the Commissioner of Education for 1913–14 shows the following ratio of commercial pupils to the entire secondary enrollment: North Atlantic Division, 22 per cent; North Central Division, 10 per cent; South Atlantic Division, 8 per cent; South Central Division, 4 per cent; and Western Division, 14 per cent; in New York City for 1914, 29 per cent. These figures show very clearly that commercial education is in demand very nearly in proportion to the business activity of the several sections.

The aim of the private school is largely confined to the lower ranges of commercial work. The public school should have a larger purpose, manifested in the length and the scope of its instruction. It adds to the technical training some preparation for citizenship. Most of our commercial training is in departments of general schools. A few of our larger centers of trade have developed the specialized commercial high school. The latter type has its distinct advantages. There is a lamentable tendency for the department in a general school to attract the weaker students. Even in the special commercial school there is as yet a too general feeling that its courses and standing are inferior to those of the academic school. The remedy for this can be found only in a change of public sentiment which shall arise from the manifested utility and success of commercial courses. The fact that most girls enter commercial courses simply to get a training for clerical duties creates the need for different training for such boys as wish to prepare earnestly for duties of a more advanced nature. The purposes of a commercial high school are: To fit for the simpler clerical duties, to fit the more earnest and capable to grow into managerial and executive positions, and to fit those who wish it to enter the commercial schools of university grade.

The course of study ranges from two to four years. The most common type is a three-year course. The best schools offer a four-year course. And in view of the subject matter undertaken and the aim in view, this is none too long. The full commercial course should embrace far more than the traditional penmanship, arithmetic, spelling, letter writing, bookkeeping, stenography and typewriting. These prepare only for subordinate clerical work. They are essential, most of them, for the majority of students. But they are only a beginning. Remembering, of course, that we are dealing with boys and girls of from 14 to 18 years of age, there is need of such other studies as shall give them as broad an outlook as possible into the world of men and of affairs. An unfortunate distinction is sometimes made in commercial schools between academic and commercial work. With the possible exception of music, there should be no subject in a commercial school which is not regarded as having a bearing on the future life of the business man; no subject which may well be slighted in the student's estimation because it is not practical. There must be some subjects which will have only an indirect bearing on office procedure, but will have a powerful influence on general intelligence and capacity for seeing and solving problems. Moreover, every business man is to be a citizen as well. The things that make for citizenship have their place

as truly in the commercial as in the academic school. As will be shown later, it is this very breadth of training offered by our better commercial schools which the business world is fast learning to value and to demand.

Cooperation of business men and associations, illustrated best in Germany, may be obtained by visits and by helpful criticism of courses and methods, by lectures and addresses, by gifts of specimens and apparatus, and by entering into the "cooperative system"—half time in school and the alternate week in actual business employment. Every commercial school should have as ample a museum of commercial raw materials, products, and processes as possible.

There is one broad, general field which may well be had in mind in secondary work; it is the field of foreign trade. We know, as a matter of fact, that a good many graduates of our commercial schools are being sought now for Latin-American positions. Our schools will do well to have this growing possibility in mind. An English writer has thus stated the preparation for work in foreign fields:

1. An effective knowledge of foreign languages.
2. A knowledge of the modern methods of importing or exporting goods, including freightage and modes of transport.
3. A thorough knowledge of the goods in which he deals and of the sciences bearing on his trade.
4. A knowledge of the markets at home and abroad and the customs of the trade.
5. To understand foreign tariffs, foreign weights, measures, and moneys, and the exchanges.
6. To be acquainted with the technicalities of commercial documents, such as bills of exchange, bills of lading, insurance policies, etc.; and to have some knowledge of commercial law.
7. To know the principles of bookkeeping and accountancy.
8. A knowledge of economics bearing upon commerce, and the use of trade statistics.

YOUNG MEN'S CHRISTIAN ASSOCIATION.

By EDWARD L. WERTHEIM.

The Young Men's Christian Association in the United States has for a long time been engaged in the training of men and boys for commercial pursuits. Its membership, as well as its committees, are made up for the most part of business men. The 4,780 secretaries engaged to carry on the various phases of its work are in the main of the business type.

From simply providing reading rooms and libraries in 1851, the educational work has developed through the gradual additions of lectures, practical talks, educational clubs for study and research, classroom instruction introduced in 1860, definite schools for both day and evening students, etc., until it has produced those necessary lines of practical, vocational training demanded to-day for men and boys. This kind of instruction gradually grew out of the needs of the men, because they could not get this training so well in other institutions. So far as is known definite evening educational instruction of a vocational nature began in the Y. M. C. A. There are educational secretaries who give their whole time to the supervision of the work. Last year in the United States there were 78,000 different men in the classes, with 2,512 paid teachers and 4,700 lecturers. The cost of these activities was $1,045,900, of which $800,024 was paid by the students in tuition fees, aside from the membership fee of $214,190 more.

In addition to the ordinary courses fitting for college and university, 130 different subjects were taught, including every phase of commercial training.

There are many other forms of educational activities, such as educational trips, educational moving pictures, clubs, etc.

The association educational work is for men by men; it is given at any place or time in or outside the building to any kind or group of men; the teachers are selected for reasons of special fitness; courses of a practical nature are preferred; classes in English for foreigners are given free; and, as a whole, the work is conducted so as to be as nearly as possible self-sustaining.

Courses are offered as soon as need for them has been observed; for example, exporting was immediately put on at the time when the agitation for the need of knowledge began at the outbreak of the present war. Spanish at the present time is one of the most popular subjects, and Russian is one of the most recent languages to be added. Classes in business and personal efficiency, accounting, advertising, and salesmanship are all very popular at the present time. In a majority of the classes the instruction is individual. Discussions and interchange of ideas are encouraged in the larger groups.

Definite educational work is being done by the association to acquaint men with the business opportunities in Latin America and to encourage friendly relationship. Spanish was taught to about 1,000 different men last year. Exporting has been taught in New York and San Francisco. Many associations have had special lectures dealing with opportunities in Latin America. Clubs have been organized for men to meet in discussion and have conversation in Spanish and Portuguese. Definite plans for work among the 60,000 Latin-American men in New York, who are encouraged to come to the local city associations on arriving in the United States, have been made.

The associations, with a membership of 620,799 in North America, with 759 buildings, its 4,400 employed officers, etc., offer an opportunity for diffusing information about Latin America. From its platform talks may be given on Latin-American topics. Books, magazines, trade journals, Government reports, etc., can be introduced into the association libraries and reading rooms, and in many other ways the present activities may be extended to include Latin America.

EIGHTH SESSION.

The program of the eighth session, held in the Pan American Union Building, Tuesday morning, January 4, at 9.30 o'clock, was devoted entirely to the instruction given in special schools of college and university grade. Interesting and valuable experiments are being carried on in the colleges of the United States incident to the establishment, as part of their curricula, of courses in business training. Several of the most fruitful of these experiments, as carried on in different types of schools, were explained at this session by the deans of these courses. Synopses of their papers, prepared by the writers, follow:

TULANE UNIVERSITY.

By Morton A. Aldrich.

When certain representative business men of New Orleans made up their minds that their city should have a college of commerce, they found three groups of people to which they could turn for help. First, there was the city's organi-

zation of business men, the Association of Commerce; secondly, there was Tulane University; and also there were those individual business men who were especially interested in establishing mature training for a business career. The problem with these men was how to mobilize and combine these three forces so as to secure the active and permanent interest of each group.

The business men of New Orleans have come to think of their college of commerce as an essential part of the commercial equipment of the city. They are of the conviction that they can best use the college of commerce when they think of it along with their exchanges, their railroads, and banks. Thus, the happy situation has developed where the business men think of the college as their asset and their responsibility. The business men do not feel that their responsibility to the college ceases with the signing of a check. Their cooperation is of the solid, active, day-by-day kind, and by bringing their constant interests and practical experience to the support of the college they have prevented waste motion and formalism so as to make every stroke tell.

The Association of Commerce provides ample quarters in its own building for the night courses which the college offers for business men and women (in addition to its four-year day course in the college buildings) and for the public Friday night talks of the college. These Friday night talks, under the joint auspices of the college and the Association of Commerce, have developed in our city one strong business forum. These talks are very informal and are always followed by questioning and discussion. As a result of this close relationship between the Association of Commerce and the college, more of the older members of the association, and more of the members of its vigorous young men's department, are enrolled in the business courses. All this gives the college a business atmosphere which is highly stimulating to young men.

Now, as to the support of individuals: One hundred and four of the leading men of the city have organized themselves into a board of guarantors to guarantee the expenses of the college, and they back up their financial support with their active personal interest. This board meets monthly to hear detailed reports of the work of the college and to lay plans for the further expansion of its usfulness. The college has relied for its success on the conviction that the public spirit and foresight of the modern business man make him ready to support any educational work when he can be shown that it is man's size, concrete, and definite.

