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## LABOR UNION RESPONSIBILITY

8 February 1949

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## LABOR UNION RESPONSIBILITY

8 February 1949

GENERAL HOLMAN: Organized labor, as an American institution, has important and far-reaching responsibilities. The areas and extent of these responsibilities are becoming daily more clearly defined and understood by the workers, the employers, and the general public alike.

What then, are these responsibilities? How may they be solved to the satisfaction of the majority, keeping in mind our democratic principles of freedom and equality?

Our speaker today has devoted a lifetime to the solution of these problems. He is pre-eminent in this field as an author, an educator, a leader, and an advisor. His contribution to the labor leadership has been outstanding and of great service both to labor and to Government.

I take pleasure in introducing Mr. Clinton S. Golden.

MR. GOLDEN: Mr. Chairman and friends: I am grateful for the opportunity to be with you here today and to discuss labor union responsibilities.

I want to say, however, at the beginning, that I am always somewhat terrified when I enter the portals of these institutions of learning where there is so much concentrated wisdom and knowledge. I come from a generation of labor people that did not have as general access to formal education as perhaps some of our later generations have had. My own formal education was concluded at the beginning of the sixth grade. But I always try to draw some comfort from what Mark Twain was alleged to have said at one time, that he never let his schooling interfere with his education.

Before attempting to define some of the responsibilities of labor unions, I think it is pretty important to understand something about the nature of labor unions.

I like to say, on occasion, that in their modern form they are the expression of a primitive instinct--perhaps a biological urge--of human beings for association with other human beings. Now it is true, historically, that labor unions have been organized for defensive and protective purposes and for purposes of mutual aid. I believe it can be truthfully said that voluntary association constitutes the most effective form of protest against injustice and means for securing redress of grievances and improvement in conditions of employment.

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Unions have always encountered opposition and sometimes it has been exceedingly militant opposition, as is the case here in our own country. I don't know whether, in the course of your studies and discussions here, you have had occasion to examine carefully the evolution of the labor organizations in the period of our greatest industrial development, that is, the period beginning roughly with the ending of the Civil War.

If you have been concerned about this, you will have noted that within every decade, at least once, there has been some major, dramatic conflict on the industrial field. If we look back into the early 1870's it was the Knights of Labor trying to organize the railroad men and endeavoring to shorten the hours of their labor.

When we come into the 1880's, we have, again, another manifestation of industrial conflict that is referred to as the "Hay-market riots." In 1892, we again had the railroad men, under the leadership of Eugene V. Debs, in what was then called the American Railway Union. In the same year there was a very dramatic strike in the steel industry of Homestead, Pennsylvania.

If we move along to 1902, we observe the great anthracite coal strike which gave birth to the United Mine Workers Union on a permanent basis in the coal fields of northeastern Pennsylvania. Along about 1912, we experienced the great textile strikes in Lawrence, Massachusetts.

In 1918, there was an attempt on the part of the American Federation of Labor to organize the steel industry and abolish the 12-hour day. This was followed in 1919 by a great nationwide steel strike involving something like 400,000 people. In 1922, the nationwide strike of railway shop men occurred.

In the period between 1922 and the early 1930's, there were the great "Sit-down" strikes in the automobile industry and the so-called "Little Steel" strikes in the steel industry.

It is interesting to note that after each one of these outbreaks some form of a federally appointed commission investigated the causes of these dramatic conflicts. In some instances, it was a commission appointed by the President, as in the case of President Theodore Roosevelt in the anthracite coal strike. In other instances, it was a congressional or senatorial committee.

If you read the reports of these missions, you will find there is a certain continuity to their recommendations and observations. For instance, they all say, I believe without exception, that the conflict investigated was brought about by the refusal of employers to recognize the right of association or organization on the part of the workers.

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They usually concluded the report with a recommendation that this right of association and organization be conceded; that workers had the same right to associate together as any other group; that it be recognized that the workers should have the right to freely select the people they wished to speak in their behalf when dealing with employers. Of course, those recommendations were never widely accepted and, apparently, did not have much influence on management thinking in this country.

