

## Mitchell's Musings 6-10-13: Remarks on Getting LERA's Lifetime Achievement Award at the St. Louis meetings, June 8, 2013

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Supposedly, everyone gets 15 minutes of fame.<sup>1</sup> But at LERA on this occasion, the award recipients get 5. I wasn't actually told about the 5 until yesterday; indeed, until yesterday I thought all I had to do was say thank you to LERA and to my wife who has put up with a lot. But given the 5, I think the best way to use them is to talk about history. LERA has always had an appreciation for history and my favorite personal work has been my articles and books in which use of history played an important role. I'll come back to the uses of history in a moment but I grew up with an appreciation for artifacts of the past that told a story of what things were like.

When I was 15, I inadvertently engaged in historic preservation. I found in a junk shop in Queens, NY, near my home, a pile of old phonograph records from World War One – essentially patriotic songs designed to encourage recruitment of soldiers and public support for the war effort. These were acoustical recordings made through a horn – no electronics. Over a period of weeks, I bought them all for 5 cents a piece. Just this past Wednesday, I took them to Kansas City on the way to the LERA meetings. Kansas City has the national World War One museum there and I donated the collection. Of course, I had earlier put digital recording of the records on YouTube and elsewhere on the web before donating the physical copies. Anyone can now hear them.

What would you learn from these recordings that you would not find in a book? What stands out is the incredible naïveté of that period about what modern war entailed. For example, one song – presumably meant to encourage recruitment – has a soldier cheerfully reporting that he is glad he got shot in the war because he is now being taken care of by a beautiful nurse. His friend happily signs up so he also can also get shot and be attended by a beautiful nurse. [<http://www.youtube.com/watch?v=-HxRy7FIkwc> – 3<sup>rd</sup> song: minute 6:10] The puzzle presented by that song (and others in the collection) is that even though life expectancy was shorter than now, there were plenty of Civil War veterans around who could have told anyone who asked what a real war was like. Apparently, no one *wanted* to ask. **So the first lesson to be learned is that there are dangers of neglecting history.**

Another lesson – very important if you teach young students – is that issues that we think of as unique to our time in fact had counterparts earlier. Another old phonograph record I have – older than the World War One collection – is a demonstration disk meant to promote the sale of two-sided phonograph records. [<http://www.youtube.com/watch?v=jxhavkZtosE>] In case you are not aware of it, the earliest disks were one sided; the flip side was blank or had a design but no recording on it. As you may know, there is continuing controversy today about how to adjust the Consumer Price Index for new products and technological improvements in quality. The old demonstration record claims you get two-for-one with a double-sided record. So – I have asked classes - if you were doing the CPI back then –

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<sup>1</sup> The actual talk was a bit more informal than the written remarks.

essentially in the period when the CPI itself was being invented - should you treat the invention of a two-sided record as a cutting of the price in half? That might seem a simple solution but if you are old enough to remember phonograph records, you know that typically the hit song was on the A side and the B side usually contained something less popular. It really wasn't two-for-one in quality. So what should the price adjustment be? The demo record also claims advances in sound quality – and there *were* advances even in the acoustical era. How would you adjust for better sound quality? **The second lesson from history is that tech change has long been with us and is not something that just arrived with laptops, tablets, and iPhones.**

**Let me mention a third lesson; there are lots of things about the past which we know to be true but aren't.** My stepfather had been a union organizer and business agent for a union in the 1930s and after he died, I came across a contract he had negotiated back then. Now we all “know” that modern collective bargaining begins with the UAW-GM contract in the late 1940s with a multiyear duration, built in wage increases for each year, and an escalator clause geared to the CPI. The only problem is that the contract I found from the 1930s had a multiyear duration, specified yearly wage increases, and contained an escalator clause. That discovery led to a project with my UCLA colleague, Sandy Jacoby, in which we collected pre-World War Two contracts and created a database of their provisions. It turned out that much of what we think of as post-World War Two contract innovations existed earlier, in some cases much earlier. Sadly, I have to report, I have no idea of what became of our contract collection.

I could go on with history. For example, I have put on YouTube a variety of materials from news reports and “secret” presidential recordings from the Nixon, Johnson, and Kennedy White Houses that illustrate the labor relations issues of those periods and related economic concerns. I do a weekly column for LERA's EPRN. Some of those Mitchell's Musings are devoted to discussion of those recordings. Many of our ideas about macroeconomic policy in fact evolved during that era and are present on those recordings. But some of these ideas mistakenly continue to influence contemporary policy even though key economic institutions have changed since the 1960s and 1970s. **The fourth and final lesson I would like to impart is that sometimes we learn too much from history and don't recognize obsolete notions.**

So in thanking LERA for this recognition, let me urge the up-and-coming scholars in our midst not to neglect history but also not assume that the past is always a foolproof guide to the future. And if you are interested in the recordings I have mentioned, feel free to contact me for references and links.