

LABOR UNION PROBLEMS IN A MOBILIZATION ECONOMY

6 October 1954

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Publication No. L55-35

INDUSTRIAL COLLEGE OF THE ARMED FORCES

Washington, D. C.

Mr. David Kaplan, Chief Economist, International Brotherhood of Teamsters, was born in 1904. He received his master's degree in economics and statistics from the University of Wisconsin in 1933. During 1933-34 he was economist in the American Federation of Labor and from 1934-41, director of research, International Association of Machinists. He has held his present position since 1941. Mr. Kaplan was a participant as an economic counsel in railroad wage cases before Presidential Emergency Boards and in quasi-judicial proceedings before the Interstate Commerce Commission, representing the 21 standard railway labor organizations. He is the author of various papers including the University of Pennsylvania Series on Industry-Wide Collective Bargaining, and has made presentations before the Industrial Relations Research Association which have been published in their annual proceedings. This is Mr. Kaplan's first lecture at the Industrial College.

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MR. HILL: This is our second lecture on the subject of industrial relations. It will be given by Mr. David Kaplan, who is research director of the International Brotherhood of Teamsters.

Mr. Kaplan is a busy man these days, because he is up in New York working at the task of settling a disagreement which may turn out to be a work stoppage. We appreciate the privilege of hearing Mr. Kaplan, and thank him for taking the time to come down here in a busy period in his life to tell us something about the labor union problems which are facing his people today. Mr. Kaplan.

MR. KAPLAN: May I say that I consider that it is an honor and a privilege to come here to address you. I don't mind at all, despite the job that needs to be done in New York, to interrupt that for the purpose of coming here and talking to an audience of this distinguished type.

I am going to try to develop the thesis of the labor movement in the United States as a type of economic citizenship.

Unlike labor movements in Europe, the labor movement in the United States is nonpolitical, in the sense that it is not interested in seizing control of the powers of the state and using them to transform the economic system. Unlike the European labor movements, it is not interested in overthrowing the capitalist system and private ownership of property and substituting a socialistic system, with collective state ownership of the means of production, distribution, and exchange. The American labor movement accepts capitalism, private property, and the enterprise system; and seeks to improve the lot of the worker, to promote the welfare of the worker, under these institutions.

The American labor movement is largely an economic movement, because it depends primarily on collective bargaining to achieve its aims. By that I do not mean that it avoids legislation. To the contrary, many times it uses political action and legislation to very great effect. But in large part its legislative role is secondary, and is meant to remove burdens and enhance and supplement its use of economic means or collective bargaining. Only in cases of meeting economic hazards

which unions could not cope with on a collective bargaining basis do they use legislation as a primary method of promoting workers' welfare.

Now, it was not always thus. The labor movements that preceded the Congress of Industrial Organizations and the American Federation of Labor did not profess collective bargaining as their aim. They were more interested in devising means of aiding the worker to escape from the wage system. They backed the Homestead Laws with the slogan, "Vote yourself a farm." They backed cheap credit as a means of furthering self-employment.

American labor leaders and intellectuals backed the Utopian Socialist community of Robert Owen in New Harmony, Indiana, and of Charles Fouriers', called Brook Farm, in Massachusetts. Such leaders of American thought as Horace Greeley and Albert Brisbane helped to promote Brook Farm. The object of these Socialist communities was to prove by example the superiority of cooperation and harmony as economic and social motives to class conflict and competition.

The National Labor Union, formed after the Civil War, backed Greenbackism and the convertible credit scheme as a means of getting money to start producers' cooperatives, and put all workers in business for themselves. The chief aim of the Knights of Labor was the promotion of producers' and consumers' cooperatives. The workingmen's societies of the latter part of the nineteenth century were forums for the discussion of the Socialist programs of Ferdinand La Salle and Karl Marx.

The present emphasis on collective bargaining by the labor movement is the result of a long history of social experimentation with philosophies and programs to improve the lot of the workingman. The experimentation was not planned, and the choice of collective bargaining was not deliberate. The process was on a social level, analogous to natural selection and the survival of the fittest in the biological sciences. Collective bargaining was the philosophy and method that best fitted the American economic, political, and social environment; and thus it survived and became dominant, while other programs failed, died or were submerged.