So we come to 1935 and the proposal for the enactment of the so-called Wagner or the National Labor Relations Act. There are many people who superficially identify the enactment of that law with the "New Deal," or a person named Roosevelt. They do not take into account this long background of industrial turmoil and investigation and repeated congressional recommendations that, for the most part, were ignored with respect to the right of workers to organize for purposes of mutual aid and collective bargaining.

Again, it is important to take into account the character of the opposition encountered. The lockout, blacklist, and industrial espionage in my lifetime has been extensively used as means of discouraging workers from associating themselves together.

Another example of the devices used was that the workers were aptly called the "yellow-dog" contract where an individual worker, as a condition of being employed, was required by the employer to enter into a contract, individually, not to join a union during the course of his employment with that particular firm. Of course, that practice was outlawed when the Norris-LaGuardia Act was passed in, I think, the late 1920's.

For those who wish to go seriously into an examination of the practices and methods that were resorted to, perhaps the most elaborate and modern source of information is the report of the investigation of the LaFollette Committee on "Violation of civil liberties." These investigations were conducted during the 1930's, coincidental with the enactment of the National Labor Relations Act.

Another important consideration to have in mind, in trying to get up to the point of assessing and appraising responsibility, is something that is very frequently overlooked; that is, for the greater part of the period of our industrial development, there has always been more men than jobs. The phenomenon of sustained full employment coincident with the war and thus far into the postwar period, is something comparatively new in our industrial history.

The psychological effect upon the worker of knowing, if he held a job, that there were many other people unemployed that wanted it, and

the effect upon the management people, of knowing that if they had someone that for any reason they wanted to get rid of, it would not be difficult to fill his place, profoundly influenced the thinking and attitudes of workers about their responsibilities and the attitude of the employers about their responsibilities for dealing with organizations that they, for the most part, have been fundamentally and basically opposed to for a long period of time.

I sometimes like to point out that for all practical purposes, not as a result of any calculated effort, there developed over the period of our industrial development in this country a sort of double standard of economic morality. I should like to present a few illustrations of what I mean when I use that term because of its relation to this whole question of labor union responsibility.

For instances, the combination and organization of capital has always been thought of as in accordance with "natural laws," but the combination and organization of labor constituted an "unlawful conspiracy."

Another point is that monopoly, until quite recent years, was thought to be "good business" practice and businessmen and industrialists were vehement in their opposition to antitrust laws, but at the same time the general attitude was that the closed or union shop was something that was immoral as well as unlawful.

It has been customary to think that the Government had a duty to aid and protect business and industries. The evidence of that is in the tariff laws, railroad subsidies, and legalized price fixing of one kind or another. But whenever labor asked that the Government assist in improving the conditions of the people, that was described as something "socialistic." The Budget Bureau reported to Senator Murray of Montana in 1946 that the total of the Government subsidies to business and agriculture in that year amounted to 2.25 billion dollars. There wasn't anything immoral about that, apparently, but if unions proposed increasing the social security benefits, or something designed to aid a great many of our citizens, that was thought to be "socialistic."

Property has a "natural right," so we have always been told, to a fair return on its value, but the return which labor could receive was to be regulated by the "law of supply and demand."

And, again, to use a somewhat unpleasant reference, the use of Pinkerton and other detectives, professional thugs, and gunmen to protect business property was "Preserving law and order," but the use of force in the form of strikes by workers was "violence." That surely was unlawful and immoral!

Finally, to curtail production in the face of an over-supply of consumer's goods constituted "sound business practice," but to strike for shorter hours in the face of an over-supply of labor was a very "unsound and undesirable practice."

Fortunately, all of these attitudes and practices were considered by the Congress when framing laws that give legal sanction and status to labor organizations after so many years of struggle and conflict.

