

SAMPLE BULLETIN

Organization
for Impartial
Investigations

**NOVEMBER ADDITIONS TO
LIST OF CONTRIBUTORS**

The announcement in the last News-Bulletin, that the Bureau hoped to build up a broad list of contributing subscribers was followed almost immediately in the return mail by a number of subscriptions, accompanied by communications approving the Bureau's program.

A wide variety of occupations and interests is reflected in the list of subscribers enrolled during November. The Bureau makes grateful acknowledgment to the following:

- Mr. George Arents, Jr., New York.
- Associated Industries of State of New York.
- Atlas Portland Cement Co., New York.
- Mr. R. P. Baird, Omaha, Nebraska.
- Hugh J. Baker & Co., Indianapolis, Indiana.
- Mr. Julius H. Barnes, New York.
- Mr. Charles E. Barry, New York.
- Professor O. Fred Boucke, State College, Pa.
- Mr. M. J. Caples, Norfolk, Virginia.
- Mr. J. Parke Channing, New York.
- Dr. Wilson Compton, Washington, D. C.
- Rev. Walcott Cutler, New York.
- Danielson & Son, Providence, R. I.
- Mr. Alvan L. Davis, Waterbury, Conn.
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- Tidewater Oil Company, New York.
- Miss Harriet Townsend, New York.
- Amos Tuck School of Finance, Hanover, N. H.
- H. D. Walbridge & Co., New York.
- Washburn-Crosby Co., Minneapolis, Minn.

**PROMOTES UNDERSTANDING
OF FOREIGN RELATIONS**

Dr. E. F. Gay, one of the Bureau's Founders, is secretary and treasurer of the Council on Foreign Relations and head of the publication committee of the Council which was instrumental in planning and arranging for the new quarterly "Foreign Affairs."

**FIVE TITLES EMBRACED IN
SCHEDULE OF PUBLICATIONS
UNDER AUSPICES OF BUREAU**

With the addition of two volumes growing out of the Unemployment Investigation, the list of official reports for publication under the auspices of the National Bureau of Economic Research, Inc., is increased to five. A complete list of the titles, with specifications and prices, follows. The prices have been fixed at the lowest practicable figures, and are intended to cover publishing and distribution costs only.

Volume I, Income in the United States. A summary of an investigation of the Amount and Distribution of Income in the United States 1909-1919 intended for readers who are primarily interested in the results. Size 7½ by 5¼ inches, 152 pages, with preface, 29 tables, 31 charts and index. Bound in blue cloth with gold letters \$1.58 postpaid.

Volume II, Income in the United States. A volume giving in full the methods and estimates on which the results shown in the first volume are based. In addition it goes into many details concerning particular industries. It consists of three parts: (1) Estimate by sources of production; (2) Estimate by incomes received; (3) Personal distribution of income in the United States. Size 9¼ by 6¼ inches, 425 pages, 222 tables, 35 charts and index. Bound in blue cloth with gold letters \$5.15 postpaid.

Distribution of Income by States in 1919. A study of the share of each state in the national income with a special analysis of the amount and relative importance of farmers' income. Size 9¼ by 6¼ inches, 32 pages, with preface and 9 tables. Bound in blue cloth with gold letters \$1.30 postpaid.

Unemployment and the Business Cycle. Results of an investigation made for the President's Conference on Unemployment. By the staff of the Bureau with 16 collaborators. Twenty-one topics covered. This report summarizes the known facts of unemployment and describes the various methods suggested to control the business cycle and alleviate cyclical unemployment. It was planned to furnish a basis for the recommendations of the Business Cycle Committee, and as a guide to executives who have an active interest in stabilizing employment within their own organizations. Many practical suggestions are also made for the avoidance of the business losses that result during periods of excessive business expansion and depression. Size 9 by 6 inches, 504 pages, illustrated with tables and charts. Bound in blue cloth with gold letters. Price not yet determined.

