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Volume Author/Editor: Frederick C. Mills

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productivity gains has been progress in living standards. Such gains have also given steady support to the expansion of capital plant. They have helped to maintain established consumption standards when other instruments failed. The steadily re-created productivity increment has been, at once, the spearhead of progress and a reserve against emergency.

IV

In the preceding pages we have discussed the pattern of economic growth of the United States over the last half century. The materials presented bear on questions central to the appraisal of an economic system. Has it produced? Has it grown in effectiveness as a producing mechanism? It was Ernest Bevin's view that the central test of an economy is "Has it delivered the goods?". But this cannot be the sole criterion of judgment. We must ask "How has productive power been used?" This question raises issues beyond the economic. Arnold Toynbee has said that the new power found through the simplification of process that generates the growth of civilizations always presents a moral challenge. Disposable resources may be used to promote welfare or illfare. In a progressive economy, marked by steadily recurring productivity increments and expanding margins above maintenance needs, each generation faces this challenge anew.

Our economy, in its performance over the first half of the twentieth century, has clearly met Bevin's test. We have used our natural resources to produce a great and growing volume of goods and services. Apart from the protracted check that came in the thirties, the advance has been virtually unbroken. By far the greatest factor in this gain has been rising productivity. Machines, plants, administrative methods, and men have improved in productive quality; equipment has grown in quantity; flexible power has been carried to assembly line and bench. These improvements, embodied in innumerable major and minor working methods, have brought an increase in output per unit of productive effort that is probably without precedent in our history.

Appraisal of the uses to which these tremendous productive

powers have been put is not so simple. Non-economic standards of judgment must enter if the moral issues suggested by Toynbee are to be faced. We have used some of these powers for destruction, a fact that may be charged to the ill-fortune of our generation rather than to design and deliberate choice. Thanks to modern technology we have had to employ only a relatively small part of our resources to maintain and enlarge our productive plant. We have used most of our vast new powers to ease the lot of citizens at large through gains in leisure, and to improve it through diversified consumption patterns. Not all the standards expressed in this diversification might win a moralist's highest sanction. There are doubtless faults to amend. But the record leaves no doubt that much of our new productive power has gone, over this half century, to advance human welfare. In major degree, the benefits of industrial progress in the United States in this half century have served to lighten toil for producers and elevate living standards for consumers.