

COPY

Chicago, October 13, 1913.

My dear Mr. Low:-

I am much interested in the proposed National Industrial Survey. It would be a colossal undertaking. It would have to be conducted by a body of carefully selected experts, and could not fail, it seems to me, to cover a long term of years, as well as to require a large sum of money. The weight the report of this commission would have would depend upon the reputation of the men concerned, the time at their disposal, and the financial resources which might enable them to make the investigation complete.

Very truly yours,

H.P.J. - L.

Mr. Seth Low,
30 E. 64th St., New York City.

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C O P Y.

October 22, 1913.

Dr. F. W. Taussig,
Professor of Economics,
Harvard University,
Cambridge, Massachusetts.

Dear Dr. Taussig:

As President Low is tied up, morning, noon and night, as the arbitrator in the controversy between the Brotherhoods of Railroad Trainmen and Conductors and the Eastern Railroads, your letter has not yet been referred to him. Pending the time when he will return to the office and go through his mail, I want to say a few words myself in reference to your welcome criticism. We have had two others of somewhat similar import but not so emphatic as yours. However, the other two gentlemen accepted our invitation and their comments simply sounded a warning.

I think that in their case, as in yours, it is possible that due weight was not attached to the next to the last paragraph of the announcement, which I quote, as follows:

"In much of the field thus briefly outlined, the main work will be bringing together the results of official and other investigations already made. In certain respects, further investigation will be required. In other cases, the facts may prove too elusive, or the records too incomplete, for a wholly satisfactory report. In the greater part of the work, however, it is possible to reach definite conclusions either by statistical investigation or by authoritative descriptive summary."

For the last four months, experts in different fields have been preparing a plan for this proposed survey. They have naturally faced the questions you raise, and their conclusion is that a useful and practical survey can be made in the spirit of the above paragraph.

Broadly, the work divides itself into two parts - first, a general survey of the progress that society, as a whole, has made along industrial and social lines, including an inquiry into the extent to which labor has shared in this progress; and, secondly, an examination of the economic and social theories and proposals of the several branches of Socialism.

The theories of Socialism include increasing misery and the concentration of wealth, and the proposals include the taking over of all means of production and distribution, including land, into a democratic commonwealth. The Bernstein movement, which, as you know, is practically dominating the European Socialist mind, concedes that, instead of becoming concentrated, wealth is constantly becoming better distributed, and that the condition of labor is not getting worse but better, a view maintained also by many Socialists in this country and well stated by Professor Simkhovitch in his recent work.

The committee which has been studying this subject, however, intends itself to test such propositions, going, for example, into a study of the distribution of stock shares in railroads, manufacturing concerns and banks, and deposits in savings institutions. Although it

October 28, 1913.

Mr. F. W. Lammie,
Professor of Economics,
Harvard University,
Cambridge, Massachusetts.

Dear Mr. Lammie:

An incident has just occurred, morning, noon and night, as the
explorer in the controversy between the University of California
Trustees and the University of California, your letter has not
yet been referred to him. During the time when he will return to the
office and go through his mail, I want to say a few words myself in
reference to your welcome criticism. We have had two others of some-
what similar import but not so emphatic as yours. However, the other
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which labor has shared in this progress; and, secondly, an examination
of the economic and social theories and proposals of the several branches
of socialism.

The theories of socialism include increasing misery and the con-
centration of wealth, and the proposals include the taking over of all
means of production and distribution, including land, into a democratic
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The committee which has been studying this subject, however, in-
tends itself to test such propositions, taking, for example, into a
study of the distribution of stock shares in railroads, manufacturing
concerns and banks, and deposits in savings institutions. Although it

is known how many stockholders there are in all corporations, it is not known how many duplicates the figures represent; but, in the case of a number of typical railroads in the country, with the help of the Interstate Commerce Commission and that of the railroads themselves, the duplicates could be eliminated and the actual number of individual shareholders ascertained. Similar estimates for manufactures could be made through the Bureau of Corporations and the aid to be had from a sufficient number of establishments to be representative of the whole, and, with the co-operation of the Comptroller and a large number of national banks, a like elimination in that line also could be effected. Of course, the inquiry could not include all railroads, all manufactures or all banks. The cost, as you suggest, would be prohibitive; but a fair estimate on the data indicated would be far more than has as yet been accomplished.

