

EFFECT ON THE STRUCTURE OF SOCIETY

migration of a million farm-workers to the towns. Against this there was an almost exactly equal increase in automobile services, amusements, and distributive services. Meantime, however, increase in population had brought 3 million more into the labour market, and unemployment consequently rose to 4 millions.

The two main facts disclosed by these figures are equally important. First, mechanization causes great changes in occupation. The agriculturist comes into industry; men move from the old basic industries to new ones; they move from manufacture to personal services. This is a normal and inevitable development even when the economic system is working at its best.

The second fact, however, is equally important. The economic system had already, before the depression, been losing its power of rapid absorption. In America it was no longer absorbing both those displaced by new processes and also the increase in population, as it had done during the earlier period of mechanization.

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This is the outstanding fact, and constitutes the most vital economic problem, of our age. At the precise moment when the increased