

## CHAPTER IX

### THE THREAT OF THE MECHANICAL AGE

Several college professors, who obviously are socialists, are attacking the capitalistic system and predicting its ultimate collapse.

One professor under the title of "The Fallacy of Profits" undertakes to predict the collapse of capitalism by virtue of the inability of capitalists to make any profit, and that their so called profits are illusions and in the end they will possess only excess products for which there is no market. In view of the way the profits of the privileged interests of this country and every other country are taking the form not of illusions but of the increased possession of the real and tangible property of the world, this conclusion is fantastic, and the reasoning in support of it is all based upon assumed and false premises.

Another idea holds that the mechanical age has reached such proportions by the development of discovery and invention that labor is being displaced in wholesale fashion by machinery, and that very soon machinery will produce in a very short period of the year vast quantities of wealth for which not only will there be no market, but which nobody could use if he could buy it. This absurdity is put forth under the name of Technocracy. Others vaguely advocate social

planning as the remedy. These pictures are hardly worthy of serious consideration. They are based upon the familiar fallacy of assuming as admitted certain premises which are not admitted by any persons entitled to be considered authorities, but are flatly disputed by all well-informed students of economics, and upon those false premises building an argument leading to the blow-up of the profit system, the capitalistic system, and civilization in general as we know it.

#### **Machines Increase, Not Decrease Employment**

Space does not permit the detailed answer to the manifold mis-statements involved in these premises, and the absurdities of the articles built upon these false premises. The latest fad, Technocracy, has been answered by John H. Van Deventer, editor of the Iron Age, who proceeds to show from the statistics compiled by the Department of Commerce that instead of machinery and invention having a tendency to displace labor, the direct opposite is shown by the detailed history of our industries in this and every other country. Not only do the industries in which machines figure in an important way give employment to only about 20 percent of our people gainfully employed, but these statistics show that over a period of forty years of intensive mechanization, electrification, organization and automatization there are now more workers per thousand of population employed in industry than was the case forty years ago.

It should be noted that all of these professors carefully keep away from the discussion of privilege. Their articles serve the privileged interests by drawing a her-ring across the trail.