

advantages of lower costs through mass production should not be given up. If an agreement were made in a proper manner among a large proportion of the producers the remainder of the producing industry would be forced to follow suit. Perhaps if the men like Mr. Hoover of the Department of Commerce, and other leaders of the country, especially the bankers, could take concerted action in the matter in some such way as has been taken by Mr. Hoover in the elimination of waste in industry, some means might be discovered by which to escape the highly undesirable situation that now exists."

BELIEVES PRODUCTIVE EFFICIENCY WILL INCREASE

E. W. KEMMERER, Professor of Economics of Princeton University, writes from Warsaw, where he is in the midst of preparing a final report for the Polish Government on currency and banking reform. He states that he has been abroad so much of late that he does not feel altogether qualified to give any detailed opinion with respect to the matter. He says, however, that as a general proposition, small inventories and rapid turnover make for economic efficiency and that the new situation has probably come to stay.

He does not believe that the possible sacrifice of the economics of large scale production need in most cases be a serious offset to the advantage of rapid turnover. His reasons for this conclusion he gives as follows: "The increasing size of the market to which large industries sell their goods, the great development in recent times in the use of interchangeable parts for machinery, and the ready adaptability of manufacturing plants to the changing qualities of goods required by changes of style are all factors making for greater efficiency in production."

IN CONCLUSION

It is hoped that the foregoing resume, touching as it does practically all of the great industries of the country, will serve to clarify thought on some of the problems with which business today is confronted because of "current buying" practices.

The emphasis of those who offer solutions which may tend to remedy whatever unfortunate effects have resulted from "current buying" seems to center upon three basic principles:

1. A greater standardization in the more staple articles of merchandise such as clothing, shoes, underwear, hosiery, building materials, tires etc.
2. A closer cooperation between the manufacturer and the distributor, jobber or retailer so that the manufacturer, who is of necessity compelled to produce his goods far in advance of consumer demand, will avoid to as great an extent as possible the manufacture of such articles as will be unacceptable to the retail trade.
3. The adjustment by the manufacturer of his raw material purchases and manufacturing schedules to bring about an equalization of the peaks and valleys of his production program.

No reference is made to the country's transportation situation as it has been so comprehensively set forth by the various railroad executives whose opinions have hereinbefore been given. It should be stated, however, that an increasing mileage of good roads, coupled with the progress being made in motor transport, should ultimately produce so valuable an adjunct to the rail transportation facilities of the country as to minimize the possibilities of any serious shortage arising from that source.