

Objects of the Taylor Society Incorporated

The objects of this Society are, through research, discussion, publication and other appropriate means:

1. To secure—for the common benefit of the community, the worker, the manager and the employer—understanding and intelligent direction of the principles of administration and management which govern organized effort for accomplishing industrial and other social purposes.
2. To secure the gradual elimination of unnecessary effort and of unduly burdensome toil in the accomplishment of the work of the world.
3. To promote the scientific study and teaching of the principles governing organized effort, and of the mechanisms of their adaptations and application under varying and changing conditions.
4. To promote general recognition of the fact that the evaluation and application of these principles and mechanisms are the mutual concern of the community, the worker, the manager and the employer.
5. To inspire in labor, manager and employer a constant adherence to the highest ethical conception of their individual and collective responsibility.

Membership

Membership in the Taylor Society may be either individual or firm. The following is a statement of membership classes. The fees and dues for members in other countries than the United States are one-half of those specified. The exception is the organized branch which is permitted to remit one-quarter of the regular fees for each of its individual or firm members. Application for membership should be made on a regular form which may be secured from the Society. New members may be elected directly to the grades marked*.

1. ***Member:** An individual interested in the development of the science and the art of management as engineer, executive, operative, scientist, investigator or teacher. Minimum age 28. Initiation Fee, \$15. Annual dues including subscription to the Bulletin, \$15.
2. ***Junior Member:** A younger member. A Junior Member may become a Member without payment of additional initiation fee at 28 years of age and must change to Member at 30 years. Initiation Fee, \$5. Annual dues including subscription to the Bulletin, \$7.50. For any of the above grades a person engaged in educational work, state service, government service or the service of any other non-commercial enterprise of an eleemosynary nature shall pay one-half the initiation fee and one-half the annual dues of the grade to which elected.
3. ***Honorary Member:** A member elected by the Board of Directors for exceptionally distinguished service in the advancement of the science and the art of management.
4. ***Life Member:** Any member who has prepaid all dues by the payment of \$500.
5. ***Firm Member:** A firm or organization interested in the advancement of the science and the art of management which desires to make the service of the Society available to members of its organization. A firm member designates two representatives (who may be changed from time to time at the organization's discretion) who have all the rights and privileges of membership except the right to vote and to hold office. Annual dues, including two subscriptions to the Bulletin, \$30.
6. ***Contributing Member:** Any individual, firm or organization desiring to promote the work of the Society by an annual contribution of \$100 or more. A contributing member has all the privileges of personal or firm membership, as the case may be, including one subscription to the Bulletin for each \$15 contributed.
7. ***Student Associate:** A regularly enrolled student of management in any school of engineering, business administration, commerce or arts, of collegiate rank, or a graduate of such institution who has applied for membership not later than one year after graduation, elected upon recommendation of the instructor in charge of management courses. A Student Associate may become a Junior Member, without payment of initiation fee, any time after graduation and must become a Junior Member at the age of 25. Annual dues including subscription to the Bulletin, \$3.

All dues are payable in advance, either annually or in semi-annual instalments. The fiscal year is November 1 to October 31. Members elected other than at the beginning of the fiscal year are charged pro rata (quarterly) for the first year.

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By Fred Henderson

Annual Business Meeting

The annual business meeting of the Taylor Society was held pursuant to due notice, at the Hotel Pennsylvania, New York, at 11:15 A.M., on Thursday, December 7. The report of the letter ballot election of new officers, reports of retiring officers and an informal discussion of the affairs of the Society by the Managing Director, were followed by general discussion.

The Treasurer's report, distributed at the meeting, showed that a drastic reduction of the budget had resulted in a surplus of \$597.28 for the fiscal year ending October 31, 1933.

The new officers elected by the letter ballot were: President and Director, William H. Leffingwell, New York; Vice-President and Director, F. S. Blanchard, New York; Treasurer and Director, E. W. Clark, 3d, Philadelphia; Directors, Ernest G. Brown, Bristol, R. I.; Helen A. Carnes, Seattle; Ordway Tead, New York.

It was voted that the Nominating Committee for the year 1933-34 be appointed by the President. No other motion was offered.

H. S. Person, Secretary

Comment

IT HAS been a great pleasure to have Mr. Fred Henderson as guest and principal speaker at the annual meeting. Those who enjoyed the privilege of hearing him have testified that the content of his message and the simplicity and charm of the author's personality made it an impressive occasion.

IT WILL please our readers to know that neither business nor economics is with Mr. Henderson an exclusive interest. Professionally he should be designated as a consultant on local government. For many years he has been a member of the Council of Norwich, England, and an expert on local government. This activity and particularly his responsibility as a director of one of the largest electric power companies in England have given his economic thinking a solid realistic basis.

THIS matter of the economic consequences of power production is of the first importance. Our thinking about the economic problem should start at that point. We have in the United States and in Western Europe a total plant capable of producing far more goods than has ever been realized. Yet it has been idle; idle in the midst of want, distress and in some instances of starvation. Our troubles cannot be attributed to an inability to produce. The case is clear that the trouble lies in our collective management of this equipment.

That the United States and Western Europe possess an enormous production capacity not yet fully utilized appears to be beyond dispute. It has never been used to full capacity in accordance with prevailing methods of management (except, perhaps, during the war); and its use has been far from the capacity potential in universal utilization of the best methods of management. This fact was indicated by the Hoover Committee's reports on Waste in Industry and on Social Trends. More specifically it was indicated in the article by Robert F. Martin on "Industrial Overcapacity" in the June, 1932, issue of this Bulletin, and by the Alford-Hannum report on "KMH Analysis of Industrial Production" presented to the New York Chapter of the Society of Industrial Engineers. Other reports to the same effect are soon to be published.

The author does not in this address tell us what should be done about the matter. In the course of a conversation during a walk with one of the younger members of our staff he remarked: "My generation's task is to diagnose the trouble; it is the task of your generation to do something about it." In another conversation he expressed the judgment that if a diagnosis is sufficiently complete the line of action, the main objective of action, should stand out clearly. It is a fact that his diagnosis, as set forth in several published books, is sufficiently complete as to indicate the major objective of action. The detailed mechanisms by which this objective is achieved in any particular country would naturally be characteristic of that country's dependency on its framework of government, commercial and industrial organization, and social institutions. However, in its general outlines, the problem appears principally to center about changes in the price system—the loss of flexibility of prices caused by the development of institutions which permit rigidities in various parts of the system. For it is still an accepted economic generalization that production creates purchasing power and purchasing power stimulates and sustains production, continuously and steadily, provided there is sufficient flexibility in the price system to permit, by price adjustments, a clearing of production into consumption. What institutions have destroyed this flexibility?