

A condition similar to the one existing at the beginning of the nineteenth century between science and invention exists at the present moment between economics on the one side and business and banking on the other. Science has taken on the whole too much credit for what has happened in the world. It really had little to do with the industrial revolution. The industrial revolution was accomplished by inventors, humble men from the middle classes, who devised machines, joint stock companies, and the whole process of modern industry. Science on the other hand had been doing things quite removed from actual, active life. The only scientists concerned in the industrial revolution, so far as I have been able to find out, were Sir Humphry Davy, who, with his safety miners' lamp, made coal mining a much more economical process; and James Watt, who derived the scientific outlook from his connection with Glasgow University. The world would not be where it is today, for good or evil, however, if science and invention had remained unjoined. The union between them was made largely in the schools in the early nineteenth century, and has resulted in the thing we now call engineering, on which the modern world is based.

I am raising the question as to whether there is not a possibility of a similar union between economics on the one side and banking and industry on the other, to result in a new thing which we might call social engineering. If there is such a possibility, let us try to make the union, even though we cannot clearly see what the results may be.

### A Report on Rochester's Plan of Combined Unemployment Relief and Business Stimulation

By HELEN A. CARNES

OVER a year ago the Taylor Society was asked by the President's Emergency Committee for Employment to make suggestions for immediate relief of unemployment. As a result a number of proposals was submitted by a Taylor Society committee. These proposals suggested the immediate creation throughout the country of a series of community planning boards. The unit community—county, village, city or section of city—was considered the logical starting point for immediate relief measures, with Federal and State employment commissions as agencies of inspiration, information and co-ordination.

The following were suggested as lines along which

such community planning boards might well proceed expeditiously:

1. Create an emergency labor exchange which will take a census of the unemployed and classify them according to skills, experience and capacities.
2. Simultaneously make a survey of the need of public works and of the needs of individual enterprises for the purpose of formulating projects which will give employment to those in need.
3. Formulate specific projects which would create jobs: in public works, in industrial and mercantile establishments and even in dwellings (including details of work recommended, costs and sources of credit) and submit them as moral community obligations of those respectively concerned.

The following were some of the specific projects suggested:

1. The local government can begin work immediately on both new construction and maintenance of highways, parks, playgrounds, water systems, sewers, and other public works, bringing forward into the next six months work which normally would be distributed over a considerably longer period.
2. In a similar manner industrial plants can begin and concentrate investment in necessary new construction and new equipment and in general maintenance work; many such projects have been planned and shelved during prosperity for lack of time to execute them. It would be good management to do this work now while materials are cheap and labor available.
3. Mercantile establishments likewise can now construct the new store fronts which they have contemplated, procure and install new show cases and shelves, and otherwise prepare for active business.
4. Owners of homes and buildings for rent will find the present an advantageous time for economical new construction and maintenance work. Apparently inconsequential in each instance, the aggregate of such work would have a very considerable influence.
5. Banking institutions should arrange to grant credit to the limit permitted by their fiduciary responsibility; and in addition individuals of financial competence should organize a local syndicate which can furnish additional increments of credit.
6. In addition to capital construction and maintenance projects suggested above, both industrialists and merchants should manifest a more venturesome confidence in the future; the former by resuming the production of staples and experimenting with new lines, the latter by price reductions which will clear their shelves for new merchandise purchased at lower costs and salable at lower prices. For the time being profits and perhaps overhead should be disregarded and these costs carried as an investment in the future.
7. Industrialists and merchants both should re-examine their management methods from the standpoint of scientific management and discover every possible method of stimulating business and every possible economy of purchasing, production and merchandising, thereby establishing in reduced costs of management and operating a basis for continuance of employment and high wages.
8. For the time being in order that some earned income may be realized by as large a proportion as possible of workers

in the community, all employers should distribute available work by shortening work periods rather than by employing a limited number full time.

It has been interesting and gratifying to note, from recent press reports and the public addresses of Mr. Hopkins of the Employment Center of Rochester, N. Y., that such a program has been found practical and effective in one community and, more encouraging still, that other communities are showing an interest in what Rochester has accomplished as well as a desire to follow her lead.

Rochester has a community planning board, a model employment exchange, an unemployment insurance fund which some nineteen industrial concerns are building up co-operatively; in other words, she is justifying her reputation for an unusual awareness of group problems and a willingness to tackle them as a community.

The Planning Board, as we should call it, was able to enlist the services of more than fifteen hundred volunteer workers in a house-to-house campaign in which pledges were secured from householders, factories and mercantile establishments to spend over six million dollars in repairs and the expansion of facilities which would otherwise have been deferred. This was accomplished in ten days and the pledges amounted to three times the goal set by the board. Over 500,000 individuals were reached in the campaign; in some cases there were only enthusiasm and moral support to give; in some a pledge of a day's work on house or garden was secured; in others thousands of dollars worth of new construction were pledged to stimulate business activity.

The Employment Center is assisting in supplying the demand for workers created by these pledges of activity. A corps of clerks and a set of books are being used to make sure that the \$6,000,000 is actually spent. As a result, the Rochester employment curve for late December turned upward, and retail sales at the close of Christmas week had surpassed expectations.

The chairman of Chicago's Joint Emergency Relief Fund has expressed curiosity concerning the working out of the Rochester plan; a city official of Fort Wayne, Indiana, has studied it and a representative of the civic development department of the U. S. Chamber of Commerce has been sent to observe it. An immediate nation-wide adoption of such a plan of community activity would do much to relieve the suffering of this winter.

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Control, Bureau of Rationalization, Department of Commerce and Industry, and also one of our members, spoke on the leading ideas of rationalization in Japan. Members of the "American Factory Inspection Tour," which was organized by our Branch last year, have several times been asked by the district societies to deliver lectures on what they saw in America. We are making a plan to establish a closer union with these societies in the coming year, which may be our most effective means of serving our members who are scattered all over the country.

There is one thing more which we cannot omit; that is, Mr. Ueno, chief director of our Branch, has made a plan to translate and publish the complete works of F. W. Taylor. The first of the three volumes is going to be published within a few days (November 13). In view of the present situation of economic crisis, as well as the superficial application of various features of scientific management, referred to in Mr. Hathaway's preface especially written for the volume, Mr. Ueno's undertaking, that is, the rediscovery of Taylor and the technique of scientific management, will be most timely in suggesting a remedy for our industry.

#### Gilbreth Medal

At the fall meeting of the Society of Industrial Engineers, held in Pittsburgh, one day was designated as Gilbreth Day. The first award of the Gilbreth Medal of the Society was made to Mrs. Gilbreth. The speakers were L. W. Wallace, Joseph W. Roe, John W. Carmody, Professor G. C. Brandenburg and Mrs. Gilbreth.

#### Reviews

*Business Adrift.* By Wallace Brett Donham, with an introduction by Alfred North Whitehead, Whittlesey House, McGraw-Hill Book Company, New York, 1931, pages xxix, 165.

This book is an analytical and careful treatise on foresight in business and business in its relationship to American and world-wide economic welfare. It is essentially American and is written with sympathy and understanding of the present-day conditions. The author is capitalistic in his instincts but is obviously open-minded with relation to the progress of other economic doctrines.

The book starts with an introduction by Mr. Whitehead "On Foresight." Mr. Whitehead's standing as Professor of Philosophy at Harvard qualifies him to discuss this subject and his introduction is interesting and instructive.

Mr. Donham, who is Dean of the Harvard Graduate School