The labor movement that has emerged, some have said, had no philosophy and had no program except "More, more, more." Those who say that have not seen the forest for the trees. When one looks beyond the particulars of labor negotiations or a drive for labor-sponsored economic legislation, one finds labor constantly striving to establish a system of workers' rights, that is to say, human rights connected with the job or related to protecting him against economic hazards to which he is exposed. A multiplicity of such rights are now in existence.

But, before these individual rights could be built up, two great charter rights had first to be established. One was the right to vote. The second was the right to collective bargaining.

American labor was the first working class of any nation to gain the right to vote. In Great Britain, city workers were not granted suffrage until 1867, and agricultural workers not until 1885. In the United States most of the Northern States of the union adopted universal manhood suffrage before 1830.

Winning the right to vote established for the workers the fundamental right to political citizenship, the right to participate in making the rules of the state. Through collective bargaining the worker gains the right to industrial citizenship, the right to participate in making the rules which govern the job at which he works.

Collective bargaining had a hard struggle with the law before it became established as legitimate. In the year 1805 a learned judge held a union of Philadelphia shoemakers to be illegal. He said: "A combination of workmen to raise their wages may be considered in a twofold point of view: one is to benefit themselves; the other is to injure those who do not join their society. The rule of law condemns both."

That decision applied the doctrine of criminal conspiracy to unions. It was not until 1842 that a new trend was set in the celebrated case of *Commonwealth vs. Hunt*, in which Chief Justice Shaw, of the Supreme Judicial Court of Massachusetts, found that labor unions could function so long as the end to be achieved by them was not illegal and they used legal means to achieve that end.

From then until now we have had 100 years of testing the legality of the objects and methods of labor unions. The vicissitudes of that

struggle make very interesting history, but we can't enter into that now. Suffice it to say that by the thirties the encouragement of collective bargaining was made a part of the public policy of the United States. The Norris-LaGuardia Act, the Railway Labor Act, section 7-A of the National Industrial Recovery Act, and the National Labor Relations Act are the most important legislation embodying a statement of this public policy.

Through the use of these fundamental rights--the right to vote, political citizenship, and the right to organize and bargain collectively, economic citizenship--workers have been able to establish a whole series of individual human rights. These rights proceed in two streams--collective bargaining and legislation.

Before seniority provisions were written into labor contracts, a worker's tenure in his job was subject to the arbitrary discretion of the employer to lay him off, fire him without cause, demote him, transfer him to more disagreeable work, and subject him willy-nilly to any number of hazards and indignities inherent in a master-servant relationship. With the establishment of seniority provisions, limits are placed on the employer's authority, and employees gain the right to job tenure as something they have earned by years of service on the job.

The right to a definite wage rate which could not be changed at the discretion of the employer did not exist for the ordinary worker before these provisions were established by their unions. Limitations on hours of work, starting time, quitting time, limitation on split shifts, provision of certain tools, work clothes, certain safety and sanitary devices, protection against the elements, and numerous other provisions negotiated by unions through collective bargaining and written into contracts, can be analyzed from the viewpoint of the creation of workers' rights which formerly did not exist.

The unions are constantly engaged in protecting these rights and creating new ones. Paid holidays, paid vacations, paid sick leave, group insurance, hospitalization benefits, and pension plans, all of which in the twenties were lures by which a welfare capitalism hoped to defeat the unions, are now part of the common demands of unions in collective bargaining negotiations, and are written into labor contracts. As a result, workers now receive these benefits, not as a gratuity from a benevolent employer, which could be bestowed or denied at the employer's discretion, but as a right to which he is entitled, because he has earned it by his labor in the same way in which he earns his wages.

Labor unions are also engaged in securing social security legislation which creates rights to protection for the worker against the common economic hazards. Many of these hazards are beyond the ability of any single employerwide, industrywide, or even unionwide group to cope with successfully, and produce best results when approached on a statewide or nationwide level.

Before such legislation was adopted, relief from the distress of these economic hazards was a matter of personal responsibility and private or public charity. No rights to benefits existed; and no collective responsibility, outside poor laws, with their humiliating means tests, was recognized. Many private organizations, including workers' benefit societies, were created to meet such needs.

