Technological Unemployment:

In these discussions I have seen no reference to the scraping of plants and machinery. That is, if labor takes a loss in the changes produced by new processes and new machines, capital also takes a loss. Men are frequently thrown out of business entirely. The effect on the early steel manusfactures, particularly around Chicago, after the coming of the definite process. If the case could be traced easily such losses had to be taken in the transfer. This of course applies in all the changes - the effect on the flour mills, the transfer from one town to another. Everybody had to take some loss in this transfer apparently. The point would seem to be by law and good practice the need of warning, giving people time to adjust themselves and giving proper help to adjustments. That is, when the pipe line came the teamster should have somehow been absorbed with his machine. He did not get all. However he got pipe to haul, that is, there was new work for him - not in quantity. There were jobs to which he could be adapted and probably was. Very interesting little study possible here.

Digital Image, 2011, The Ida M. Tarbell Collection, 1890-1944, Allegheny College Pelletier Library.

Butler

Technicological Unemployment:

We get on to T.U. almost at once by his remarking that in a certain change they dropped out three hundred workers. I immediately asked, "What became of them? Did you do nothing to take care of them?"

Then he said, "Well you take it over a term of months and even if you drop out three hundred in a factory of several thousand, places are made for them, because of the constant seepage, death, change of operation, change of place, brings about. You can take care of a good many of those who are thrown out in this way, that is, I suppose that his idea is that an unemployment department keeps track of those things and sends for one draft through a change of process as soon as there is an opening.

He says that it is most important to take care of these people psychologically if you are going to have the factory workers behind you. In this process if you throw somebody out they will say, "Well if this is what progress does I am a'gin all progress."

W e talk of William Leiserson's work and he says that one of the first cases of handling this matter was L's. work as an impartial chairman in the garment trade here in New York. I am to write to him. He is going to send me a list of experiments that have been made with the problem, made for Irving Fisher but never properly presented he thinks. He also calls my attention to somebodys book on Regularization of Industry. I think I have this.

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We talk a little of my favorite notion of finding a measuring stick for the relative value of service. Says that Thomas Warner Mitchell has had a paper published in the Annals of the Academy of Political Science on this matter.

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Technological Unemployment:

I talk to Pat Kennedy a little of the new machines.

"Well," he said, "we never let a man go displaced by the machine. We find something he can do. If is not too old to learn, he must learn the new machine. Older men have difficulty in learning. Forty, yes, they can do it, but sixty it is doubtful, unless there is something very simple. If a man has worked for years at a certain process, on a certain kind of machine, he becomes fixed in that. They are hard to break up-his psychology.

"It is pretty hard sometimes to tell a man who has been an excellent foreman, for instance, that and ~~according~~ to the rule of progression you cannot make him a foreman on a new machine. That he is too old to learn it, that it would be a unsafe ." He gives me an example. This man was between fifty five and sixty - "a good man", he said. "He came in and asked for the job. He was a machinist, worked since he was twenty - a good _____ - became a foreman. But it was not safe to give him charge of this new enterprise. Got to have a younger man."

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