It is important that people understand in our kind of society that while change may not come with the rapidity and abruptness that is sometimes thought to be desirable, it can come by the intelligent use of the ballot and the legislative process. Of course, the power and influence of expanding union organization has been used in both the economic and the political areas. That, again, has accelerated the process of social change and the need for extensive adjustment.

I repeat that in any attempt to define and evaluate labor union responsibility, this historical background that I have sketched so briefly, or perhaps crudely, must be kept in mind because of its psychological impact upon the attitudes and conduct of organized, as distinguished from individual, workers.

I should say, then, that historically, and against this background, the first responsibility of labor unions is to their own members and to workers, generally. In a free and democratic society where their status is recognized, they have a responsibility to encourage democratic standards and the utilization of democratic processes within their own self-governing organizations.

They have a responsibility to enforce a nondiscriminatory admission policy for applicants for membership in their organizations. No applicant should be discriminated against because of race, creed, color, or any of those things that are quite inconsistent with our own concepts of freedom and democracy.

I should say that they have a responsibility for a fair and honestly administered disciplinary procedure with respect to the filing of charges against any member charged with violating the rules and bylaws of the organization.

They have a responsibility to see that any members who are brought to trial have a hearing before an impartial tribunal and that adequate procedures are provided for appeal from the decisions of the trial body, whatever its character may be.

I think the members of labor organizations should be acutely aware of their responsibility for the selection of honest and competent leadership, executive officers and administrators. I think, in turn, that the union executives and administrators must be responsible for decent employment practices and policies for the staff personnel employed by the unions.

At this point it is important to bear in mind that since the right of workers to form associations has been given legal sanction, the labor organizations have grown fivefold. Altogether, they have become influential social and, in a sense, important business institutions. I was identified, for a number of years prior to my retirement, with the United Steelworkers of America (CIO). That organization employs nearly 700 people. It has all the problems of a private business concern; personnel problems and all that comes under that general, over-all description. I am sure they are not always aware that unions have management problems of their own, which, in many respects, are not unlike those that private industry and employers have with whom the unions deal.

I do not think an awareness of these responsibilities can be imposed upon the unions solely by legislation. I think it is largely a process of education, with which not only the people who are selected as leaders of these organizations must be concerned, but the Government should be prepared to assist in the process of educating the members of these voluntary self-governing labor organizations so that they will better understand the responsibility they have to their employers, the public, and, of course, to the Government.

When unions have been accorded the right to exist and a legitimate status comparable to that of other social groups--by that I mean industry (through the trade associations), the professions, and so forth--it seems to me that the second responsibility of importance is to the employer with whom a mutual agreement has been reached regarding the terms and conditions of employment. This responsibility depends largely upon the extent to which the employer will permit its assumption by the organized labor group. This cannot be done unless there is a willingness on the part of those who possess authority to let the organized group assume responsibility. I suppose one of the most controversial and difficult problems that employers are struggling with today is how to permit organized groups rather than individuals assume certain responsibilities in relation to the orderly conduct of a business or manufacturing enterprise.

There are many different types of agreements between unions and employers. In some cases where the employer representatives are acutely aware of the influence of tradition on their policies they take the position that they want to keep the organization of workers at arm's length. The employers tolerate the unions only because the law requires

them to do so. Or perhaps they feel they haven't any other choice under presently existing circumstances. So they enter into as hard a bargain as they can drive, have it reduced to writing that is presumably foolproof from a legal point of view, and then insist that the workers who represent this unwanted organization live up to their obligations and responsibilities!

I submit that a union-management relationship operating in that kind of an atmosphere is not likely to be conducive to very much that is creative or constructive. Unfortunately, there are a great many of these situations; although, I think, if one had some means of evaluating the total situation, he would find these hostile attitudes diminishing under the impact of continued association, experience, and education.

I am confident that there is a growing number of employers who realize that profound and vast social changes are occurring; who do not want to live in the past, and who want to understand these new developments, particularly in the light of what has been learned about the principles and techniques of group psychology. They realize that in our kind of a society it is important that these adjustments be made which enable people to work together happily as members of a group; as organized units, even if their organization has been developed quite independently of management influence.