Before labor organizations acted as bargaining agents of workers, they acted as benefit societies aiding their members in time of distress. They helped to provide relief when a worker's income was cut off, through accident, sickness, unemployment, or death. Many of these functions are still carried on by labor unions. Employers, too, some out of feelings of philanthropy, many out of desires to supplant the unions and alienate the loyalty of their workers from labor organizations, set up their own relief systems. The former was a system of self-help, the latter a system of paternalism. Neither was based on recognition of any industrial or social obligation. Neither changed the concept of individual responsibility, and neither developed any industrial or social right.

The first effort to transform the concepts of individual responsibility and voluntary relief into a system of industrial rights was the development of employers' liability laws and workmen's compensation systems. Before the development of these laws, the cost of industrial accidents was largely borne by the victim. The common law defenses-- of fellow servant, assumption of risk, and contributory negligence-- easily enabled employers to escape responsibility for industrial accidents, and thus shift the full burden of these industrial hazards to his employees.

The enactment of these laws did three outstanding things. They established a social liability for industrial accidents, they enabled the worker to present his claims as a right to which he was legally entitled, and they made the expense of workmen's compensation a legitimate charge against production, which spread the money cost of industrial accidents among all purchasers of the product.

The alleviation of distress caused by unemployment was the next field that was transformed from a system of individual responsibility and relief into a system of social obligation and human rights through the adoption of unemployment compensation acts. Through these laws part of the loss of income through involuntary idleness is shifted from the individual and is recognized as an industrial liability, the expense of which is spread among industry generally, becomes a production cost, and is passed on to all purchasers of industry's products.

What workmen's compensation acts did for the victims of industrial accidents, and unemployment compensation acts did for the unemployed, the old age benefit provisions of the Social Security Act are doing for the aged worker who must retire from employment. Under these provisions he is entitled to an annuity as a legal right, and is not marked as the recipient of public or private charity.

Piece by piece we are developing a system of welfare, based on concepts of social obligation, industrial liability, and human rights, which preserves the dignity of the individual; and we are abandoning the concept of individual responsibility for industrial and social hazards.

These rights, whether provided by collective bargaining or social security legislation, are all job-connected rights. They are developed through placing limitations on the arbitrary power of economic superiors and through providing a collective responsibility for social and economic hazards which were formerly considered the sole responsibility of the individual. Through establishing that, benefits are provided as part of the return for services rendered, that is, earned through the performance of work just as wages are earned. Such provision immeasurably increases the personality stature and the feeling of dignity of the individual worker.

I have herein identified American unions with a developing economic citizenship, a job democracy, which is just as important to the worker as political democracy.

The American trade-unionist knows that political democracy, freedom of enterprise, and job democracy must function interdependently; and that his job democracy depends upon the survival of political democracy and free enterprise. It is in this conviction, deep bred into American labor, that democratic institution in America will find a staunch defense.

MR. HILL: Mr. Kaplan is ready for your questions.

QUESTION: Mr. Kaplan, what is the present legal status of the closed shop and what is the attitude of labor toward the closed shop?

MR. KAPLAN: The closed shop, as such, is now illegal. The union shop is permitted by Federal legislation.

The difference between a closed shop and a union shop, insofar as the legislation is concerned, would be that in the closed shop an individual could be required to be a member of the union before he could come to work on a job. In the union shop he can go to work on the job before he is a member of the union, but would be required to join the union as a condition of continuing employment after he got his job.

There are a number of states--I don't know how many--that have adopted so-called right-to-work laws, which even outlaw the union shop.

What is labor's attitude with respect to it? Well, it varies. On the whole I think labor unions would prefer to have the closed shop. They feel that the closed shop is necessary to give a union stability, make it sure of a continuation of its financing, and eliminate the ability of employers to alienate the loyalty of the worker from the union.

I have answered that question unless you want me to comment further on it.

QUESTION: Citizenship, Mr. Kaplan, as we understand it, requires certain responsibilities on the individual and on the Government. This industrial citizenship which you mention, and which has been secured by unions for its members, must impose certain responsibilities on the individuals in the union and on the union itself. Would you care to discuss what those responsibilities are and the means by which they are assumed?