UNIVERSITY OF CINCINNATI.

By FREDERIC C. HICKS.

The working plan of the college of commerce of the University of Cincinnati represents the attempt to realize two main objects: First, to provide facilities for commercial education of a high standard, and second, to make the training fit the actual needs of business.

The university is a municipal institution not merely in the sense of one supported and controlled by the city, but also in the sense of one whose work is related directly to the activities of the city.

The college of commerce is new, largely the outgrowth of evening classes started some 14 years ago by the Cincinnati chapter of the American Institute of Banking. These evening classes were organized into an incorporated college in 1906, but the real beginning of the plan outlined here dates from 1912, when the college became a part of the university. The requirements for admission in the case of those contemplating graduation consist of, first, the regular college-entrance requirements, and second, a two-years' precommercial course

in the college of liberal arts. The two years' precommercial course may consist either of two full years of liberal-arts work or of a combination of liberal-arts work and approved business experience, such business experience being accepted for one-third of the precommercial course. Students who come into the college of commerce with business experience seem to have a better appreciation of the subjects studied in the college. The subjects studied are in the main prescribed. They include economics, economic history, commercial geography, English composition, mathematics, statistics, business psychology, ethics, money and banking, and railroads. For certain of these studies, subject to the approval of the faculty, work in German, French, or Spanish may be substituted in case the student is contemplating a career to which any of these languages is essential. As a rule, it is expected that the precommercial studies will be completed before the student enters the college of commerce. But it sometimes happens that he needs immediately some of the training offered by the college. In such cases permission is given to pursue precommercial and college of commerce work at the same time. The college is not primarily a degree-giving institution. It exists for the purpose of increasing the efficiency of those who contemplate engaging in business or who have already entered upon such a career. To this end its facilities are available to everyone whose training, either in school or in actual business, is such as to enable him to utilize them with profit. Accordingly, provision is made for admitting special students.

The regular course in the college of commerce covers a period of three years, and leads to the degree of bachelor of commerce. The work here consists of two parts carried on simultaneously; the first consisting of studies in the college; the second, of practice in business. The studies of the first year are prescribed; those of the second year are partly prescribed and partly elective; while those of the third year are wholly elective. The class work mentioned constitutes two-thirds of the work required for graduation. The other third consists of business experience and the study of the business in which the student is engaged. In addition to the above the requirements for graduation include the preparation of a satisfactory thesis relating to the business in which the student has been engaged.

A full year's work in the college can scarcely consist of fewer than 10 hours of class sessions a week, or five two-hour periods. If these sessions are so arranged as to require attendance upon classes five evenings in the week, the student whose days are filled with the duties incident to business activities is unable to maintain the standard which is expected of him. To meet this situation, the college provides classes in the late afternoon as well as in the evening, and no student is allowed to include in his schedule more than three evening sessions, each of two hours' duration. To strengthen still further the quality of the student's work, we hope ultimately to be able to require stated periods for supervised study.

The University of Cincinnati organized its commercial work as a separate college in the belief that it could adapt the work better to meet the practical demands upon it. Long experience shows that deviation of interest results whenever the attempt is made to carry on professional work in the college of liberal arts. The subject matter which must constitute the content of commercial education is still in the experimental stage. Larger freedom can be secured in determining this content in a college of separate organization. Further, when so organized, there can be developed among the students themselves better professional spirit. The teaching force of the college consists of three groups: The faculty staff, staff lecturers, and special lecturers. Most of those constituting the second and third divisions are business men. To utilize effectively the services of men of affairs as special lecturers in class work

requires both care in the selection of men and supervision of the subject matter to be presented by them, to the end that it may be given in the proper form and fit the course of which it is a part. It may not be out of place to mention also the fact that we do not accept the services of anyone in connection with regular instruction without paying for it. This is true even in the case of the special lecturers. Though the compensation is relatively small, our experience has been that it serves to give a business tone to the arrangement which greatly increases its usefulness.

To comprehend the principles underlying any vocation, one needs to be in actual contact with those who are daily trying them out. Only in this way can he grasp their significance and appreciate their bearing upon the conduct of affairs. The method we are now employing to secure this combination of theory and practice is to place the class work of the college in the late afternoon and evening, from 5 to 7 and 7.30 to 9.30, so that students may spend the major part of each day in their several business positions. A systematic attempt to enlist the support of employers in this part of our work was begun about a year ago. The results thus far have been most encouraging.

It is sometimes thought that the curriculum of a college of commerce should include studies treating of all the important phases of business. Such is not necessarily the case. However vital an activity may be to business success, it can not be taught until there is something to teach, that is, until the experience in that field has become sufficiently standardized and formulated to supply the requisite subject matter. In the development of our class work, the starting point is business itself. The studies are planned, with definite reference to specific vocations, such as the work of the business manager, the salesman, the advertising manager, the credit man, the traffic manager, the general banker, the investment banker, the accountant, etc. An essential part of this phase of our plan is the study of the business in which the student is engaged, to which reference was made in an earlier connection. It is to be carried on under the supervision of the faculty of the college and will involve regular weekly reports and conferences. Specially prepared schedules will guide the student in his investigations. During the first year, attention will be given to the character and organization of the business unit in which the student is employed, and to his relations with it, contractual and other. During the second year the study will cover the character of the industry to which the given business unit belongs, its history and its place in the general field of commerce, both domestic and foreign. The third year will be devoted to special problems that arise in connections with the business.

UNIVERSITY OF OREGON.

By HARRY B. MILLER.

This school was organized in September, 1914, with H. B. Miller, a former United States consular officer, as director and seven leading business men of the State as a board of advisers.

The first principle of the organization of the school is that it should promote the welfare of and interest in the industrial and commercial productions and prosperity of Oregon, the scope of the school to include a broad and comprehensive study of world-wide trade and commerce, the world's markets and methods of distribution, and particularly their utilization and adaptation to the resources and demands of the State.

The development of the resources and industries of Oregon demands a world market, and it was decided that the school of commerce should be actively associated with the Chamber of Commerce of Portland and have the assistance of the Federal Government. The school of commerce has been accorded a recognition that gives it benefits derived from these two departments of government.

The department of commercial and industrial service, whose primary function is to be of service to the commercial and industrial interests of the State, has been established. It is to be the collecting point and source of distribution of information regarding the resources of the State, and it is to devise and adopt such methods of investigation and instruction as will best aid in development of these resources. The plan is to select one of the leading industries and formulate a complete list of questions covering the essential features of the industry, answers to which will aid in creating and enlarging its markets. These questions are handed over to the Departments of State and Commerce and forwarded to the consular and commercial representatives in various parts of the world. From replies, bulletins are issued which give the Oregon producers and manufacturers complete and detailed knowledge of the world's production and consumption of the commodities investigated and the possibilities of Oregon in competition with other States and countries. The school of commerce also has the aid of State organizations in the industry under investigation.

There is also a course of lectures by business men and manufacturers and by representatives of the Federal departments who have made investigations of conditions abroad.

The director and his associates are endeavoring to inaugurate a system for the exchange of professors between this institution and some of the South American universities.

NEW YORK UNIVERSITY.

By JEREMIAH W. JENKS.

The purpose of the New York University school of commerce, accounts, and finance has been to combine with special courses, intended to widen the intellectual vision and to raise the ideals of the students, such a practical training as would fit young men best for the technical work of a business career. Emphasis is laid upon certain fundamental courses, such as accounting, business English, and a practical use in speaking and letter writing of any foreign language required, with, in addition, collateral subjects such as economics, business finance, principles of education, the relation of Government to business and the like. A large percentage of the students are engaged in active business, so that they pursue these courses largely in the evening, although a day school is maintained. Two years are required for day students, three for night students. The teachers themselves have practically all had business experience. The combination of students actively engaged in business and business trained teachers brings about eager enthusiasm and clear conceptions of the scientific principles upon which business is conducted. A considerable number of the students entering are already college graduates, who are expected to do a higher grade of work. Cooperation with the city of New York is maintained through a number of special courses given to young men in the civil service of the city. In addition, a number of courses are given for the engineering department of the city.

Last year a number of "business fellowships" were established in order to bring the university into closer touch with the best business houses, especially with the idea of securing men of ability to meet the crying demand for material to enter the work of developing the foreign trade of the United States. A number of important business houses have arranged to cooperate with the university by offering to a limited number of college graduates positions enabling these men to combine scientific study of business principles with actual business practice. Among the companies cooperating are the United States Steel Products Co., the Western Electric Co., the National City Bank, the American Telephone and Telegraph Co., the Ingersoll Watch Co., the United States Mortgage and Trust Co., the Alexander Hamilton Institute, the Union Pacific Railroad Co., and the Bureau of Foreign and Domestic Commerce. Most houses engaged in foreign trade wish men with knowledge of the language of the country in which they are extending their business. They wish to fit men for work in Russia, South America, India, and China, as well as in the United States. The company usually pays $50 to $75 a month. The holder of the fellowship gives part of his time during the college year, full time during vacation. In addition, each man devotes his time to a study of business subjects in New York University. His work and his studies are adapted to his needs and those of his employer. The response to this plan was most gratifying. Over 300 applicants for these positions were received. As the work is experimental, only 15 fellows have been appointed. It is an opportunity for young men to secure positions that promise well; for business houses to get the pick of able young college men.