I should say there are contracts which have been reached through experience, intelligent negotiations and voluntary agreement that provide for a form of consultative partnership relationship where the employer does not raise any questions about the legitimacy of the union organization; where he takes the position if it is the desire of the employees of his enterprise to have an organized rather than an individual relationship, they are entitled to have it. They have the same right, in other words, that he possesses to associate with other employers through the trade associations, the Chamber of Commerce, the National Association of Manufacturers, or what have you.

I believe that a union of workers has a responsibility to use its influence with the employer to set up voluntary machinery for the conciliation, mediation, and arbitration of disputes that may arise in the course of the relationship.

When I say that I think this is a very heavy union responsibility, I must call your attention to how a great many employers feel about having so-called "outsiders" make decisions that they have to live with. When they make these statements in any discussion about arbitration, they have reference, of course, to arbitrators.

This, again, is something that requires a good deal of education on the part of both the employer and the union. It is certainly to the interest of a union to take the initiative, in my judgment, because of its historical status and development, in proposing that such civilized means as conciliation, mediation, and arbitration be agreed upon for the

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adjudication of disputes that might otherwise lead to work stoppages and industrial conflict. I wish to indicate still another responsibility which many of my old friends and associates in the labor movement might not enthusiastically applaud. Some of them think since I started going to places like this College that I have been slipping in my old age and that I have been rather greatly influenced by opinion outside the labor movement.

The point I want to make is that today, with our unions having legal status and recognition and, I think, an increasingly wide acceptance throughout the United States, and possessing great power, they also have a responsibility to bargain collectively. When I say that, I have in mind the fact that many unions have expanded their membership and influence greatly within a very few years. Many obscure and unknown people have been catapulted into positions of leadership and great influence. Somehow, it seems to be in the nature of human beings that when they become conscious of the possession of great power and influence they like to be, too frequently, rather dictatorial in their attitude and conduct. Of course, if they do tend in some instances to act dictatorially, they have not had always too good an example set for them in the past by organizations of capital and employers.

There is, apparently, a great deal to say on this whole subject of responsibility. Once granted status and acceptance as legitimate social institutions, there is a parallel responsibility to the public, to all the people. Today, it is conservatively estimated there are 15 million members of unions in this country. According to the usual statistical methods, they probably have an average of four dependents. That would mean something in the neighborhood of 60 million people who, in some way, are influenced in their lives, thinking, and conduct--by what happens in the labor movement.

This constitutes a pretty large segment of the public. When people talk about a "public interest" as if it were something separate and apart from the labor union interest, it seems to me a little examination and analysis is in order. I think, then, that the members of labor organizations and their families constitute a pretty large segment of this rather amorphous group that is usually referred to as "the public."

Of course, the responsibility of labor organizations to the public is also related to their responsibility to the Government. The Government is the symbol, in a free society, of all the people. The labor organizations, as I indicated before, in our society are voluntary organizations. There may be some exceptions--and technical discussions can be engaged in about the exceptions--but I don't think there is room for too much argument about the general rule. They are rule-making organizations very much like any other voluntary organization. The way

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in which they make their rules is not unlike the way we make the laws in our country. This influences the attitudes and conduct of the members of the labor organizations toward other organizations and toward the Government.

In a free democratic society, with the emphasis that we place on the Bill of Rights, and on freedom and personal dignity and worth that we place here in the United States, it is terribly important that these voluntary rule-making organizations have the best possible relationship with their Government in time of peace as well as in time of war.

If we lived under a dictatorship, particularly of the kind we are all familiar with, I should not, of course, make this observation. But there are at all times in our country the means and facilities available for changing the rules, as reflected in national policies and laws, by an orderly and democratic process. Labor organizations, notwithstanding the opposition they have encountered in their right to win acceptance and status as important and necessary social institutions in a democracy, should always endeavor to have so far as possible, their aims and purposes in tune and in harmony with those of a democratic government.

