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The Honorable L. D. Brandeis
Supreme Court of the United States
Washington, D. C.

My dear Justice Brandeis:

Thank you very much indeed for the copy of the decision in the New York Ice Company vs. Leibmann. Your dissent, particularly the last two paragraphs, is destined, I feel sure, to become a legal classic. For that reason I doubly appreciate receiving the copy.

Needless to say, I am gratified that you found occasion to cite my book. It is unfortunate, however, that economists have thus far given so little attention to the problem of guiding the investment of capital. Our researches in this field have been so few and the results so meager that we are not able to give either the legislators or the courts the material which they have a right to expect. The explanation is that economists have assumed that the flow of capital into most industries could be relied upon to take care of itself. But the facts are compelling us to become more and more skeptical of this conclusion. Last year, for example, the daily average of petroleum production in the "East Texas" field suddenly increased from 3,258 barrels in January to 848,000 barrels for the week ending August 16th, and on August 17th martial law was declared and production entirely shut in. Surely it is the duty of economists to suggest better methods than martial law for handling these matters and yet thus far we have had little to suggest.

Within a week or so I hope to be able to send you a reprint of a paper on technological unemployment in which I discuss the economics of change and particularly the subsidy to change which seems to me to be woven into our very institutions and which tends to cause changes to occur at an uneconomically rapid rate.

Respectfully yours,

Sumner H. Slichter