So many college men are now in residence preparing themselves for business careers that the university is considering the organization of a graduate division of the school of commerce, offering a specially planned course.

In these ways the New York University school of commerce, accounts, and finance is attempting to meet the various demands for business training made upon it.

THE AMOS TUCK SCHOOL OF ADMINISTRATION AND FINANCE, DARTMOUTH COLLEGE.

By H. S. Person.

The Amos Tuck School is a specialized, professional school of training for business; a semigraduate, finishing school for college graduates who plan to enter business. Its course consists of two years. The first year is of a grade equivalent to the senior year of an American college, to which are eligible for admission candidates who have completed three years in any college of high standing. The second year is a purely graduate year, at the end of which students receive the degree of master of commerical science. The curriculum of the first year represents a transition from the liberalizing courses of a college to the specialized courses of a professional school of commerce and administration; the curriculum of the second year is a compact group of specialized, professional courses, with a moderate flexibility allowing preparation for special branches of business, including foreign commerce.

The Tuck School has a definite relation to the elementary and secondary schools and to the colleges of the United States. To them it leaves, with respect to the students who may come to it, the cultural and mentally liberalizing influences of their educational processes. Of them it demands a broad foundation

of training in the physical sciences, language and literature, and the social sciences; and of the college in particular it demands a thorough training in political science, history, and especially economics.

As a superstructure added to such a foundation, the school offers:

1. In its first year, courses in the primary functions of business common to all business, to insure that, with respect to preparation for business, the student's training shall not be too narrow. These functions comprise the financing of a business, the recording of the results of business operations, the technical organization and management of a business, the production and marketing, equipment and processes of a business.

2. In its second year: (*a*) More advanced courses in the above business functions, with the addition of a course in commercial law; (*b*) special courses affording the student opportunity for specific preparation for a particular business (e. g., foreign commerce, banking, etc.); (*c*) the opportunity for preliminary practical experience through the requirement of a thesis which represents the solution of a real problem in some plant of the business for which he is preparing.

By its entrance requirements, the Tuck School secures an automatically selected group of students more mature than the average of American college students, of higher average ability and capacity for serious work, and with a more uniform and thorough grounding in the sciences fundamental to business; in general a more homogeneous group as to preparation, purpose, and capacity for hard and sustained effort. These facts throw light on the quality of instruction possible in the school, and on the quality of response the school may reasonably demand of its students.

The Tuck School does not presume to train complete business men, but offers to the business community high-grade, mature, adaptable apprentices, broadly informed as to facts and principles of business, intensively informed with respect to the facts and principles of some particular field of business, and capable of assimilating rapidly the results of experience in business.

HARVARD GRADUATE SCHOOL OF BUSINESS ADMINISTRATION.

By EDWIN F. GAY.

The establishment of the business school as a graduate department of Harvard University occurred in March, 1908. The school aims to give a specialized preparation for business. The instructing staff includes men who give their entire time to this work, and men from the business world. The cooperation of business men is of great value and is shown also in their willingness to open their factories as laboratories for our students. Each candidate for graduation writes a graduation thesis and is expected to work in the summer between his two years in the school.

There is a lack of assembled information regarding the business subjects taught. Research alone can collect such material. The work of the bureau of business research of this university is valuable in this connection.

Throughout the work of the school the development of the professional spirit is emphasized in the instruction.

NINTH SESSION.

The ninth session was held in the Pan American Union Building, Tuesday afternoon, January 4, at 2.30 o'clock. Mr. Roger W. Babson presided. This session may be considered easily one of the most important of the program on commercial education in the United States in view of the fact that from the standpoint of priority and efficiency, particularly in reference to preparation for foreign trade, the claims of the extramural educational agencies represented at this session were presented in a series of papers by the directors of these educational activities. Authors' abstracts of the papers follow:

INTERNATIONAL CORRESPONDENCE SCHOOLS.

By T. J. FOSTER.

The International Correspondence Schools had their birth in a desire to improve the conditions of the miners of the State of Pennsylvania. The Mining Herald, a weekly newspaper of Shenandoah, Pa., established a department devoted to questions and answers relative to coal mining for the benefit of its readers. With the aid of competent engineers, a course in coal mining was printed which anyone able to read English could study at home. Within six months after the enrollment of the first student, October 16, 1891, a thousand men were studying the mining course by mail. From this beginning has been developed the present system of correspondence instruction. Created to teach a single subject, the schools now give instruction in 280 courses, covering almost every branch of technical education and dozens of other subjects ranging from advertising and salesmanship to poultry husbandry and agriculture. These courses include 62,000 pages of text and 31,000 illustrations and cost $2,500,000 to prepare. To conduct the work requires the hands and brains of more than 4,000 employees in America alone and hundreds in other countries of the world. They have enrolled more than 1,750,000 persons, representing every occupation in the realm of industry and every country on the globe; and approximately 100,000 new students are being enrolled each year.

The foundation of a system is its textbooks. To teach successfully by correspondence requires an entirely different kind of textbook than that used for classroom work. These books must take nothing for granted save the ability to read. They must begin at the beginning and proceed by easy stages, leading the student forward by natural and carefully graded steps. They must foresee and meet his difficulties by full explanations, demonstrations, and illustrations. Books of this class are used by 218 universities, colleges, Government schools, institutes of technology, and vocational schools in America. Successful home study depends upon a sustained interest on the part of the student. An Encouragement Department watches with a genuine personal interest the progress of their students. Last year the encouragement department of one school sent 1,110,204 letters of inspiration to students. As a result of this work, students to-day are doing 56 per cent more studying than in 1906. In 1914 the students of this school sent in for examination 1,141,430 lessons. The London instruction department handled in one year 358,000 lessons. Recently, to obtain specific information, an investigation was made of the cases of 27,000 typical students in a few Eastern States. Among the cases investigated 2

students were found who now have incomes of $50,000 a year, 6 who have incomes of $25,000 or over, and 20 who receive $10,000 per year or better. Out of these 27,000 students, 14,900, or 54.2 per cent, are receiving $1,500 a year; 2,451, or 9 per cent, are receiving at least $2,500 a year; and 418, or 1.6 per cent, have annual incomes of $5,000 or more.

Some of our best American colleges and universities have frankly admitted and adopted the method. Chicago University offers 52 courses by correspondence. The Universities of Minnesota, Wisconsin, Nebraska, West Virginia, and several others have adopted the method and are achieving some satisfactory results. Latin America has proven a good field for correspondence schools. One school, besides offering courses written in English, also offers courses written in Spanish. This company did a very good business in Mexico before the war and is now doing a considerable business in Cuba and in the South American Republics. This school has a good business in the Argentine Republic and conducts an instruction department at Buenos Aires. This department also handles the work for Chile, Peru, Uruguay, Paraguay, and southern Brazil. Seventeen technical courses in Spanish and 138 in English are now being sold in these countries.

NATIONAL ASSOCIATED SCHOOLS OF SCIENTIFIC BUSINESS.

By SHERWIN CODY.

Something like two years ago the leading mail-order house of New York determined to raise the standard of its office force all along the line and instituted a series of written examinations or tests of ability to perform usual operations in the business office, arranged in four general grades, with rather elaborate variations to fit their different departments. In two years they have very materially raised the entire standard of their office work; they have high-school graduates where before they had grammar-school graduates, and they have first-raters where before they had average mediums. They believe it pays, and they are developing their tests and supplementary training on a larger scale than ever before. At the last annual meeting of the National Association of Corporation Schools, the Curtis Publishing Co. exhibited a series of similar tests which they had been using. A large life insurance company has in regular use a somewhat complicated series of psychological tests. Experiments with systematic tests for office help in business houses have nearly all been tried by trained educators. A thoroughly wide-awake schoolman seems to learn business very much more rapidly than a person of business training solely learns the true science of testing and training young brains. The success along this line has suggested that the business men ought to take hold of our commercial schools and have these tests of ability to perform common operations in the business office substituted for the academic examinations now all too general. The first stand for speed and accuracy on simple and common operations, while the second consist largely of answering questions and giving definitions on the higher theory of the subject. The trouble is that the educators know only in a general way what the business men want. If the employment managers would work out a series of tests on which they would be willing to make appointments, there is no doubt that the educators would promptly adopt them, because their students are all working for jobs, and anything that will help them get jobs will be quickly seized.