Thank you very much.

COLONEL BAISH: Mr. Golden is ready for the first question.

QUESTION: Considering labor's responsibility to the public, do you feel that strikes in public utilities should be prohibited?

MR. GOLDEN: I think some way ought to be found to make strikes in public utilities unnecessary. I have grave doubts as to whether you accomplish the purpose that is sought when you prohibit them.

I think there is something in the American spirit and character that resents what is thought to be an interference with certain basic rights and freedoms. I think we have reached a point in this country where there ought to be, on the part of labor, Government, and industry, an attempt made to set some new patterns. I think we could very well begin by attempting to define the minimum number of the most important public utilities. I don't think there would be too much controversy about a gasworks, water-supply system, or garbage disposal being public utilities. I suppose hospital facilities could fall within the definition of an essential public utility or service.

But I must remind you that notwithstanding the National Labor Relations Act, and our national labor policy, there are still a great many people in America who question the right of workers in such utilities as I have named particularly, to organize, let alone to strike.

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I think that question must be settled. It is possible that if we could first define the most essential and basically important utilities, we could then dispose affirmatively of this question of the right of employees of such utilities to organize.

I think it should be government policy to encourage the setting up of certain minimum standards in such utilities that would be better than the average of those prevailing in the areas or communities which the utilities serve.

I think more should be done than has been done to try to discover, out of past experience, what might be done towards stabilizing or regularizing employment for the maximum number of people whose services are required in these utilities so that they would have a feeling of security in their jobs and positions.

I believe it should be government policy to encourage the unions, the private owners, or the public managers, as the case may be, to set up by voluntary agreement machinery for the adjudication of any disputes that may arise concerning conditions of employment. In other words, I believe that today in the United States we have reached the point in our social, economic, and industrial development where we must think of the desirability of giving a preferred or special status to people who are working in industries of which the operations we cannot afford to have interrupted. When that has been done, the people who are going to enjoy this special or preferred status should be asked, as a condition of their continued employment in the industry or utility thus defined, to place in escrow their right to strike.

I know some of my old labor friends will say that proposal is simply a polished up version of the old outlawed "yellow-dog" contract. If they do, I think it is an indication of an unwillingness on their part to face realities. But I think because of the interrelationships and the interdependencies that exist today in our national life we must give careful consideration to these undertakings which are essential to public safety, health, and welfare. We must try to establish minimum standards and by improved agreements (where agreements are necessary) make the employees of such utilities feel a greater sense of security and responsibility for uninterrupted operations. Conditions of employment should be made sufficiently attractive as to be sought after and, once secured, to be retained as a valued and prized possession. I think that is a better approach than to attempt to prohibit strikes in such utilities.

Maybe I have made too long a speech in answer to a short question. If so, please excuse me.

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QUESTION: Mr. Golden, in your consideration of the various responsibilities of unions, don't you think you should include the responsibility of union men to do a full day's work. I have in mind the restrictions which the crafts and building trades have put on the amount of work that certain of their men are supposed to do in a certain day. Whether they can do more or not is whether their skill will permit them.

MR. GOLDEN: Well, I agree that that is a responsibility.

I want, however, to call your attention to something that I said in the course of my principal talk. Throughout the greater part of our industrial history, there have been more men than jobs. This has had something to do with the thinking, attitudes, and the conduct of people in unions. The various devices which are described as "featherbedding," "made work," and so on, are practices that have grown out of that experience.

Notwithstanding the fact that our Government is committed to a policy of full employment, and of doing some very extraordinary things in the shape of national planning through the Council of Economic Advisers to make that possible, there are still many people in the labor movement, and I am sure in other places, who are thinking that past history is going to repeat itself: That they are going to be out of jobs; that full employment is only of a temporary character. So they think, in their own individual and group interest, they should spread out work and employment by these rules and devices.