MR. KAPLAN: Well, I would agree that the development of any kind of right carries with it responsibility. With respect to the individual, as I have pointed out, a good many of the rights he earns, he obtains through the union writing them into a contract and in that

way creating a contractual obligation on the part of the employer. He gains that through the services performed for the employer.

I think that the individual builds up obligations both to the employer and to the union. To the employer certainly he must perform a good, decent day's work. To the union he should render the obligations due to the union--live up to the contract, live up to his union's obligations. I think, as Sam Gompers once said, that a union man cannot be a good citizen without being a good union man, and he cannot be a good union man without being a good citizen.

QUESTION: The second part of that relates to the responsibility of the union supervising its individual members and seeing to it that their part of the contract with the employer is carried out. Isn't that right?

MR. KAPLAN: I agree with that. I think that in the contract with the employer, the union assumes an obligation to see to it that the contract is faithfully adhered to. If the union doesn't assume that obligation, I don't believe it is living up to its responsibility.

QUESTION: Would you care to comment on some of the recent difficulties in the control of pension funds?

MR. KAPLAN: Yes, I will be glad to do so. I think a very serious situation has developed through the mishandling and maladministration by certain people of welfare funds. I think this has to be seen in its perspective. The number of instances where there has been misuse of pension funds on the part of union people has been small. Compared to defalcations, say, of bank personnel and people of that kind, I think if you look at it in perspective, you will see that it is very small. That, however, doesn't absolve the union from doing something about those people; and it certainly doesn't absolve any union official who mishandles those funds.

The growth of welfare and benefit system controls under the Taft-Hartley Law through joint trusteeship is rather new. It has not been in existence a long time, and it is not strange that certain abuses have grown up.

I think that, because of the requirement in the law that these funds should be jointly administered through joint trustees, the union should not undertake the sole obligation of seeing to it that these funds

are properly handled. I think the employer's trustees on the fund, where there has been mishandling, are equally culpable. In my opinion there should be laws governing the handling and the administration of these funds.

How do the abuses arise? There have been very few instances where there have been actual misuse of funds that have been entirely under the care of a union trustee--the funds themselves. What has happened is the result of the group insurance system. In the insurance laws of many states, commissions are required to be paid to brokers. If the commission is not paid to a broker, the insurance company can pick an "agent" and pay the commission to him. It can even pick the vice president of the company and pay the commission to him.

Now, long before unions came on the stage in this group insurance setup, insurance had been bought by large companies on a group basis to cover their employees. What went on was that the broker who was selected was never exposed to public view. Nobody had ever heard of him. It was very easy for the vice president of X Company to meet his cousin or brother, who was a broker, at his home or on the golf course and say, "Would you like to handle this piece of business? We are going to buy this kind of group insurance." If Mr. So-and-So got a large Christmas gift or he got a houseful of furniture or something like that, nobody knew about it. They wouldn't know where it came from.

In connection with these brokerage fees, here was a very large group of people who are going to be covered. A commission is required to be paid. A broker will come to somebody and say: "Look. This business has got to go to somebody. Why not give it to me? I will split with you. There will be a kickback of some kind."

I know how it works. I have negotiated a lot of welfare plans. I have had people come to me. I have had them come in the most devious and insidious ways.

QUESTION: Going back to your previous statement, where you said you thought unions should be responsible for living up to the contract, does that go to the extent of saying that unions should be held financially responsible for a breach of contract?

MR. KAPLAN: Well, no. It is kind of a qualified "No." If the breach of contract comes about actually through what the union does, then I would say "Yes." But in so many cases it comes about as the result of the inability of the union to carry a group of rank-and-file workers with it.

If that kind of financial responsibility became the practice, it wouldn't take too long before ways could be devised of inducing some group of workers to take the kind of action which would be a violation of the contract and make unions very vulnerable to that kind of evil.

I would say that if a union deliberately took an action which was a violation of the contract, it should be held responsible in every way, even financially. If I could conceive in my own mind of that ever occurring, I would give an unqualified "Yes" to you. But, since I can't conceive of that happening, I have to say "No," because I think there are so many evils that would be connected with that kind of system.

QUESTION: Mr. Kaplan, you said that the unions in America have no political objectives as far as overthrowing the Government is concerned. Wasn't that one of the objectives of the IWW? Incidentally, whatever happened to the IWW?