Investigation of the taking over by society of all the means of production, distribution, etc., etc., is capable of indefinite expansion. It may call for a commission to study in Europe the comparative merits of government and private operation of railroads and telegraph lines, as was done in the municipal public utility matter some six or seven years ago; also a commission to look into the present outcome of what is commonly termed "Municipal Socialism" in Europe; i. e., a comparison of efficiency or waste between private industry and governmental agency.

In order to show the fundamental differences between the trade union movement, Socialism and the doctrines of the Industrial Workers of the World, we have only to study the authoritative and official literature on that subject.

In regard to the "Progress Survey", which is the first grand division of the project, while some of the work lends itself to the questionnaire method of treatment, much more of it has already been done and the results need only to be brought together and published in a popular, understandable form. The tons of statistical tables that have been printed by the State and Federal governments are, in numerous cases, well-nigh useless in educating the general public. Few people have time to study them and only a percentage of those who do are capable of understanding them. As illustrative of the various branches of the survey, take the subject of child labor. There are already three angles from which to measure broadly the accomplishments of the anti-child labor movement, namely, the testimony of the National Child Labor Committee, of the State Factory Inspectors and of the trade unionists. Additional light will be thrown on the question by the 1910 Census figures, on the subject, when they are printed. Our committee would hardly contemplate making an original study of child labor. That, as you say, would bankrupt any voluntary organization and it is, moreover, entirely unnecessary, that work having already been done; but there is room for a summary of summaries on the subject, together with a general review of the historical facts.

A comparison of the money wages, the hours and the conditions of living of the working people today with those of forty years ago, or even of twenty-five years, is not difficult. Mr. Compere, Mr. J. W. Sullivan and other labor men went over the preliminaries to that inquiry thoroughly two months ago and have prepared a comprehensive questionnaire, to be used in that connection. Inasmuch as there was little attempt at the earlier date covered by this inquiry to enact legislation in the interest of the health, safety and comfort of wage-earners - there being

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in fact, no State or national labor bureaus thirty years ago - it is not difficult to measure the steps taken along these lines, as what we have today is almost wholly a new departure. The impetus given during the last fifteen years to what is termed "employers' welfare work" can be gathered through a questionnaire. In fact, the Welfare Department of the National Civic Federation now has a wealth of material on that subject quite up to date.

Likewise, relative to the conditions of the farmer, the limits might be agreed upon to which independent inquiry or judgment might go without an attempt to re-work the entire field, but through taking advantage as largely as possible of existing undisputed data. Thence might follow the filling in of gaps in the information already gathered and the collection of the facts necessary to mature up-to-date conclusions.

Statistics in studying the gain or loss in political and business ethics are, of course, neither usable nor desirable. However, political and historical ^writers of standing can furnish an "authoritative descriptive summary" that could not fail to command respect.

So, also, as to the "regulation" of corporations. As yet there has been no presentation to the country of the effects of regulation in the last decade or two.

Now, I have not attempted to run through the whole program but only to give you a few ideas that occur to me in reference to it. I will say, however, that a committee of mine is working out a schedule or plan for doing this work. What I am writing to you is, of course, not authoritative but, as I have said, merely some of my own somewhat disjointed personal views.

In considering our plan, is it not well to bear in mind that social sciences do not lend themselves to the methods of mathematics or chemistry? Are they not, rather, sciences of tendencies, so to speak? The most we can do is to carry our investigation far enough to be sure of what the social drift is in each of the big fundamental fields covered. We gain nothing by multiplying unimportant data or piling up insignificant facts. In other words, such an investigation does not need to be absolutely exhaustive, in the sense of a United States Census, but we must go far enough in each direction to be safe in generalizing about the prevailing tendency or drift.

Sincerely yours,

(Signed) Ralph M. Zaslav.

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