In addition to the foregoing, the Bureau has in preparation a volume entitled "Employment, Hours and Earnings in the United States, 1920-1922." This will give the results of an inquiry conducted by the National Bureau of Economic Research, with the help of the Bureau of Markets and Circulation, and the Bureau of the Census for the President's Conference on Unemployment.

Persons who wish to receive early copies of all the publications of the Bureau as issued may enroll as contributing subscribers, paying a minimum of \$25 a year. In addition to receiving the publications, the contributing subscribers will be kept in touch with the work of the Bureau as it progresses, and with the work planned for the future. Those who subscribe during 1922 will receive all of the foregoing volumes.

Income from American Shipping Analyzed

**FOUR-FIFTHS OF NET VALUE
PRODUCT OF INDUSTRY GOES
TO EMPLOYEES FOR SERVICES**

Recent discussion in Congress and the passage in the Lower House of the so-called ship subsidy measure give added interest to the analysis of income derived from transportation by water, just issued by the National Bureau of Economic Research.

Comparisons of the tonnage afloat of the American Merchant Marine with the population of the continental United States, for each of the eleven years from 1909 to 1919 inclusive, show that the tonnage per capita was almost imperceptibly declining in the first five years of this period, with its lowest ebb in 1914. A moderate increase in 1915 and 1917 was followed by a large growth in 1918 and a tremendous expansion in 1919.

The period which began in 1909 when the country, with a population of 90,370,000, had 7,388,755 tons afloat closed in 1919 with a population of 104,847,000 and 12,907,300 tons afloat, tonnage per capita having increased from .0818 to .1231 in the eleven years.

Changes in Economic Welfare

The increase in the tonnage per capita was coincident with a marked gain in the economic welfare of shipping employees. The purchasing power, in terms of 1913 dollars, of the average annual earnings of the employees attached to the industry, was almost constant in the first five years of the period under review, subsequently rising from its low point of \$799 in 1914 to its peak of \$1,012 in 1917. While the earnings fell again to \$969 in 1918, this sum was 20 per cent higher than the compensation of \$810 received in 1909. The earnings in current dollars, in the same period, rose from \$773 in 1909 to \$1,532 in 1918.

Employees in the industry of transportation by water receive a larger percentage of the value product than do those in many other fields such as manufacturing, public utilities, production of minerals, agriculture, and hand trades.

The share of the employees in the value product of the industry of transportation by water was relatively steady in the decade 1909-1918 under review, dropping no lower than 83.2 per cent, rising no higher than 85.6 per cent, and closing at 83.2 per cent, as compared with its opening at 83.5 per cent at ten years before.

Wages and Salaries Increase

While the total share of the value product of the industry received by operators and investors was increasing from \$34,305,000 in 1909 to \$85,230,000 in 1918, the total share of the value product paid to employees in the form of wages and salaries was jumping from \$173,200,000 to \$421,200,000.

The number of men actually at work on the vessels of the

**WORLD-WIDE INTEREST
IN U. S. FINANCIAL DATA**

Evidence of the world-wide interest in the financial status of America is reflected in the inquiries received by the National Bureau of Economic Research concerning its report on "Income in the United States."

Some of the closest followers of the Bureau's work have university chairs, governmental positions and engineering posts in China, Japan, Chile, Australia, India and New Zealand.

England leads in calls for copies of the Income report, with Japan second, followed by France, Sweden, Germany, Norway, Czechoslovakia, Denmark, Switzerland, Italy, and Hungary.

**AMOUNT OF TAX-EXEMPT
INCOME DOUBLES IN DECADE**

That the total amount of income legally free from taxation has doubled in the period from 1910 to 1920 inclusive is indicated in the "Estimate by Incomes Received," just issued by the National Bureau of Economic Research. More than one and one-half billions of dollars of income was exempt in 1920, according to the Bureau's estimate.

The total of tax-exempt income, apart from their own products consumed by farmers, is composed of the following items—interest on debt of states and local governments, interest on liberty bonds, interest on federal farm loan bonds, interest on obligations of possessions of the United States, income exempt through nature of occupation—such as state, city and county salaries—and rental value of homes owned.