MR. KAPLAN: The IWW is an old incident in American labor history. I wouldn't say that the IWW was interested in overthrowing the Government as such. Its members were really nonpolitical. They were syndicalists, actually. They carried sort of a Utopian economic democracy to a somewhat hopeless conclusion, because they felt that, if you could get the economic organization developed to a degree, then political Government would be unnecessary.

It was a kind of combination of Marxian and anarchist thinking, where they felt that Government was nothing but a coercive force; and that, if society were properly organized, Government would not be necessary. In that sense they were Utopians, because they believed that individuals, if left to themselves, and if no coercion were used, would organize themselves in such a way that no oppressive powers of state or anybody else would be necessary. That was what they believed so far as philosophy is concerned.

Now, practically, the IWW operated in fields where there were migratory workers; that is, where they were more prevalent. They didn't get along too well where there were any stable groups of workers.

I don't know exactly why its history developed in that way. I think it was primarily because it developed a number of rather hardy pioneer kind of characters who just got along in the place where agitation could develop something; but they themselves weren't capable of keeping any kind of stable organization.

They did operate, for example, among the anarchistically inclined Italian workers around Paterson, New Jersey; and also in the textile industry in Massachusetts. And when I say "anarchistically inclined," I am not saying that in any kind of derogatory sense, because a lot of these people were not bad people, even though I call them anarchistically inclined. They just had Utopian anarchistic ideas that society could get along without the assistance of Government.

Where it developed mostly was among migratory workers. In the wheat fields, and in the big construction gangs in the West, and in the lumber camps of the West, they performed quite a function. They led some rather violent strikes. They operated in industries where the conditions were very hard, and where the lot of the worker was hard. They dealt with a rough crew. They were good agitators, but they were not organizers.

And so, as I tried to explain in my talk, we went through experimentation with all types of programs and philosophies in the labor movement. This was one of the types that was experimented with. It was submerged; and, for all the effect it has now, it is dead. There are, I think, probably a few IWW local unions around the country yet, but they haven't any collective bargaining. As a matter of fact, they didn't believe in collective bargaining. They didn't even believe in contracts. But in a sense that organization was largely agitational in nature, and really of no influence.

QUESTION: If I understood your presentation properly, it dealt mainly with the rights of labor. As I look at the American labor movement, there were certain instances--and I give Mr. Lewis and the coal miners as being possibly a case in point--where you might say that he asserted and got all his rights; but simultaneously he sort of priced his product out of the market. As a result, there has been distress among the coal miners and in the industry. Consumption is

going down. The procurement of those rights is possibly, in the long run, not a benefit, but even a detriment to the coal miners.

In your brotherhood, Does the brotherhood have a concept of its responsibility to the people who do the hiring in your business? If so, What form does that take, such as, for instance, the purchase of stock in the business? What is your long-term stake in the business?

MR. KAPLAN: I would like to comment on the coal mining situation. I happen to know Mr. Lewis. I also happen to know some of the people that he deals with, particularly Mr. Harry Moses, representative of the bituminous coal industry.

I think we are generally mistaken as to what Mr. Lewis has done in the coal industry if the idea is of pricing the industry out of business. If you look at the coal industry throughout the world, you will find that one of the big difficulties that the coal industry has had in Europe has been the procurement of labor.

That was true in the continental countries. It was true in Britain. People are not staying in the coal mines. They are leaving the coal mines. At the present time I certainly wouldn't say that we had a labor problem of supply in our present coal industry, but we did have. And I heard Harry Moses say that it wouldn't make any difference who was in there, Lewis or not, the industry would have had to raise its wages to where they are now if it wanted to keep coal miners working.

I think there is a lot to be said for that. That doesn't solve the problems in this industry. But the wage factor in the problems of this industry is a comparatively small one, although it is usually the one that gets a lot of attention because of the negotiations and the possibility of strikes.

This is an industry that is beset with all kinds of new competitive developments--in oil, in water power, changes in the types of locomotion in the railroads, and on ships. It is an industry that is undergoing tremendous technological changes as the result of both shifts in demand and also shifts in the type of machinery. So I wouldn't put the blame on Mr. Lewis for any lowering of the demand for coal.