The National Associated Schools of Scientific Business has been incorporated as a committee under the laws of Illinois. The organization is not for profit directly or indirectly, but is devoted to the public improvement of office efficiency both in schools and in business offices. Gov. W. N. Ferris is the president and Sherwin Cody the managing director and secretary. This committee has concentrated its attention on developing and trying out a series of elementary tests of ability to perform common operations in the business office, so as to measure speed and accuracy and also to test the fundamental education which all office employment presupposes and without which not even an office boy gives promise of future success. A series of tests was devised and printed in June, 1914, and tried out on employees by the employment managers of the National Cloak & Suit Co., the National Cash Register Co., the Burroughs Adding Machine Co., the Commonwealth Edison Co. of Chicago, Swift & Co., and in a limited way Marshall Field & Co. The object of the tests was to find out what were practical, how long the tests needed to be, what different kinds of tests were required. As a result 20 short, simple tests were devised which met the unanimous approval of the employment managers of the houses that cooperated, and were adapted to trying out in about an hour's time the following common classes of office employees: Office boys and girls, general clerks, stenographers of lowest grade, stenographers of secretarial class or beginning correspondence, and beginning bookkeepers.

The third edition of the National Business Ability Tests now published will give on the record blank, side by side with individual markings, the average of grammar-school graduates under the head of grammar-school education, high-school averages under the head of high-school education, and business-house averages under the head of business efficiency, or minimums that seem to be accepted widely as standard. Any good clerk can easily learn to give the tests and also to grade them by the key with speed and uniform accuracy. In certain things, such as figuring, spelling, typewriter operation, filling out business papers, filing, and copying, the business world demands approximately a 100-per cent standard of accuracy, while the schools have a tendency to operate on a 70-per cent standard appropriate to Latin and Greek where the 100-per cent standard is manifestly impossible. The National Business Ability Tests, if they can be generally established in business offices and schools, will undoubtedly stimulate schools to adopt the 100-per cent standard in some such matters as spelling. Of course this narrow, specialized proficiency is a good thing only in a few certain lines. In other directions the broad power to think in a clear businesslike way is far more important and more difficult to develop; but the practical test on answering letters ought to induce schools to abandon teaching merely the external forms of letter writing and give some attention to handling human nature skilfully and accurately, putting accuracy, tact, and good feeling into letters and cultivating the large outlook of human service in business.

UNIVERSITY EXTENSION WORK FOR MEN IN BUSINESS.

By Samuel MacClintock.

Business is becoming increasingly more exact, more scientific, and therefore professional. Knowledge consequently becomes indispensable for its successful conduct, and business knowledge becomes a synonym for commercial power. This is just as true in Cuba, Honduras, and the Argentine as it is in the United States of America.

It is extraordinary, but true, that business is the only great occupation which a man can enter to-day without previous special preparation. No one can become an engineer, a lawyer, an architect; he can not become even a stonemason or a motorman on our street cars without some previous preparation; but he can go into business no matter how inadequately he may be prepared in the science of business. After entering upon his business career, the average man has been inclined to depend upon his personal experiences as his sole means of advancement. He has looked to precedents. He has tried to do things just as others have done them. There must be, and fortunately there is, some more direct, more scientific, and more economical plan by which every man who will may gain that knowledge and insight into business which makes for power and success. In response to the demand of modern business for exact knowledge, a number of our best universities have established within the past few years special schools of commerce and administration for the preparation of students who want to make professional careers in business. Such schools offer a valuable training, but how many can avail themselves of it? More than 85 per cent of our boys and girls leave school before they are 16, and never do any systematic studying after that. In the whole United States there are only 22 definitely organized schools of commerce and administration. The total number of enrolled students in the regular classes is apparently about 6,000. Consequently, this course of training is only for the favored few.

Some of our leading universities, recognizing the very limited numbers which they are serving, have endeavored to extend their usefulness to those who can not come to the campus by taking the university to the people, at least within their own States. This extension work of the university away from the campus is carried on in several ways, the chief of which are: (1) Classroom instruction, (2) lectures, and (3), above all, correspondence. Classroom instruction is not essential to adults who know how to study and are in earnest in seeking information. The second method—evening lectures—is excellent for the purpose of arousing interest and enthusiasm, but is a poor means of carrying on systematic instruction. Correspondence work remains as the chief means available for carrying on organized instruction for adults engaged in business. The first advantage of this method is that it comes to the student at his home, office, or factory, through the mails and at his convenience. The work is carried on by means of textbooks, lesson assignments, examination papers, and problems. The student sends in his written work to his instructor, who criticizes it, grades it, and returns it with such comment and suggestion as may be needed. In this way the student goes through the subject in orderly fashion, mastering each lesson as he goes and consulting his instructor by correspondence if serious difficulties arise.

The number of colleges and universities having correspondence departments is only 32 in the whole United States, and the total number of students enrolled is approximately 20,000, including the large number taking agricultural work. The number of students thus engaged in studying business subjects is certainly not more than 10 per cent of the total number enrolled—a mere handful of all those in business who could profitably be supplementing their personal work and experience by this broader knowledge of others.

The universities, furthermore, are not the only sources of knowledge of practical value to the business world by any means. But our State and Federal Governments go to great expense to collect information about business and useful for business which, nevertheless, is but little used. The distribution of knowledge is as great a social and economic need as is the discovery of new truths.

The demand for practical business training and the inability of the established educational institutions to supply it have led to the founding, during the last few years, of a considerable number of schools operating on a commercial basis and endeavoring to supply the want. There are possibly over 100 such schools in existence today. Most of them are poorly organized and poorly conducted and have but a limited enrollment.

The reputable correspondence schools use university extension methods in supplying, at a relatively small cost, practical training of a vocational character to all adults who desire to learn something worth while, wherever they may live and whatever their previous education. Over 300 different subjects, including the mechanical trades, professions, arts, sciences, languages, and business subjects, are being successfully taught to-day by the correspondence schools. Their text material, lessons, quizzes, examinations, and practical problems are often prepared with great care and at great expense by business and professional authorities of the highest rank. Such material is characterized by clearness, simplicity, directness, and comprehensiveness. In the high-grade correspondence school the instruction staff likewise is made up of well-trained specialists. The pedagogy of correspondence study is absolutely sound. The student takes the training along with his daily work at the very time when he needs it most, thus happily combining the theory and the practice of the subject. It must not be supposed, moreover, that the modern extension university confines its work exclusively to formal instruction. In addition to such work it renders a highly useful service through its consulting department. It collects data upon current topics and developments in its various fields of instruction. Such an institution thus becomes a veritable clearing house for business information. The correspondence schools are distinguished from extension divisions of the resident universities primarily by being private enterprises. They are conducted to make a profit by rendering a service worthy of the fees charged and in response to a demand for something which the other educational agencies do not supply. Systematic extension study gives a man a more comprehensive and better rounded-out knowledge of the policies and principles that make for business success than can be obtained from personal experience alone or from any "hit-or-miss" system of unorganized reading. Systematic, organized business knowledge makes a salesman out of a clerk, a merchant out of a storekeeper, a producer out of a credit man, and a business general out of a manager. That it pays goes without saying. American industry has advanced in character and efficiency because correspondence schools, though only in their infancy, have developed the study habit in hundreds of thousands of men and women throughout the country. University extension work is truly one of the biggest ideas in modern education and one of the most hopeful plans for promoting the efficiency of adult workers in all lines of industry. I think I may safely say that in carrying on such work the La Salle Extension University, with nearly 80,000 student subscribers, and other such institutions are rendering to the business men of the country, and thus to the cause of general education and efficiency, a distinctly valuable service.

ALEXANDER HAMILTON INSTITUTE.

By JOSEPH FRENCH JOHNSON.

The Alexander Hamilton Institute is not a correspondence school. It gives no diploma and no certificate. Appealing to men of a mature type, it was necessary to develop the work along lines distinctly different from anything

ever tried before. In the main, such men fall into two groups: First, those who are already executives or in semiexecutive positions, or those who have the education to be in line for such a position; and, second, men holding highly specialized positions who should be in line for work of a more general character. Among the latter are mainly technical men, specialty salesmen, and the like.

Since the institute was organized, there have been enrolled about 35,000 active, ambitious, energetic men. It is interesting to note that the average age of a subscriber is about 32 years, and the average salary about $2,650. A large percentage are college graduates, though a college training is not an indispensable qualification.

In planning the material of the course, it was necessary to keep in mind that there are really only four fundamental activities in every business—producing, marketing, financing, and accounting. The principles underlying these activities are fundamental and apply in all lines of business.