Tax-exempt income in 1910, according to the Bureau's estimates, consisted of \$134,000,000 interest on local debt; \$3,000,000 of interest on obligations of possessions of the United States; \$155,000,000 exempt through nature of occupation, and \$500,000,000 rental value of homes owned, making a total of \$792,000,000.

In 1920 the first item had increased to \$282,000,000. A new item had appeared consisting of \$380,000,000 interest on liberty bonds and \$7,000,000 interest on federal farm loan bonds. Interest on obligations of possessions of the United States rose to \$4,000,000. Income exempt through nature of occupation mounted to \$200,000,000, while the rental value of homes owned accounted for \$700,000,000, the whole making a grand total of \$1,573,000,000.

(Continued on page 3)

National Bureau of Economic Research, Inc.

The National Bureau of Economic Research, Inc., was incorporated in 1920 for the purpose of making impartial investigations in the field of economic, social and industrial science.

The Bureau deals only with topics of national importance, regarding which quantitative analysis is feasible.

No report of the Research staff may be published without the approval of the Board of Directors. Rigid provisions guard the Bureau from becoming a source of profit to its members, directors or officers, and from becoming an agency for propaganda. The Bureau assumes no obligation to present or future contributors, except to determine and publish facts.

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BUSINESS EXECUTIVES VIE WITH COLLEGE PROFESSORS IN INTEREST IN ECONOMICS

That business men are eager to utilize the findings resulting from impartial investigations, in the field of economic, social and industrial science is shown by the number who are enrolled upon the mailing list of the National Bureau of Economic Research for notice of publications. This list is limited to the names of persons who have made a written statement to the effect that they are interested in the Bureau's work and wish to be notified of its reports. A check recently of some 3,700 cards shows that the enrollment is as follows:

University and college heads, deans, professors, associates and instructors	686
Librarians in colleges, civic and commercial institutions	245
Social workers, association secretaries, labor union officials, etc.	294
Employee statisticians, research workers, and economists	483
Corporation Presidents	252
Chairmen of Boards	14
Vice-Presidents	189
Partners	182
Treasurers	77
Corporation department heads	686
Professional Engineers	245
Certified public accountants	155
Lawyers	56
Judges	7
Actuaries	49
Editors	77
Publishers	14
Clergymen	28
Senators and Congressmen	7
Authors	7

DATA ON LABOR INJUNCTION COLLECTED AND ANALYZED

John P. Frey, of Cincinnati, Chairman of the Board of Directors of the National Bureau of Economic Research, paid a flying visit to New York November 27.

Mr. Frey has just seen his book, "The Labor Injunction" come from the bindery. This book is the first study of the injunction in connection with industrial disputes published from any of the camps. Mr. Frey has collected and elaborated much material and has made exhaustive citations from federal decisions.

Carnegie Corporation Duplicates Gifts

MATCHES CONTRIBUTIONS FROM
 OTHER SOURCES, DOLLAR FOR
 DOLLAR, TO \$30,000 A YEAR

ELECTION OF GEORGE SOULE
 AND DWIGHT W. MORROW AS
 DIRECTORS IS ANNOUNCED

The Carnegie Corporation by resolution of its Board of Trustees, dated November 16, will duplicate, for the next three years up to a maximum of \$30,000 a year, all other contributions to the Bureau's operating expenses. Additional contributions will be made by the Corporation for the fourth and fifth years, in reduced ratio.

To quote the wording of the resolution, this donation has been made "In view of the excellent services rendered by the National Bureau of Economic Research, and in view of its proposal within five years to finance its needs permanently through the development of an extensive subscription group and the securing of an endowment of one million dollars."

This generous offer will be of particular interest to contributing subscribers who will have the pleasure of knowing that their contributions with others hereafter received, will be of double value in support of the Bureau's activities.

A list of subscriptions received since the last issue of the News-Bulletin is given in another column.