I don't think, because of the fears of unemployment so deeply ingrained in the thinking of so many workers that it is possible for a union to say all of their members must work harder, with any expectation they will respond to that. Rather, they have an obligation to educate their members to an understanding of all the efforts that are being put forth by employers and government to regularize and maximize employment. If they succeed, I think you will find the attitude about the amount of work they do in a given period will change accordingly.

This is a very interesting subject for discussion. Particularly in relation to industries like the building trades that have been traditionally seasonal in character. For many years prior to the war the building-trades workers were employed only about 160 or 200 days per year on an average, yet every stonemason and bricklayer had to live 365 days a year.

All of these ingenious devices have grown out of the experiences of men and are designed to make them feel more secure in their jobs, regardless of whether they are logical or rational solutions to the problems of irregular or seasonal unemployment.

QUESTION: Mr. Golden, you have partially answered the question I have. I would like to know what responsibilities the unions have for the training and upgrading of skilled labor? By that I mean the local restrictions on upgrading in the various locals; also the fact that the training of skilled labor in these wildcat schools is providing too many for the building trades, we'll say, and not enough for the tool and diemakers.

I would like to know whether the unions feel any responsibility for the number and training of those people.

MR. GOLDEN: Well, of course, there are varying degrees of consciousness of responsibility. In the craft unions, where all of the emphasis has historically been placed upon the organization of skills, or people possessing skills, they are always concerned about both the number of craftsmen and the quality of the skills that they possess.

I don't know whether currently it is true, but in years gone by when anyone sought admission to membership in the bricklayers' union, the bricklayers' union always had a place where the applicant had to lay up a section of a wall, with the corners or whatever other intricate requirements there were. The applicant was observed by craftsmen as he did that. According to the way in which he did the work they decided whether he was qualified to become a member of this organization or craftsmen.

In the course of the relationship of these craft unions and their employers, they undertake jointly with the employers to enter into agreements concerning the number of men to be trained, the quality of training given them, the number of hours of practical work, the number of hours of theoretical instruction, and so forth. They jointly assume the responsibility for certifying these people as craftsmen.

In the period of the development of our mass-production industries management tended to look with disfavor upon the training and development of craftsmen, or what we used to call "journeyman mechanics," as something that was outmoded and oldfashioned. I think in the early days of the war we were brought face to face quite dramatically and abruptly with the fact that there just weren't as many of these craftsmen, who were importantly related to the war effort, as there ought to be because of the general tendency over a number of years for many industries to underestimate the importance of training the general, all-round mechanic and instead put all of the emphasis on specialization.

I think unions, again, are willing to assume much more responsibility than many people think they are, or that employers are willing to permit them to assume. For example, one large corporation had its own notions, unilaterally developed, about training people in the craft skills

and the specialized skills, and notwithstanding the persuasive efforts of the Government and of the union to permit the union to share in some way these responsibilities in the hope of getting properly trained men, I don't think to this day that cooperation has come around to the point of being willing to do that. There are many others that have completely changed and do want the cooperation of the unions in training programs.

But, after all, the entire question of skills, the quality of work performed, and so on, is a matter that lends itself, where the atmosphere is congenial, to the joint concern and responsibility of both the union and the employer.

QUESTION: Sir, there is a growing tendency on the part of Government to get into business. Can you tell us what effect that tendency would have on labor? I am referring to a long-term pull rather than an immediate one.

MR. GOLDEN: Well, I don't know. I try not to enter into the realm of prophecy in these things.

I don't think in our American labor movement there has been the demand for Government to get into business that has characterized some of the European countries. I was in England during the summer. For years the labor movement there carried on a campaign to popularize the idea of nationalization of industries. I suppose that there was some justification for that in an industry like the coal industry of Great Britain. But I would say, as a person who perhaps is not too qualified to speak, that there would not be the same justification in the field of transport, or in the production of steel, or in the public utilities.