The institute provides for its subscribers a reading course paralleling a university school of commerce course, under the guidance of an active staff of business men and professional teachers. It also supplies, in the form of printed talks, lectures, and problems, as nearly as possible instruction similar to that given in college classrooms. Furthermore, it offers the free services of its staff in the reviewing of problems and in the discussion of such questions as the subscribers themselves seek light upon.

The text volumes form the backbone of the course. They bring to the reader a survey of business principles from the executive's point of view. But they are not the whole of a college or of a nonresident reading course. If we are to follow pedagogical methods developed in resident work, we need to get something to take the place of the instructor. Now, what are the instructor's functions? First of all, in assigning reading on a topic he gives an informal talk on it. Next he takes up some special point and elaborates on it. At the end of each session, through quizzes and examinations, he tests the student's understanding of the subject and his ability to use his knowledge in the solution of definite problems. Finally, he stands ready to assist the young man in case he has trouble in getting things clear in his mind. In planning the modern business course and service we arranged for a staff to do these very things in connection with the subscriber's reading of the textbooks of the course. Every fortnight for two years the subscriber receives by mail a group of pamphlets consisting of the talk, and either a lecture or a problem. The mere receipt of the material serves as a stimulus to regular and systematic reading.

THE COMMERCIAL MUSEUM OF PHILADELPHIA.

By W. P. Wilson.

The first two great international commercial congresses held in the United States were organized and conducted by the Commercial Museum of Philadelphia. To the first, in 1897, were invited, through the State Department, delegates only from the Latin-American nations. All of these countries were represented by 51 delegates. To the second, in 1899, all commercial countries were invited through the State Department, and delegates to the number of 300 responded from every leading nation of the world.

Two lines of educational work have been inaugurated and strenuously carried out by the Commercial Museum: The first, a *foreign trade bureau*, has ardu-

ously labored to convince the manufacturer of the urgent necessity of occupying some of the foreign fields of trade before they were possessed by other countries. This work has been pushed in all parts of the United States and with all lines of manufacturers whose products could find normal sale in any locality abroad. This foreign trade bureau furnishes the manufacturer with all necessary data on the requirements and opportunities of foreign markets and on tariffs existing in different ports of entry; on trade-marks and patent laws, consular relations, shipping routes and rates, and similar information relating to the invoicing and transportation of goods for foreign countries; methods of payment and granting of credits; competition to be met in foreign markets, and names of reliable business houses throughout the world. The bureau has a list of more than 375,000 foreign firms, with information regarding their lines of business and importance in the trade. It conducts a free reference library of commerce and travel, with over 78,000 volumes, containing over 400 foreign and domestic directories, both city and trade, official bulletins of every country publishing them, consular reports from all countries which issue them, 750 of the leading magazines, trade journals, and dailies, of which over one-half are from foreign countries. This library, with its very complete list of foreign documents, is used by a large corps of assistants for the direct benefit of exporting firms, and to give them the needed help they require. This work is done for any manufacturer at actual cost of investigation and compilation.

The second line of educational work done by the Commercial Museum is for the schools of the city of Philadelphia and the State of Pennsylvania. This work includes the following: (*a*) A special series of lectures in the museum to classes from the schools and colleges of Philadelphia and vicinity. These lectures cover subjects of geographic, commercial, and industrial importance and are adapted to scholars of all ages from the fourth grade up. Classes come to the museum by special appointment to hear these lectures, which are illustrated by colored lantern slides and motion pictures. At the close of every lecture the pupils, under the direction of experienced museum guides, study the exhibits which illustrate the subject of the lecture. These lectures bring more than 85,000 pupils to the museum every year and make the collections a great laboratory for the study of geography and commerce. (*b*) The loan, free of cost to public school teachers in all parts of Pennsylvania, of sets of colored slides, accompanied by lantern, screen, and typewritten lectures, covering the same field of geography, commerce, and industry. These sets of slides have now a very wide circulation, especially among the rural schools, and every year reach tens of thousands of pupils in all sections of the State. During the past year, 75,000 children from the State public schools attended the lectures. (*c*) The distribution, free of cost to public schools in all parts of Pennsylvania, of large collections of specimens to aid teachers in geographic and commercial instruction. These collections are not loaned, but remain permanently in the schools to which they are sent. They include the principal articles which make up the bulk of the world's commerce and represent the chief industries of mankind. The specimens are arranged to show the important raw materials and stages through which they pass in the process of manufacture. Thousands of these collections have gone to schools in all parts of Pennsylvania within the past few years. They are distributed under an appropriation made by the State for this purpose.

THE NATIONAL CITY BANK OF NEW YORK.

By F. C. SCHWEDTMAN.

The similarity of situation, political organization, and other characteristics of the American nations makes commercial education, with special reference to the needs of the continent, of the greatest importance to the members of this congress.

The National City Bank has for many years been engaged in fostering commercial education, coordinating theory and practice. The enactment of the recent Federal reserve act has enabled the National City Bank to extend its activities to the rest of the continent. One of the vice presidents, Mr. William S. Kies, together with a large corps of trained commercial experts, has devoted more than a year and a half to the development of industrial and commercial relations between the United States and South America. These educational efforts may be summarized as follows:

(*a*) The sending of experts to the various Central and South American countries to make careful observations at the different trade centers; (*b*) the keeping of this information up to date by commercial attachés named by the National City Bank at each of its branch banks, at present established in six Latin-American countries; (*c*) special systems of acceptances and dollar credits; (*d*) propaganda as to the importance of international trade in general with special reference to the South American trade; (*e*) publication of the special magazine known as The Americas; (*f*) special classes for the training of additional foreign banking and trade experts; (*g*) an employment office maintained where men suited for foreign commerce and those requiring such men are brought together; (*h*) the foreign-trade department renders aid and gives advice to all interested in foreign-trade matters; (*i*) the compilation of the most important facts relating to international trade and credit and which bear on South America—these are furnished free to both customers and non-customers of the bank.

In this work the bank has been inspired not only by commercial, but by patriotic reasons as well, due to the attitude to be assumed in the relations between the United States and Latin America by reason of the present European war, which is now converting the United States into the financial center of the world and the chief consumer of Latin-American products. The United States should be ready to do its part in supplying the necessary capital for the development of South America. To this end are directed the efforts of the National City Bank which is laboring to bring about a better understanding among the peoples of the continent, having ever in mind a unanimity of purpose in attaining the aims desired by all.

NATIONAL ASSOCIATION OF CORPORATION SCHOOLS.

By LEE GALLOWAY.

As we have reached the commercial era which is permeated with the spirit of public service, commercial education is now given a place not only in the schools and colleges, but in the workday program of the business corporation itself. The corporation is assuming its share of responsibility by preparing its employees to do their work more efficiently, not only because it means profit to them, but because they are becoming public-spirited enough to realize that

training is the right of the adult individual. The corporation school is particularly well qualified to do this because there is a chance for actual experience in connection with the schooling and the opportunity to interpret abstract things in the light of concrete experience.

Commercial education as given by corporation schools is classified as follows: (1) Salesmanship; (2) general office, including accountancy. The students are mostly adults. Therefore adult psychology and methods of teaching to appeal to the adult only will apply. No matter how much personal hygiene, etc., is taught, this will not train the mind to do some particular thing well.

Classification of salesmanship courses includes: (1) Knowledge of the product and competitor's product; (2) personal methods of selling; (3) business policies; (4) business English; (5) advertising methods; (6) market distribution; (7) economics; and (8) organization and management.

The study of the product constitutes the only topic of many salesmanship courses. It is the chief thing in some businesses. It is intricate or not according to the nature of the product. An illustration of teaching the product may be seen in the method of the Norton Grinding Co., of Worcester, Mass. The length of time for this study, the methods of teaching, the teachers, etc., are considered in the writer's paper.

The change from the policy of *caveat emptor* to the "public-be-pleased" point of view makes the course in personal selling very important. The courses included under this are: (1) The selling process proper; (2) the study of the prospect; (3) psychology of gaining attention and interest; (4) the demonstration of the goods; (5) essential qualifications of the salesman; and (6) ethics of business.

The teaching of personal salesmanship was begun 20 years ago by the National Cash Register Co. It was crude in method, but has developed into quite comprehensive courses.

Business policy must be taught to arouse interest in the company and its merchandise. It is necessary, too, to reflect this policy of the firm by the proper demeanor of its representatives. The slogan of the United Cigar Stores Co. and the Larkin Co., as well as the more comprehensive method of the New York Edison Co., are given by way of illustration.

The study of business English is necessary in these commercial courses in order that the company may be represented accurately and pleasingly. Illustrations from the manual of the Larkin Co. are given to show one method of teaching this. Advertising and market distribution have not yet been taught systematically in corporation schools, although they are important subjects. Elementary economics deserves a place. An illustration of how it may be taught is given from the Goodyear Tire & Rubber Co.'s school. Organization and management are taught in very few schools.