INCOME FROM U. S. SHIPPING INDUSTRY GIVEN IN DETAIL

(Continued from page 1)

American Merchant Marine increased from 149,200 in 1909 to 222,200 in 1919 while the estimated average annual earnings of all employees on vessels of the Merchant Marine rose from \$901 in 1909 to \$2,152 in 1919.

Operation of the Merchant Marine vessels also gives work to a large number of persons on land. In 1909 there were 58,450 land employees at work engaged in the industry of transportation by water with an estimated average annual pay of \$664. With the increase in shipping activity, this total rose to 80,400 in 1918 and at the same time the estimated average annual pay of these land employees rose to \$1,012.

These figures, with a description of the method of compilation, are given in detail in Volume II of "Income in the United States," copies of which have just come off the press.

PHASES OF BUSINESS CYCLE DISCUSSED IN ADDRESSES

In addition to putting the finishing touches on the Bureau's report on "Business Cycles and Unemployment," which he edited, Dr. Wesley C. Mitchell, director of research at the Bureau, addressed the annual convention of the Robert Morris Associates in Richmond, Va., November 24, on "Credit Ratios and Business Cycles," and read a paper at the convention of the American Society of Mechanical Engineers in New York, December 6, on "Making Goods and Making Money."

Mr. George Soule, who is a director of the Labor Bureau, Inc., and Mr. Dwight W. Morrow, a member of the firm of J. P. Morgan and Company, have been elected to the Board of Directors of the National Bureau of Economic Research.

"The election of Mr. Soule and Mr. Morrow rounds out the Board, as now constituted," explained President M. C. Rorty, "and strengthens very materially the Bureau's plan for a balanced representation on its directorate of the principal viewpoints from which economic, social and industrial problems are regarded."

Mr. Soule, in his present connection with the Labor Bureau, is engaged in economic and other technical research and service for labor and cooperative organizations. He was graduated from Yale College in 1908, was connected with the book-publishing firm of Frederick A. Stokes Company until 1914. From December, 1914, to May, 1918, he was on the editorial staff of the New Republic, where he paid special attention to labor matters and the economic organization of the government for war. In May, 1918, he enlisted in the Coast Artillery Corps, was graduated from the artillery school at Fort Monroe, Virginia, and commissioned second Lieutenant.

Mr. Soule was one of the investigators of the steel strike of 1919 in the inquiry authorized by the Interchurch World Movement. He is the author, with J. M. Budish, of "The New Unionism in the Clothing Industry." He contributed the chapter on Radicalism in "Civilization in the United States," and has written numerous articles.

Honored by Four Governments

Born in Huntington, West Virginia, January 11, 1873, Mr. Morrow spent his boyhood in Allegheny, was graduated from the Allegheny High School, in 1887, from Amherst College with a B. A. degree in 1895 and from Columbia Law School, New York, in 1899. He immediately entered the law office of Simpson, Thacher and Barnum, becoming a partner in 1904. In 1914 Mr. Morrow retired from the law firm to become a partner in the firm of J. P. Morgan and Company.

When the United States entered the world war, Mr. Morrow became chairman of the War Savings Committee for the State of New Jersey. Early in 1918, he went abroad with the American Shipping Mission, serving all of that year as an adviser to the Allied Maritime Transport Council. For three months he was with General Pershing, as a civilian member of General Pershing's staff. Mr. Morrow was awarded the following decorations: Distinguished Service Medal, United States, at the direct request of General Pershing; Chevalier de la Legion d'Honneur, France; Officer of the Crown of Italy, and Chevalier of the Royal Battalion of George First, Greece.

In 1917 Mr. Morrow was made chairman of the New Jersey Prison Inquiry Commission, upon whose recommendation the New Jersey Legislature reorganized the State's penal and charitable institutions.

Mr. Morrow is a trustee of Amherst College, chairman of the Finance Committee of the New York Association for Improving the Condition of the Poor, and is a member of the Board of Trustees of the Russell Sage Foundation. He has been recognized as a thorough student of economics and history. Several thousand copies of his speeches made during the War Savings campaign were distributed by the government. He is also the author of a book, "The Society of Free States," which deals with the question of a league of nations.