Now, as to the other question that you asked, let me make it plain that the development of these rights had nothing to do with the

level of wages. Of course, the leadership of unions must go out and get the highest standard of living for the worker that it can obtain. In my opinion that is consistent with productivity.

As far as union responsibility is concerned, yes; I think that the union, and union officials, must develop a very high degree of responsibility, not only because they represent a large and very significant proportion of the citizenry, but because they also have an obligation, not only to the employer, but to the public as a whole.

I think that our unions, if they have not, certainly must become more industry-conscious. And I go further than that. I think they will have to become conscious of the welfare of the Nation as a whole, and become conscious of the consequences which any action that they take may have, not only on their industry, but on our economy as a whole.

How do we get that? That is the 64-dollar question. You have to appreciate that these labor leaders represent a lot of people; and, if they want to remain labor leaders--I have often told fellows that the moment he becomes a good economist he ceases to be a labor leader, because he won't be elected again. But the question of how to get that is a big one, that our best minds should be turned to.

MR. HILL: There was a very interesting thought included in the last question which I would like to have you comment on. The questioner mentioned the possibility of a union buying stock in the company. For instance, the Pennsylvania Railroad, I understand, has 130 shares of stock outstanding for each employee. So the employees actually could gain control of the railroad if that stock were to be made available.

MR. KAPLAN: I have a theory that a lot of interest is being developed because of the development of union pension funds and their accumulation in union treasuries. There has been some investment on the part of these pension fund treasurers in the common stock of companies. The question has been raised: Are the unions seeking by this stock purchase to get on the board of directors of companies and determine the company's policies?

Well, I think that, irrespective of the amount of such stock purchases, they are small compared to the total outstanding stock. So I don't think they will in the near future get very much control of industries in that way.

I myself have a theory with respect to that. I want to see the functions of management and the functions of unions kept distinct and separate. I want to see unions build up responsibility to their constituents, responsibility to the industry, and responsibility to the public. But I want to see them do it from their own side, always bearing in mind the workers' interest.

I do not believe that these functions should become merged in the thinking of individuals--the managerial function and the union function. The managerial function is usually a function having to do with the cost of production, with engineering; and, because its emphasis is on that, the union function of necessity has to be one of checking the arbitrary power that management may have over the lives and destinies and working time of working men. I fear that if worker representatives were put on the board of directors, for example, or had some control over managerial functions from the management side, the workers that they represent might get rather suspicious of them and might wonder whose interests they are serving; I don't think that would be good.

I think the functions should be kept separate. I think that they should build up their responsibility, one from the management side, with learning from the union representatives what the feelings of the people are, and the union representatives learning from the management and from the public a kind of industry consciousness. But I don't think they should be merged. I don't believe it could function well.

QUESTION: With regard to your statement about unions' responsibility to the total economy, I would like your comment on the effect of industrywide collective bargaining. Has it an effect on our economy?

MR. KAPLAN: We have had some pattern bargaining, and we have had some industrywide bargaining. But I think that as a whole, if we were to take the total number of bargaining units that we have in the country, the small units would far outweigh the large ones.

In the Scandinavian countries they have a different kind of bargaining. It is not bargaining as we know it, really. It is the getting together by union executives, industrial executives, and government executives, and setting a kind of wage basis, which everybody adheres to.

There are some people who are for that kind of bargaining in the United States. I don't think it would work. It might look as though it would be better for the total economy, because you could take into consideration all kinds of economic factors that the participants, the individuals, in this bargaining that we have in this country can't take into consideration. But, considering the multiplicity of our own bargaining units, the great variety of industries, and the great variety of situations that we have to deal with, I prefer our way.

Our way gets us into a lot of trouble sometimes. Industrial strikes in critical industries can be very troublesome. And I must admit we have not found the means to cope with these troublesome things too successfully. But as yet, despite the steel strike, despite railroad strikes, they don't last too long, and we get over them.

I would say that at critical times some controls over these things must be in effect. I would be in favor of having such controls, particularly standby controls, if we were to get into any emergency very rapidly. But as a whole I think this thing has worked pretty well.