The new movement in department-store education is accomplishing valuable results. There are about 50,000 sales people in New York City alone. The policy of the store was one of the first subjects to be inculcated, so as to get the interest of the individual aroused. Then followed the teaching of the store system, the care and arrangement of stock, the technique of selling, and finally the study of merchandise or knowledge of the goods, and business English. The Department Store Education Association in New York aims to study the methods and conditions of department-store employment and to develop salesmanship to the basis of a skilled occupation and give it a professional standard. An experimental school was held at Lord & Taylor's, and one is now conducted at Stern Bros. under the supervision of an educational director. The association is also trying to coordinate their work with that

of the public schools. In Boston, at the Union School, saleswomen attend classes in salesmanship.

The necessity of office-work schools and the method of teaching office routine are explained by the writer, and figures are given to show that the office school is a profitable investment.

In order to economize effort and expense, the National Commercial Gas Association is standardizing commercial courses for the men in the gas business. The distinctive features of such courses must be kept in mind. The gas company is a public utility organization, and the idea of service predominates throughout the course. During the first two years only salesmanship and organization were dealt with; during the third year the knowledge of the product, i. e., the utilization of gas appliances was taught, and now a three years' course is being organized embracing more general subjects. The National Electric Light Association is beginning a similar correspondence course.

In order to interchange ideas concerning corporation schools, the National Association of Corporation Schools was organized by a number of interested companies. The work and problems of this association are described.

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BUREAU OF COMMERCIAL ECONOMICS.

By Francis Holley.

The Bureau of Commercial Economics is an institution which shows by the graphic method of motion pictures how things in common use are made and produced, and from what sources the raw material is obtained, and under what conditions labor is called upon to serve in their production. It is an institution that has been organized under the general educational law; it has no capital stock; it is not operated for profit, and has been affiliated with 106 of the universities and colleges of the country, including nearly all of our State universities. It shows, for instance, in motion pictures, sheep ranging on the foothills and on the plains in both America and Australia. It shows the care and protection of these sheep, the treatment for disease, the dipping and washing and shearing, and then it follows the bale of wool to the making of cloth and clothing of every description. It shows the taking of the hides and the various processes of tanning, the old method and the new, and the making of shoes and gloves. The films then recur to the flesh of the animal and show, in motion

pictures, furnished by the great packing houses, the various processes of making it fit for the table, and the final disposition of the by-products. The cattle and hog industry is treated likewise.

The films show the making of glassware, pottery and china, mining, making of all classes of garments, raising of rice and sugar cane, making of silverware, canned goods, cutting of timber, and making of wood pulp and paper, the harvesting of hemp, and the making of cordage, lace, carpets, rugs, oilcloth, and linoleum. The films of the bureau depict the making of all classes of electrical equipment, turpentine and creosote, antitoxins and vaccines, and various types of drugs and medicines. The films of the bureau include a series showing the action and reaction in chemistry—analytical, industrial, and commercial—in the making and production of commercial fertilizers and dyestuffs, and the like, and also a complete series in road building. The silk industry is clearly shown. The films depict the making of the felt hat, show the making of varnish and buttons, the gathering of rubber and the making of pens and tires, the pumping of oil and its treatment, transportation, and uses; the engraving and printing of bonds and securities, and the surveying and construction of railways and railway equipment; the printing and binding of books and magazines, and the manufacture and uses of fiber of all types; the production of roofing material from old rags and the operation of machinery in our city laundries; the care with which milk is obtained from the modern dairy, and the sterilization and pasteurization of it as a protection to the public health and the production of canned milk and other products of the dairy, including the creameries.

In addition to the industrial films which the bureau has in circulation, there is a large number in the series of travelogues. These travelogues show all of the transcontinental lines from the Canadian border to the Mexican border. In our collection which is being made for us now by the Canadian Government we will be able to show the seal and fur industries along the Arctic, and the apple industry of the Province of Ontario; and we are in receipt of all of the films of the Commonwealth of Australia, which have been intrusted to us for use in our crusade for public instruction. The bureau has also the films of the Republic of Bolivia, and will shortly have those from Argentina, showing the trans-Andean lines and all of the activities in stock raising in the great pampas of Argentina.

The work of the bureau is given in the various State universities, with appropriations provided by the legislature of the several States, to encourage extension work, and in many instances, in missions and other organizations which may be benefited by their display. The work of the bureau is also carried on before the chambers of commerce, boards of trade, and commercial bodies, and fraternal organizations, and in the summer time they are given in the parks and playgrounds of the various cities. No film is shown for money. If it is clearly educational, divested of all advertising, and shows a process, it will be displayed free of expense to the producer. It, however, carries a credit line, simply giving the name of the donor. No film is shown where any admission charge is made to the public. The work of the bureau is perpetuated through the election of its directing offices by an advisory council composed of college presidents and men of international distinction in science and letters. The bureau is maintained through contributions and annuities. Contributions are invariably voluntary, and no one is authorized to solicit the same. The surplus funds of the bureau will be used in the production of welfare films, first aid to the injured, including the resuscitation of the drowning and the emergency methods of rescue of imprisoned miners, and the awakening and development of civic pride and patriotic American citizenship.

TENTH SESSION.

The tenth and concluding session of this subsection was held jointly with the several subsections of Section IV, Education, meeting at the New Willard Hotel, Friday afternoon, January 7, 1916, at 2.30 o'clock. Sr. José María Gálvez, of the University of Chile, presided. At this joint session the following Pan American theme was discussed in conference:

How can a nation prepare in the most effective manner its young men for a business career that is to be pursued at home or in a foreign country?

(a) *In schools that are a part of the public school system.*

(b) *In schools of private endowment.*

(c) *In special business schools of private ownership.*

Outline a course of study that will best prepare young men to engage in such a business career. Each suggested outline should consider not only the character of the educational system of the country for which the course of study is intended, but the desirability and practicability of a uniform course of business education for all Pan-American countries.

The following are abstracts of papers presented by the Latin-American contributors:

FRANCISCO ARAYA BENNETT, Director of the Commercial Institute of Valparaiso, Chile.—As a general rule all extensive commercial undertakings in Latin-America are carried on by foreigners. Commercial education in these Republics takes cognizance of this fact, therefore. The Chilean youth, for example, who wishes to succeed in the commercial world seeks a position with some English, American, French, German, or Italian firm. To be admitted into a foreign house, a knowledge of modern languages is necessary, particularly English. For some time past aspirants for a commercial career have prepared themselves in English private training schools, but since it was noted that they had to compete with the foreign employees of these same houses, even more preparation has been deemed necessary.

There was formerly a common belief that a merchant was born not made, that a merchant by vocation knew certain things without being taught. Aside from the profession of a merchant, there were certain trades which might be studied, e. g., stenography, bookkeeping, typewriting, etc. To this purpose, then, instead of commercial institutions there were separate courses given in these branches. The American business colleges have flourished everywhere, offering usually at a high price rapid courses in these branches and guaranteeing lucrative employment on completing the course. We now no longer believe that a merchant is specially gifted, but that a normal man with appropriate training can develop particular skill and achieve satisfactory results in any sphere of activity. All now recognize that the quality is more important than the number of the inhabitants. Everywhere we are endeavoring to improve public education, and to give to our citizens the best possible training for their own well-being, and with it that of the nation. Modern means of locomotion have erased distance, uniting the globe in one market. The example of the merchant, chief agent of the circulation of the world's wealth, reflects better than anything else the transformation in commercial teaching.

The productive power of the British Empire, the United States, Germany, Austria, Belgium, France, and Italy has reached such a stage that the world

has been alarmed at the specter of over-production; and one nation, Germany, has proclaimed the necessity for preparing her merchants especially for this congestion, opening with intelligence and perseverance those markets which show possibilities of success. Even those merchants, trained in established traditions, have noted the effects of this sytematic preparation and have made ready to arm themselves for the economic struggle. The merchants of Latin America have had a different problem to face from those of Europe and the United States, as these Republics are producers of raw materials, food stuffs, or only partly manufactured supplies. The Latin tendency, inherited from Spain, which tends toward the literary professions, makes even more vital the necessity for a change in public instruction. In the university, instead of studying only a political economy based upon foreign books suggested by observations of other social conditions, one should devote himself to the study of his own national conditions. In general Latin America lacks opportunities for a common study of her interests and ideals. It has common problems, yet each part seeks solutions for its own difficulties without waiting, as it should, for the results obtained by others facing the same conditions. In the educational field the problems differ substantially from those which confront the United States. British tradition is very different from Iberian. English democratic customs are not like those which have been acquired through the inherent absolute monarchical system of Spanish origins. Latin Americans should endeavor to create, like the States of Germany and of the United States, economic relations which would permit them, facing common necessities and recognizing their own peculiar problems, to establish satisfactory and mutually advantageous customs—and trade relations in general.

