

ment of unemployment is needed to gauge the effectiveness of such means of control as may be devised, and to guide protective and relief programs.

*History and Present Status.* Every period of unemployment has brought its lessons—if not teaching what to do, at least demonstrating what to avoid doing. During the depression of 1894 community activity was centered in large central relief committees operating with a central fund. "Made work," frequently of an unsuitable sort, was supplied to applicants. In the next depression emergency committees were discouraged and existing welfare agencies expanded their own programs of relief and emergency employment. The brief period of unemployment in 1914 witnessed increased activity on the part of social agencies, settlements, and educational clubs, but there was often duplication of effort by neighborhood agency and central authority.

The last two unemployment crises have witnessed not only community but state and federal activity. In 1921 President Harding called an unemployment conference to consider emergency measures and measures of prevention. This conference urged mayors of American cities to take prompt leadership in organizing emergency committees on unemployment. The mayors' committees were generally less satisfactory than spontaneous committees from among groups whose natural interests brought them in continuous contact with the problems. The functions of these committees were to study the situation and form general plans, to give publicity to existing needs, to administer and coordinate employment services and relief, and to encourage employment of the jobless by individuals, firms, agencies, and municipal departments.

Such in general are the relief measures adopted by volunteer committees in dealing with emergencies in the absence of programs of prevention or control. Naturally the organizations most conspicuously identified with these measures have been the public and private family welfare agencies of the country. A gradual crystallization of opinion has been influenced in large degree by the writings of the late Mary E. Richmond. The dangers of large central funds for unemployment relief or emergency work are shown graphically by her much quoted illustration of a crowded theater when a cry of fire is raised. If all exits are locked except

the main one panic results. Likewise, publicity concerning large central sources of assistance in an unemployment crisis tends to detract attention from such normal means of escape as migration, change of occupation, part-time work, savings, credit, friendly assistance from individuals or from relief agencies, and emergency opportunities for work. Publicity given to local relief funds also tends to attract large numbers of the unemployed from elsewhere. In place of such methods there should be organized cooperative registration of applications for aid and opportunities for relief work without publicity. (See "The Long View" and "The Time to Plan is Now" in the references appended to this article.)

The causes of unemployment are inseparably bound up with the problems of industrial instability. Employment fluctuations must be attributed to seasonal movements in market demand, to cyclical changes in business activity, and to those irregularities in industrial progress which permanently modify the structure, technology, and geography of industry. Since the causes of unemployment are manifold and interactive, it is impossible to designate certain preventive or remedial measures as specific in dealing with particular types of unemployment. The problem must be viewed in its entirety, and must be attacked in various ways and from different angles.

Experts have long agreed that much of the slack in employment may be taken up by means of a coordinated national system of employment exchanges which will make it easier for every job to find a worker. At present separate reserves of labor are maintained by industries and localities that could draw upon a common reserve. See "Employment Agencies." The control of seasonal employment is primarily a problem of market analysis—spreading work over the year instead of operating on a hand-to-mouth production schedule. Individual plants and industries have dealt successfully with these problems, but further experiment and research are needed to demonstrate whether regularization on a plant or on an industrial basis gets at the roots of unemployment at large. Cyclical unemployment presents delicate problems of economic balance and of monetary and credit control to which more scientific attention is now being given than ever before.

Even if the labor market were perfectly organized, with seasonal fluctuations eliminated and the

business cycle substantially under control, certain causes of unemployment would continue to operate in the form of dislocations due to the changing consumption habits of the people, to the decline of old industries and the growth of new ones, and to improvements in industrial efficiency which temporarily or permanently reduce the amount of labor required in particular industries. Strictly speaking, there is no such thing as "technological unemployment" existing apart from unemployment in general. The impact of technical changes upon employment may be felt in the form of (1) a shift in the type of worker required in a given industry, or in the form of (2) a temporary or permanent reduction in the number of workers required in a given industry. Thus it is entirely possible that technological changes in individual industries or plants may affect the identity of the unemployed without affecting their numbers. More important, however, is the influence of changing productivity as one of the leading factors in determining the amount of employment and unemployment. Technological progress has been accelerated at various times in the past as at present; whether there is anything new about the present technological situation depends upon the extent to which American industry can take care of increased productivity by expanding its foreign markets to compensate for decreased elasticity in its domestic markets.

To mitigate the social effects of "residual" unemployment it is argued that a system of national employment exchanges and effective regularization of industrial operation must be supplemented by planned protection of the individual worker from that unemployment which neither the individual nor society can prevent. Protection against unavoidable unemployment means insurance or relief in some form. It is urged that industry should set aside reserves against slack times, either maintaining employment or spreading out compensation to its workers in terms of an annual wage, or that the worker and the state should share the cost of protection as in some European countries. Notable among voluntary industrial insurance plans is the scheme now in operation in the men's clothing industry in Chicago. State unemployment insurance has as yet won few supporters in the United States. (See "Personnel Administration in Industry.")

During the current depression urgent stress has been laid upon the importance of public construc-

tion. Forward planning of public works depends upon adequate forecasting and the quick availability of a public reserve for construction.

*Development and Events, 1929.* The spring, summer, and early fall of the year marked continued steady recovery from the semi-depression which had set in during the preceding winter of 1927-1928. In November, however, employment fell off sharply, signaling the beginnings of the most severe depression that has been felt since 1921. Again an emergency found the country without adequate information regarding the volume of unemployment. Widely divergent guesses regarding the extent of earlier unemployment had been made during 1928. These were critically summarized and new unemployment estimates up to 1928 were developed in the comprehensive report made by the National Bureau of Economic Research in May, 1929, to the President's Committee on Recent Economic Changes.

Persistent agitation for more adequate information regarding unemployment culminated in Congressional provision for an unemployment inquiry in the 1930 census of population. The census of 1930 will undertake to distinguish only those unemployed at the time of the census, with a minimum of information regarding the causes and extent of unemployment. The plan allows for a separate tabulation for every person who usually works at a gainful occupation but was not at work on the day before the enumerator's visit—or on the last regular working day. There is sharp disagreement regarding the adequacy of the final schedule and procedure developed for this census, since many modifications of the preliminary recommendations of experts were made by the Census Bureau on grounds of expediency. Early releases of partial returns from the census are subjected to sharp criticism as this volume goes to press.

Local censuses of unemployment were taken during the year in Baltimore, Philadelphia, Cincinnati, Buffalo, and Urbana-Champaign, Ill. Other cities are inaugurating similar surveys, a number of them to be repeated at periodic intervals. These local investigations furnish evidence of increasing popular desire for reliable current facts regarding unemployment. They will furnish interesting supplementary checks against the national census of unemployment.

Toward the close of the year there was widespread organized community effort to study un-