QUESTION: Mr. Kaplan, we have seen a number of examples of organized labor exhibiting a decidedly unfriendly attitude toward the Administration, which presumably has the interest of labor at heart, as it has of all citizens. I am thinking, for example, of Mr. Meany's attitude at the AFL convention. I am thinking of various pronouncements of Mr. Reuther. I would be interested in your views as to what the aims of this responsible union leadership might be. I would also be interested to know how you visualize this leadership as receiving another attempt at universal military training legislation.

MR. KAPLAN: I can tell you my opinion and my attitude. I can't speak for Mr. Meany or Mr. Reuther.

I don't attack this Administration, certainly not Mr. Eisenhower, as being antilabor. I don't think that they have provided the climate for the development of labor laws and the promotion of labor's welfare to the extent that the two former Democratic administrations did.

I think that there is a pretty general feeling among working people that this is a businessmen's administration, and that some businessmen are antilabor and some are not. Some are highly pro-labor. That is, many businessmen would not conceive of trying to

run an enterprise without having a labor union. They consider labor unions in those enterprises to be assets to them.

I am afraid I missed the last part of your question.

QUESTION: I had in mind the reception by this leadership of large unions of a legislative program aimed at universal military training.

MR. KAPLAN: There again I would have to speak for myself. I don't think that a program of universal military training would get immediate acceptance among American labor. Speaking for myself, I am for it. I would even advocate it as far as the union I am connected with is concerned. But there has been in labor ranks, all the way from the rank and file up to the leadership, a great suspicion as to what would happen when there is that much authority given to the military in the United States; and it will take a long time to overcome that kind of suspicion.

QUESTION: I would like you to explore a little further the statement you made about the acceptance of financial responsibility by labor unions. In discussing that problem you said that unions are having difficulty carrying the rank and file along with them. That is exemplified in actual practice, where the method of running a union is not a democratic process, but tends somewhat toward the union being run by a strong leadership, with the participation of the members of the union being normally very light. Some legislation is apparently based on the concept of insuring democracy in the running of the union. Would you comment on that?

MR. KAPLAN: I would be very glad to comment on it. First let me say that my remark was directed toward the question that was asked me, and that question had to do with the situation that might occur in those instances where unions could not carry the rank and file with them. I said that there might be difficulty. But I did not mean to imply that there was any particular dichotomy between the leadership and the rank and file.

Those things can arise in a situation, and they often do, particularly where collective bargaining negotiations are involved. The leadership is telling the membership of the union: "Here, we don't believe we can get these particular demands, but we are not going to sanction a strike for them," but they go out on strike anyway. I am talking about instances of that character.

With respect to the question of democracy in labor unions, I think, as far as labor unions in this country are concerned, they are probably one of the institutions that are more democratic than most institutions that I have come in contact with. I am saying this deliberately, and I am saying this as one who has seen a number of local unions in action.

Yes, there are times when large unions do not get many of their membership to meetings. But that doesn't prove anything, because many times at these meetings they do not have crucial things to discuss. Their particular agreements are not up for discussion. But at a time when agreements are being discussed, then you get a much different reception.

Many labor unions have experimented with placing fines on members who do not attend meetings. Then there is bellyaching about that. They complain that they are trying to coerce these fellows into coming to the meetings.

In many cases you have to develop techniques of democracy. In a great many kinds of negotiations, you cannot run them through having a townhall meeting. You need delegated responsibility. And delegated responsibility is entirely consistent with democracy.

As a matter of fact, democracy in our times wouldn't work without delegated responsibility. Despite the fact that a number of union members may not be regular in their attendance at monthly meetings, many of them that I know about, when they have elections for officers, their officers are not elected at a meeting, but they are elected through a ballot that is taken. Sometimes that ballot booth may be open many hours of the day. Sometimes it is open not only during the day, but throughout the week. And in the case of seamen you may have read that recently when they hold elections, it takes months, because, of course, a lot of their men are off at sea.

You must have leadership, and you have to delegate responsibility, particularly where negotiations are required, where negotiations are going on. So it isn't a question of how many people come to a meeting. It is whether you have built up the technique for electing officers, for having these officers responsible to their constituents through making the meetings available, through having the means of democracy available to them.

MR. HILL: Mr. Kaplan, thank you for coming down especially to give this lecture at a most busy time in your life. You have given us a great deal of insight into the subject. Thank you very much.

(15 Apr 1955--450)S/mss