South America has been colonized upon the coasts and that is why there still exists in the center an immense unpopulated area. It lacks the railroad systems which bind together the States of the United States, a lack which the rivers do not supply. The creation of a Latin-American commercial university would accomplish more than anything else to join the Latin-American Republics in bonds of confraternity and common welfare. For secondary commercial education each State can provide for itself, but when it comes to the university, it seems that no one of the Republics separately can establish it; and all need it. Commerce is a bond of union. The Latin-American countries are in the matter of economic development more or less on the same plane. They are not, generally speaking, competitors of each other. Europe and the United States are the great supply markets for all of them. They appreciate the benefits of this foreign commerce and of foreign capital, but at the same time believe that each country should prepare itself to develop its own resources. The United States and Europe are for them on the same plane commercially. The Latin Americans need, therefore, to study their own interests from their point of view as producers of raw materials. A commercial university should look chiefly toward economic studies which should not be mere abstractions, but should furnish the opportunity for research work in economics applied to the various countries in Latin America. Two plans are proposed for the secondary phase of commercial education: (1) To prepare the future merchant in a school of general character and then send him for his special training to schools where he may study stenography, typewriting and office practice, bookkeeping, accounting, exchange, banking, customs, and fiscal matters; (2) to send him direct to special schools of commerce at any early age for his commercial training. His training should be here both general and special. This plan is followed by the Chilean Government. The plan proposed by the Instituto Comercial of Valparaiso for secondary commercial training seems most acceptable.

With English as the basic modern language, thoroughly taught and acquired, the young "junior" in commerce, on finishing this school at 15 or 16, has through his skill in rapid and accurate figuring in simple commercial practices a great advantage over the clerks carried from England for this purpose and shows great adaptability in his development from a mere clerk to a subordinate independent executive position. The course of study in the Institute of Valparaiso offers also history, particularly of Chile, the elements of modern law, customs and exchange, German, and hygiene.

SR. A. AUBERT, Leon, Nicaragua: A commercial career must be the outcome and part of some system of general and industrial training where young men may acquire not only the rudiments of knowledge necessary to any determined and special calling, but a mastery of those elements which must perforce establish an unmistakable superiority and advantage of what may very properly be called "skilled training" over and above the more common and ordinary form of "unskilled labor." Technical training is of great advantage whenever a classification of service exists. Such a classification exists whenever individual efforts are considered as mechanical and administrative. The first refers to unskilled and rudimentary labor and the second to that product of ability and knowledge due to skillful and adequate training for managerial and administrative employments, and obtained and acquired in competent and well-established centers of education. The different callings require different degrees of skill. A clerk behind a counter, an accountant in his office, a manager of a concern, a carpenter, a blacksmith, and a mason furnish examples of this, but the economic results of these degrees of skill depend evidently on efficiency and proper training.

The value of technical education can not be overestimated. It is invaluable both to the individual and to society, becomes a sort of propelling force toward the advancement and progress of any civilized country and State. In the business world this want of skilled training is keenly felt. Governments and municipalities have, further, to face a series of perplexing economic and administrative problems of organization and management in which the counsel, advice, experience, activity, and labor of the trained expert offer incalculable service. Efficiency is demonstrated to-day as never before. A well-known writer recently said: "The average young man of to-day without a trained mind equipped with a previously acquired foundation of facts is not, in the narrow place to which the division of labor assigns him, in a position to grasp the breadth and depth of this business."

A uniform course of commercial instruction for all the countries of the American Continent may be established for the different kinds of schools enumerated in the writer's paper as sections A, B, and C under the following curriculum, which may conveniently be divided in a full course of three years, and for young men who have been previously prepared or who may have acquired beforehand a knowledge of the three R's or the benefits of a high-grade school: Grammar, arithmetic, languages, geography, accounting, bookkeeping, stenography, typewriting, economics, customhouse laws, port regulations, commercial law, shipping and transportation, correspondence, and history. Each subject should be so presented as to afford the necessary scope and extension which will secure the desired end.

SR. M. DELLEY, Director School of Commerce, Caracas, Venezuela—The prosperity of a country and the peace of the world are due to commerce and to its instrument, credit. Adequate educational preparation for commerce is highly

necessary. Latin America, owing to its natural resources and proximity to the Panama Canal, should begin immediately this educational preparation.

Diversified business and division of labor have made it impossible to train young men by the older system of apprenticeship. The German modification of this system, through compulsory supplementary school instruction, is the modern and successful type. The subjects usually taught in the school-apprentice course of three years are accounting, commercial arithmetic, business correspondence, commercial law, economic geography, and one foreign language. Germany has 650 of these schools; Switzerland, 110; and England has 250,000 pupils enrolled in 6,000 classes.

A course of instruction in a school of commerce is absolutely necessary to young men engaged in the practice of commerce to-day, as the special character of work he has to do makes it impossible for him to correlate his work. Elementary commercial schools with a course of two years will give the elementary technical knowledge for an apprentice and will shorten the term of service in actual practice. The higher schools, with courses of 3, 4, or 5 years, will reduce likewise the period of service and will give in addition to the technical training that general knowledge which is helpful in the higher positions. These schools should be supplemented through higher training schools, like collegiate business training courses and universities of commerce.

The Latin-American countries have attempted largely to establish commercial instruction after European models. It would be better to evolve a system according to native needs and conditions. For the present, the great trouble is that of a satisfactory elementary course. The later courses will proceed naturally from this.

Mexico, Panama, El Salvador, Ecuador, Honduras, Bolivia, Chile, Argentina, and Venezuela have shown great interest for this phase of education. There is, however, no uniformity in their plan of instruction. Commercial education is particularly necessary in the Latin-American countries, owing to the fact that the Latin-American boy matures early, is restive under discipline, and has the tendency to enter a business house too early. Uniformity in plan and method of instruction, the establishment of a common type of school in Latin America, may be possible since the work is recently established in these countries. The best type of school for such a purpose is one of three years, beginning with pupils 14 years of age. A suggested course of study is the following:

Schedule and course of study.

Studies.	First year.	Second year.	Third year.
	Hours.	*Hours.*	*Hours.*
Native language	4	2	2
First foreign language	6	6	6
Second foreign language	3	3	3
Arithmetic and algebra	3	3	0
Accounting and commerce	6	2	3
Commercial practice	0	5	6
Local commercial products	0	0	2
Physics and chemistry	2	2	0
Merchandising	0	0	2
Economic geography	1	2	3
History of commerce	0	1	1
Commercial law	0	1	1
Political and commercial economy	0	1	1
Penmanship, typewriting, and stenography	2	1	1
Total	27	30	30

DR. SANTIAGO H. FITZSIMON, Professor, International Correspondence Schools, Buenos Aires Branch, Argentina.—The public school system of Argentina has been influenced greatly by the example of the United States. One of the first measures of President Sarmiento, on returning from the United States in 1869 was the establishment of the Normal School of Paraná under the direction of a North American. In this school the teachers of the public schools have been trained. Further, American scientists, like Gould, have introduced American methods into the higher schools. Not until 1890 was anything done for commercial education, although Alberdi in 1852 urged the establishment of commercial schools in the larger commercial cities. Dr. Victor M. Molina introduced a bill in Congress in 1889 for the establishment of two schools, in Buenos Aires and in Rosario de Santa Fe. In 1890 the first national school of commerce was established. The course proposed was liberal in character, based on general training studies supplemented by special courses. A succession of distinguished ministers of public instruction have been deeply interested in this school. The course was enlarged and two additional schools established in Buenos Aires, one for males and one for females. Schools have been established likewise in Rosario, La Plata, Bahia Blanca, Concordia, and Tucuman.

His Excellency, Dr. Romulo Naón gave this work his special attention and introduced important reforms as minister of public instruction in 1910. The work is now divided into elementary, secondary, and higher or university. The elementary courses are given at night and prepare business clerks and bookkeepers. The secondary course contains studies that develop intellectual discipline. The university course, given in the faculty of economic sciences of the university, prepares commercial and administrative chiefs and professors of commerce.

The elementary course prepares business clerks in three years, and bookkeepers in four. It includes the following subjects: *Compulsory.*—Arithmetic, business methods and accounting, Spanish and commercial correspondence, history of Argentina, general and commercial geography, penmanship and typewriting. *Elective.*—English or French, commercial products and stenography.

The higher course graduates mercantile experts in five years. It includes the following subjects:

	Years.
Mathematics: Arithmetic, algebra, geometry	5
Drawing	2
Spanish: Grammar, composition, literature, and commercial correspondence	5
Practical business course and accounting	4
Natural sciences: Natural history, physics, chemistry	4
Mercantile technology	2
General and commercial geography	4
Elements of political economy	1
History of Argentina, of the American countries, and history of commerce	4
Customs regulations	1
Elements of commercial law	1
English	5
French	4
Penmanship	2
Stenography and typewriting	2

Gymnastics and athletic sports for pupils of the first three years. For those of the two upper years: Rifle range shooting and drilling.