I have no reason to believe, if circumstances were such that American labor should find it had to deal with the Government as the business proprietor, that it would not encounter difficulty in finding solutions for its problems. I think our English friends who thought that--and I am talking now purely of the workers--the act of nationalization would solve all their problems are becoming more aware every day that they still have most of their problems, and they still remain to be solved.

QUESTION: You have not spoken of the responsibility of the unions to our Government in their relations with foreign unions. I have particularly in mind the unions which have been formed in Canada and Mexico. Would you mind giving us your opinion as to what the responsibility of the union should be to its own government in dealing with foreign unions?

MR. GOLDEN: Well, it is true that there is a long history in the United States of national unions being described as "international" in the sense that they had issued charters to, and had members among, the workers of Canada. I confess I did not know until you mentioned it

that there were some that issued charters to the Mexicans. I hadn't known that that was the case.

I think that, by and large, there is something in the political history and relationships between our country and Canada that makes for a general feeling of kinship and mutuality. We boast of the fact that the boundary line between the two countries is the longest unguarded boundary line in the world. This indicates evidence of a feeling of neighborliness and kinship that is not manifested in many other international relationship situations.

I think most of our American unions want to be responsive to what they think are government policies and desires. I am not aware that there has been any time when a United States union, that has chartered a local union of Canadian workers, has ever run counter to government practices or policies, or has been thought to be a source of danger to the course of our relationships with other countries. I think perhaps I would feel somewhat differently in the case of a United States union chartering workers in other countries that had a less favorable relationship over as long a period as has been the case with Canada.

QUESTION: Mr. Golden, I have heard a number of people express the opinion--that is, people who take sides neither with labor nor with management--that labor unions have demanded that is in excess of a fair demand. In other words, they have asked for more than would be fair to the employer. Their demands would reduce his incentive to carry on his business or actually reduce his profits.

If you believe that is true, what agency, possibly governmental, do you think might be established to prevent the unions from making such exorbitant demands?

MR. GOLDEN: Well, of course, it may seem to be laboring the point a little, but I think in our kind of society this is a matter of education.

To be sure, some unions make exorbitant demands. Some of them find themselves in very ridiculous positions. In part, it is related, in many cases, to the newness of the experience. I remember back in the early 1930's when we started to organize the steel industry a large group of employees of a company that I don't think any of us knew existed--it wasn't a terribly big or well-known company--came to the union headquarters and said they wanted to join the union.

This was quite unusual back in those days and in the atmosphere that prevailed. I'm afraid we didn't undertake at that time to go into the matter too carefully with them to find out what the facts and their motives were. But a charter was granted them. The next

thing we knew, they had had some discussions among themselves and had proposed that they send a committee to the company demanding a 50 percent increase in wages. It happened to be a fabricating plant and I imagine the wages had been lower than those generally prevailing in the area. But in this new experience of these people getting together and talking about a 50 percent increase, and feeling some sense of strength, power and influence, I think they reached the point of thinking that they had actually won a 50 percent increase and were already beginning to spend it.

At any rate--I won't bother you with all the details--when they finally did get into negotiation they settled for 5 percent, whereupon the members of this new self-governing organization denounced all of the leaders for selling them out, claiming they had been cheated out of 45 percent.

I think they learned the hard way in that case. I should hope that they wouldn't all have to learn that way. I think that increasingly there is much more mature judgment exercised than has been the case some times in the past.

In support of that, I would like to point out to you the increasing practice, now that they are able to do it, of unions to employ experts, economists, statisticians, and so on, to advise them about such matters.

Until quite recent years there has not been too much information made available to people who work in plants concerning the financial standing, prosperity, or difficulties of the company which employed them. I think it is very encouraging to see the amount of concern that is exhibited today about developing the means to make the maximum amount of information as widely available as possible to help people in making judgments on the union side, about what they could ask for with reasonable expectation of getting, and what the stockholders and other people think about the impact of their proposals upon their interest in the situation.

I don't know that there is any way of making people reasonable except by educating them and through acquired experience.

