

EFFECT ON THE STRUCTURE OF SOCIETY

unessentials, and the insistence upon its exercise may make the whole machine of government unworkable under modern conditions.

IV

I need add only a few words as to the present world crisis. My theme is concerned not with the temporary causes and temporary aspects of that crisis but only with those more permanent defects in our system which were already present before 1929 and will remain even after we have achieved some kind of recovery. It will be evident from what I have said that I do not think that mechanization or technological unemployment is a principal cause of the present crisis. The principal cause is to be found in a complex of factors, some arising from special disturbances resulting from the war, which have dislocated our economic system, and destroyed its previous power of adjustment and adaptation, its absorptive capacity, its ability to adjust supply to demand and to increase demand as greater supply is forthcoming. Rapid mechanization and consequent technological displacement have been aggravating factors when the absorptive capacity of the system has been reduced for other reasons. We shall be engaged mainly in the immediate future in