

managers are usually unable to qualify after a scientific reorganization. Likewise, middle-aged employees fail to make the adjustments that employees of equal age make where job development has been continuous." Examples of this may be found in "the rejection of middle-aged managers and employees following methods reorganization in recent years, obsolescence of middle-aged workers following shift to specialized 'production' methods of paper box making in a factory that has made these boxes for half a century by old-fashioned craftsmen methods.

"The rub comes when you have jumps, usually in the wake of a failure in management. When one makes twenty-year changes within two or three years, you cannot use the old employees. If the factory has been allowed to fall behind and decline, and you then try to make a change, it is almost impossible. You cannot expect a man to unlearn all he must, in order to fit into the new regime. Where you have had continuity in the scientific application of management, although you may carry the change much further and it be much greater, there has never been any fundamental change to which the man has been unable to adapt as it was made.

"Obsolescence in middle age is thus not primarily a result of inherent deficiencies of middle age that render it incapable of meeting the demand of present-day industry. Its solution is largely a problem of applying scientific management scientifically and not in a haphazard way; of preventing periods of managerial stagnation followed by spurts of development. In the application of scientific management, if it is to avoid middle-age obsolescence it is thus important to be not merely brilliant but consistently progressive.

"This problem of middle-age obsolescence does not arise because people in middle age cannot work well. It takes extraordinary skill to do things on a large scale. It is the rare person, young or old, who can make the jump. The only advantage the young person has is that he has so much less to unlearn. So it really is not education. We do not create abilities in school. All we create is a capacity to acquire them.

"The answer is not anything that comes within the scope of outside agencies, except to relieve. It comes from leadership within and recognition on the part of scientific management that it is not

enough to be brilliant. Progress must be made continuous rather than spasmodic."

The problem of unemployment is one of economic irregularity in the opinion of J. M. Matthew.*

"The business policy of the past six years has been one of careful buying and conservative inventories on manufactured stock. Liberality as to wages and profits has been so meagre as to have given rise to the term 'Profitless Prosperity.' And still the unemployment problem looms larger and more dangerous.

"Is not the answer to be found in this long period or secular swing, with problems the like of which we have never encountered before. The War suddenly gave us a creditor position, it gave us a gold balance, easy money, the possibilities of immense expansion. We now produce in seven months what the domestic market can consume in twelve. We have surplus and a difficult outlet. If a man has twelve cans of corn on his shelves and can sell ten of the cans but not the other two, his sales activity is profitless because his profits are wrapped up in the last two cans. If nationally speaking we produce more than the domestic market can consume and have great difficulty in 'outletting' our surplus on a depleted foreign market, then our condition is one of terrific domestic competition—with a falling or stationary price level at best, and profit margins which can only be protected by consolidation, mass production, scientific management and mechanical technique. And there walk out your additional million employees. But since mass production necessitates mass distribution and since domestic markets are already exploited to the limit and foreign markets still 'deplete,' we find ourselves in a predicament indeed with a final solution lying in the direction of international adjustment—and this unfortunately is the weakest side of the American people."

A. W. Donovan† maintains that "It is not alone a question of employment. Men forty-five years of age and over are a large portion of our market, our consuming public. A large percentage are bread winners for families. Their earning power determines the purchasing power of several times their number. Consequently, the employment of men forty-five and over is a far-reaching problem

*Economist, Babson Institute.

†President and Manufacturing Director, E. T. Wright Company, Rockland, Mass.

to American industry, especially if failure to solve it means ultimately cutting down the size of our markets and materially lowering our standards of living.

"Considerable can be said on this subject from the viewpoint of its effect on markets. Almost a third of the total male population of the United States is forty-five or over. Each year the ratio of this group to total population increases as the average life-line gradually lengthens. If the ability to hold a job past forty-five or to secure employment at this age becomes questionable largely because of age, that fact alone will have a serious effect upon buying habits of the younger men, especially in the few years prior to the 'dangerous' age."

"Publicity given this subject in recent years reveals the fact that men in all walks of employment are becoming conscious of 'discrimination' against them; 'age consciousness' from this cause will inevitably influence the pocketbook activity of men long before they reach that point.

"It is to the best interests of industry as a whole, and therefore a responsibility, to safeguard the buying power of the nation. In spite of the increased output of industry, the market represented by wage earners is decreasing, due to improved methods and increased efficiency. A statement issued by the Department of Commerce points out that the value of production during the years 1919-25 increased 28.6 per cent."

Moreover, he believes that management often overlooks the real value of age to a business: "Men of forty-five and over, as a rule, display poise in industry. They don't crack under pressure. They don't strain unduly under speed. They don't give up easily, and they have sense enough not to lay out more work for themselves than can be capably accomplished.

"Engineers tell us that a motor car uses less gasoline when driven at a steady rate of speed. Measured speed seems to achieve distance as fast and much more safely than extremes in driving.

"The behavior of men is fashioned much after this. Poise is the product of all those human qualities which come out of rich experience. Age minimums set by law for our congressmen, senators, chief executives, federal judges, witness to the belief of our forefathers that poise is a hand-mate of age. There is a place for this rate quality in

industry. Perhaps we are too much given today to a constant effort to break records. Certainly we have over-emphasized the values of youth, important as they are. If families of children need fathers, if a political party needs a party whip, if a bowling team needs an anchor man, if a baseball club needs coaches and a manager, if assembly lines need foremen and inspectors, if corporations need boards of directors, then industry needs the balance, perseverance, maturity and poise of age. As Dean Gauss of Princeton University has said:

"The obvious contribution which men of forty-five and over make to industry, which younger men cannot make, is the advantage of maturity. We have all learned that there is no school whose discipline is as rigid and whose teaching as long-remembered as the school of experience. What older men are inclined to lose in the way of vision they generally compensate us for in the form of balance.

"I have seen men in a foundry under extreme pressure to produce a given number of perfect castings against a time limit. I have seen a group of young men assigned to turn out such an unprecedented amount of moulding. In their eagerness and almost rash determination to secure a ladle of liquid metal from the cupola and pour it into a mould, they poured enormous volumes of metal, but they did the job carelessly so that the loss in defective pieces more than offset the great increase in number of castings produced.

"I have seen the foreman introduce a dozen old-timers into a group of one hundred men working under the same pressure. The quiet, steady performance of these men, and their counsel to the younger ones to make haste slowly came nearer producing the result than the impetuous speed of the younger men.

"Men of forty-five and past persevere. This statement may appear inconsistent with some of the value claimed above, yet even though older men have discovered human limitations, they have at the same time unfolded for themselves the undeniable result of attacking a job and staying with it until it is complete.

"An officer in an Ohio concern employing about a hundred workmen states that men of forty-five and over are more loyal and more dependable than younger men as a class. Although this man is still well under forty-five he adds that industry owes men of forty-five and over a decided obligation,