The writer describes at length the various courses of study pursued. Commercial education in Argentina, he shows, is aided greatly by its Commercial

Museum, where the student is given easy access to, and afforded the largest opportunity for, the study of the products of the world and investigation through printed documents, specimens, and the use of instruments. For the study of geography there is also a special geographical laboratory.

Private schools are generally free from any governmental control. The Buenos Aires branch of the International Correspondence Schools is held in very high esteem. The subjects of greatest importance are: Commercial arithmetic, business correspondence, accounting, penmanship, typewriting and stenography, Spanish, English, and French. The faculty of economic sciences of the university was established by law two years ago. Its curriculum and regulations are printed in a separate program, issue of February, 1915.

Graduates of the higher commercial schools and of the faculty of economic sciences are fitted, in the opinion of the writer, to enter any business or banking establishment in any country where Spanish, English, or French is spoken. The writer urges that special courses in Spanish and Portuguese be added to the curricula of the schools of commerce of the United States, and that stress be laid on the study of the natural resources, geography, and history of the Latin-American countries.

Dr. ANTONIO L. VALVERDE, Professor, School of Commerce, Habana, Cuba.—The course of study in the School of Commerce of Habana, a part of the Institute of Secondary Instruction of Habana, was established by decree November 15, 1900, and consists of the following: Arithmetic and algebra; universal geography; commercial arithmetic; bookkeeping and accounting, commercial and public; commercial practices; industrial and commercial geography; political economy and elements of public finance; statistics; commercial law and commercial international law; history of commerce and commercial products; and English and French. Graduates, after a grouped course of four years, obtain a degree of mercantile professor. This academic title is of small consideration in Cuba, although this country has had a rich development in agriculture and commerce since the establishment of its independence. The personnel of banking houses, etc., is largely office trained.

The course of study is not sufficiently comprehensive and should be enlarged so as to prepare for any career the success of which depends on commercial training, e. g., commercial agents, consuls, custom officials, Government inspectors, accountants for governmental and public utility service, etc. The courses should be so constituted as to include the following: Bookkeeping and general commercial accounting; commercial practices, with particular reference to banks and exchanges; industrial and commercial geography; political economy and finance, with relation to commerce; commercial statistics; commercial law and international commercial law; the elements of civil and administrative law; laws on patents and trade-marks; history of commerce and commercial products; English, French, and German languages; fiscal and customs laws and practices; consular laws and practices; the comparative study of foreign commercial laws; and the writing of public and commercial papers and documents. This curriculum should be made general for all the countries of the continent, and the method of instruction should be uniform in every grade of commercial school. The writer distributes the courses in the different groups so that the careers may be studied of mercantile professor, the doctor or licentiate in commercial science, the commercial agent, the customs inspector and customs agent, a consular and the expert appraiser.

Commercial education has been neglected. Its importance, however, is receiving more and more recognition. The method, content of study, and effort necessary to prepare to engage in commerce is in no sense inferior to that required to prepare a lawyer, physician, or engineer.

DR. AGUSTIN T. WHILAR, Lima, Peru.—Commerce is the instrument of civilization. It is concerned with barter, commissions, marketing, transportation, money, banking, insurance, exchange, food and textile products, building material and articles of luxury, merchandise, public and private commerce. The character and scope of commerce require a high degree of professional and moral training for the merchant. This instruction should be educative and instructive in the largest measure and presented in the most scientific manner. It should include a knowledge of the commercial languages; the history of the various countries—their literature, customs, resources, industries, and commerce; the applied sciences and mathematics; the mechanical practices and methods of business; political economy, business ethics, and psychology; commercial, civil, administrative, and international law; accounting, finance, etc.—in a word, commercial science.

The International Exposition of London, 1851; of Paris, 1867; and of Vienna, 1868, inaugurated an international commercial struggle. This struggle has led to the establishment of commercial museums, export societies, improved consular methods, and a conscious need in the various countries for improved commercial education.

Commercial instruction is of two grades, (1) professional and (2) academic. The special or professional training may be divided into three classes, lower, middle, and upper. These are distinct types and do not grow into each other like elementary, secondary, and higher instruction. The course of study in each type of school is complete. The elementary type is not fixed for the different countries. The practice is more or less general in adding general culture studies in the secondary type. The upper type is best seen in the model College of Commerce of Antwerp and the Commercial Institute of Rome. The academy or university type is more advanced and more highly developed in the United States, England, Switzerland, Belgium, and Italy. The "Luis Bocconi" Commercial University of Milan, Italy, furnishes a fine example of this type of school. The plan of study of the commercial universities of Pan America should correspond to this school, with a compulsory course in general knowledge and elective specialties. The greatest obstacle in America to the establishment of commercial instruction is the dislike for commerce of the upper classes and the prevailing tendency for those who have failed in the academic courses in school or college to undertake the business training courses. Lack of sympathy has further prevented adequate equipment in the way of buildings, teachers, etc.

The author urges the establishment of commercial education in the larger commercial cities, with its introduction according to the two different grades and three classes in the private and public grammar and secondary schools. The preparatory sections thus established should furnish a thorough training in the fundamentals and give to the student a due sense of the value of the profession of business and desire to study for the same in the special elementary, secondary, and higher schools of commerce. He urges, further, public and private subventions for the higher schools and Federal aid for the establishment of the lower and middle schools with a uniform plan of study; aid of the larger commercial and industrial interests in the establishment of a university of commerce in the capital of each Republic; annual visits and award of prizes to the best pupils, whose work should be judged by a committee composed of visiting members appointed by the Government and the chambers of commerce; and the establishment of night schools and of courses of study that will give an international viewpoint to the students engaged in its pursuit; the establishment of scholarships and the demand for a student's certificate of business aptitude for public positions that require technical knowledge; a satisfactory entrance

requirement for the various grades of commercial schools; remission of the customary scholastic fees; and the creation of the doctorate in commerce. He urges the creation of a superior council of technical education, to have charge of this phase of education, and insists that the course of training be both theoretical and practical, experimental, educative, as well as instructive; that the instruction should not be given without the necessary material and equipment, such as a museum, laboratories, library, business office, and model bank, and that ample opportunity be given for visits by the students to commercial and industrial plants.

The writer proposes the following courses:

A. A two-year course for elementary commercial education in grammar schools: The native language taught with reference to commerce; commercial organization, national and international; simple accounting; economic geography and commercial arithmetic; penmanship, stenography, and typewriting; drawing and manual training; commercial practices and visits to commercial and industrial plants.

B. A three-year course for secondary schools. This course is similar to course "A." It adds commercial correspondence, bookkeeping, and a modern language, omitting accounting and business organization.

C. A four-year course, including a preparatory year, for the elementary commercial schools: Preparatory year—elementary mathematics, native language, universal history, drawing, and penmanship; second year—native language, business organization, elementary mathematics, typewriting and drawing, physical and military training, and vocal music; third year—native and foreign language, economic geography, bookkeeping, stenography, physical and military training, and vocal music; fourth year—business correspondence, accounting, history of commerce, elements of political economy and common law, stenography, commercial practices and visits to industrial and commercial plants.

D. Four-year course for secondary commercial schools: Native language, business correspondence, commercial languages, literary history, commercial economic geography, history of commerce, statistics, applied mathematics, transportation, merchandising, industrial and agricultural implements, commerce, general accounting, social and business ethics, civil and commercial law, maritime international law, finance, commercial practices, visits to commercial and industrial plants, drawing and vocal music, and training of secretaries and commercial executives.

E. Two-year course for the higher commercial schools: Native language, rhetoric, logic and classical nomenclature, comparative literature, contemporary geography, applied mathematics, merchandising and commerce, public and business accounting, commercial correspondence, commercial economics, commercial and civil law, commercial practices, finance and budgets. Electives in this course: Administrative, constitutional and consular law, the history of diplomacy, commercial treaties, political economy and statistics, and the elements of biology and sociology.

F. Course of study for the universities. The studies are grouped under the different faculties. Economic sciences: Principles of political economy, history of commercial establishments, public finance, statistics, economic history and geography. Juridical sciences: Constitutional, administrative, civil, commercial and international law. Technical sciences: Mathematics applied to finance, accounting, merchandising and training in a model bank. Pedagogical sciences: Applied psychology, theory and practice of commercial education, and methodology.

G. Three-year course for apprentice night schools: Foreign commercial languages, importing and exporting, transportation, merchandising, markets, tariffs, weights and measures, money and exchange, commercial documents and laws, bookkeeping and business correspondence, political and commercial economy, statistics, typewriting and stenography.

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