Memorandum: Dinner conversation about technological unemployment

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Unemployment:

Dined with J. G. N. Dorr, Chemical Engineer, Tead present. Got little on subject of Technological Unemployment. Dorr treats the matter lightly. Thinks that too much emphasis is put on that by those trying to throw - he does not say this but it is a fact - the weight of unemployment on industry, that is, the manufacturer, throws the responsibility back into the financing. This is emphasized in the report under the proper point.

Tead is belligerent and opinionated on points where the employer is concerned, but able. I tried to find out if they had any information on the way employment is increased by changes through inventions and processes, etc. The report emphasizes this but gives no illustrations. This should be followed down. There is an increase unquestionably. The weak points is in the transfer; the men displaced who are displaced too speedily, on the instant, without effort to follow them up without providing for them. Tead makes a good point in referring to the countries - Mexico is one of them - which compares three months wages to a man laid off, for what reason I do not understand, think I could get from Andrews facts about this. Says there are seven or eight countries in which is the practice.

I try to find from him and from Dorr whether or no they are familiar with the efforts of any employer to provide for the men he is laying off, such instances as Crawford establishing works for building cars in order to absorb the men that they had had
in the plant at Mobile by order of government. It is amusing to see how cold Tead is to anything done by industrial heads. He knows of nothing whatever, though as what I assume him to be, a counselor of labor, he should be familiar with all of the experiments to right, wrongs. There is a jealousy on the part of labor and its friend which is dangerous to its own cause. It wants all the credit for originating, carrying on. It is nothing more however than the employer insists on and there is a reaction from his claim of making conditions, wages, etc., right. The refusal of either side to work with the other is the mischief for it can be nothing but a co-operative enterprise. However, there is room enough for mutual suspicion.

Mr. Tead raised to the point of re-education, but I imagine that in most of the cases the persons displaced are half skilled at least later will go to unskilled or half skilled work which they pick up easily. They are the kind of men of whom it is said that if they are good at all they can turn their hand to anything.

Tead is insisting on unemployment reserves on a grand scale. The young man present I imagine from the conversation is a bond salesman. What are you going to do with this money? Tie it up in banks? Do that and we cannot sell bonds. That is the money must be kept in circulation. I don't quite see what would be done with the money but Tead seems to think that it could be hoarded
somewhere, possibly I misjudge him.

At all events I get the idea that Dorr thinks little of the whole matter, throwing it back on the imperfection of the financial mechanism.

Quotes Mitchell who says that there has been about two hundred and fifty thousand men thrown out in ten years by improvements and I say, "Well, that's all right, but if you are one of the two hundred and fifty thousand it is all wrong. You have got to consider these things in the terms of the man effected and what arrangements are made to take care of him for a dislocation for which he is in no way responsible."