QUESTION: There has been some publicity recently, in one or more cases, where the union prevented the management, I believe with the backing of a legal decision, from paying increased salaries or wages to a part of the workers of that company. I believe the union claimed that in order for the company to pay those increased wages it had to get the approval of the union.

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Would you care to explain or comment on that one?

MR. GOLDEN: Well, I don't think that I can explain it, but maybe I can make some comments that may or may not be related.

In this long period of indecision and opposition on the part of employers to unions, many ingenious methods of trying to make the unions impotent were developed. One quite frequently used was for management to pick out some individuals of a group and specially reward them. I presume that it isn't so nearly true as it was 10 years ago when many of the early contracts entered into between unions and companies contained no closed- or union-shop provisions. There was always some group that didn't care, for whatever reason, to become members of the union. In some cases the employers knew that and picked out these groups for special consideration, hoping in some way that they would influence the other people against the organization or would divide it.

I don't believe there are very many of these situations today. There may be a hangover of some; what you have referred to sounds to me as if it might be something in that category.

QUESTION: In line with your thought about the necessity for education, and in order to bring the public in, what would you think of the idea of requiring that the full text of certain collective bargaining contracts be published or made available to the public as a matter of public interest?

MR. GOLDEN: That ought to be done. I have long advocated that every agreement that is entered into ought to be filed with some central agency of Government where it would be easily accessible to the public. I am sure there will be people in the labor movement who would object to that as some kind of infringement upon their rights and freedom. But one of the tragic things about this entire period in which there has been such a great expansion of labor organization is that there is no one central point where accurate and precise information is available on the total number of contracts that exist. There have been some guesses or estimates. I should think that, in order to evaluate this very unusual development, there would be great need to have that kind of information available somewhere for interested parties to have access to whenever they want it.

QUESTION: Mr. Golden, since the war there have been, what they have spoken of as three rounds of wage increases. There is some talk now of the fourth. The reason for these is said to be, generally, increasing prices. Nevertheless, the wage increases have undoubtedly contributed somewhat to the increasing prices.

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Would you comment on the responsibility of the union in a case of this sort?

MR. GOLDEN: Well, there are responsibilities but sometimes it is difficult to discharge them.

What does a group of workers do when they become conscious of the strength and influence of their unions in the face of rising prices and great demands on the part of their members for relief? What do they do in a free country? Now remember, a union is a political institution, composed of people with all kinds of ideas about democracy, freedom, and so on. The easiest and most expedient things to do to satisfy the clamor is to demand more wages without either taking into consideration or placing very much emphasis upon what may be the effect of increasing wages upon still higher prices. This again, grows out of the historical background of the labor movement and the feeling of Government about the responsibilities of unions. How can the Government enlist the interest and assistance of the leaders of these organizations in an effort to keep prices stable, or to bring them down? I don't think we are too skilled in that kind of an undertaking.

I think today, as a result of the three rounds of wage increases that they have had, with prices continuing to go up, that there isn't nearly the enthusiasm about pushing for a fourth round that there might have been at some time in the past with respect to the second or the third. It seems to me that I detect--and I don't have the same intimate associations I used to have--considerable reluctance on the part of many unions to press for another round because of what they have experienced.

Again, this is a question of education. It is a question of the Government and its ideas about the role that unions play in our economic life as well as in our political life. It is related to the quality and type of leaders in the labor movement and their understanding of their responsibilities to their own members and to the people of our country as well.

QUESTION: Sir, do you think that the type of labor contract in which the wages are tied to the cost-of-living index is apt to spread? If it does, will it satisfy the general union membership?

MR. GOLDEN: I don't think it will spread. If it did, I don't think it would satisfy. You will pardon me for what seems like a very short answer, but that is my honest position in the matter.

COLONEL BAISH: Mr. Golden, on behalf of the faculty and students, I wish to thank you for the very fine talk this morning.

MR. GOLDEN: Thank you. I am very happy to be here.

(16 March 1949--750)S/mmg.

