

Nov. 4, 1938 Mass production methods, by Hartley M Barclay.

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DISCUSSION

following lecture by Mr. Hartley M. Barclay

on

"Mass Production Methods"

November 4, 1938

Q. Mr. Barclay, you have painted a very bad picture there--a very alarming picture. Would you expand just a little bit on what you think the developments will be in this country--just what effect the Mexican stand in this international meeting will have on developments in this country? You have gone into that somewhat, but I think we would all be interested in hearing a little bit more.

A. I dislike to predict the future, but I will take a chance on some limited predictions. First of all, I think that we are gradually getting a better informed public opinion as people go ahead with the necessary task of telling what the real facts are today. I think that business is definitely on the upgrade. We are going to have better business next year for everyone. The International Congress and its influence will be more than offset by the influence of a new program which is being brought out by the American Federation of Labor to make labor more directly conscious of their status in democracy, in constitutional government, in free private enterprise, and in the development of our social controls, their logical legislative medium is through honest collective bargaining, instead of through coercion and instead of methods that are not typically American methods. Now, that may break out in the form of some labor struggles. On the other hand, I am very

happy to say that, as far as I am concerned, we, next month, will be the first industrial management publication that will carry a regular feature every month, in which we will emphasize the story of the workers, as brought out in the American Federation of Labor program. Now, at any time that the C.I.O wishes to adopt the same policies that the A.F.L. have adopted, we will be very glad to give them a proportionate amount of space. I think there is going to be a great wave of recognition throughout America of the meaning of constitutional democracy to the worker. It has already started in Florida. The report down there, for example, shows that the taxes alone for Florida--the combined state, federal, and local taxes--almost exactly equal the total wage payments of manufacturing industry. So the worker down there in Florida sees that the only way that he can help to increase his net income is to help reduce taxes a little bit in this state. At the same time, if you go on to some of the industrial centers--take, for example, Akron--you find that even in some of the more radical labor organizations there is a feeling of protest against radicalism, and I think we are going to go the way France has gone. France seems to lead us by two years in everything relating to industrial problems. I think we will swing back to a repudiation of the wild schemes of those who have the Soviet ideology in mind.

Q. Would you care to discuss the findings of the Dies Committee, as to what effect those findings might have on this "pinkish tint" of some of our industrial organizations?

A. Well, that is a pretty hard thing to discuss. Mr. Dies has been criticized so widely. I feel this way about the work of his

committee--anyone who ventures to criticize or produce facts lays himself open to a barage of abuse. I know what it is to receive a torrent of abuse from many sources. At the time that I had my "True Story of Weirton" up for question, they never succeeded in altering one word of the article, but the original Director of the National Labor Relations Board in New Jersey went to Princeton University and, using that as a forum, accused me as being on the same level with the dope peddlers that Dewey was prosecuting in New York. I had, and have now, perfect grounds for a libel suit against him on that score, but I felt that it would be better to pass it over and win our fight, which we did. The Dies Committee has had honest American citizens appearing before it. The least you can say is that they sincerely and honestly believed what they said. I know that the evidence they presented is factual evidence that should have a wider distribution. I think in this next session of Congress there is going to be, based on the Dies Committee Report, a complete and thorough investigation of every person and every organization that has been engaged in any un-American activities, and there are a lot of people who are going to move towards that investigation. I think it would be the best thing that could happen for America, whether Dies is right or wrong. If he is wrong, lets take his evidence and see how far wrong he is. If he is right, boys, believe me, it is going to be too bad for some people, and I think he is probably right on two-thirds of the stuff he has.

Q. I wonder if you can tell us what the true story about this man Bridges out on the West Coast. Has the Secretary of Labor actually refused to deport him and has the Labor Department been assisting him in beating deportation?

A. Well, you know, the best way I can strike an opinion as to that would be this. We had a question about some people that we saw out in Detroit. A man who is engaged in activities that he isn't proud of usually will not go around and advertise the fact, but I got a picture of a fellow that looked to me like a fellow we ought to have a picture of. He told the boys to stay in the plant in a sit-down strike in the Cadillac Division of General Motors. He said: "You are better off inside. Don't come out. Stay where you are." Well, I was there with a group of other editors about a year ago, and we were discussing who the representatives were who were out in different strike centers doing a certain kind of work, with Madam Perkins. We had a very difficult time getting the conversation down to having her admit that there were any representatives or anything of the Department of Labor doing any work in those places, and so finally, we started to pull out a notebook so we could name the name and place that we were inquiring about, and all of a sudden, after half an hour of beating around the bush, she said: "Oh, I remember now. We call those people members of the Department." She has played such a defensive game that there is no way of anyone having any idea what her connection is with Mr. Bridges. We know what Mr. Bridges has done. I have got some charts showing his West Coast Empire and a lot of information about his background which I had intended to talk about, but got off on this Mexico thing. Mr. Bridges has been protected. We need an investigation of why he was protected. We also need an investigation of why John Strachey got into the United States after the State Department did their best to keep him out. You might think about that. It seems that the best way to get into the United States today

from a foreign country, if you have any difficulty getting over here, is to announce that you are a Communist and you will get in. Mr. Strachey had his papers cancelled by the State Department. Here's the thing. Don't forget that this Mexican thing is flying right in the face of Hull's announced Mexican policy, and I felt, and everyone agreed with me, I am sure, that, if there was an honest citizen down there, that was pure sabotage of the State Department's policy. I think that one job we have is to back up an honest, good man like Secretary Hull. For example, the State Department tried to handle the Strachey case, yet Strachey is here now. He can say anything he wants to. He can go to his scheduled lectures. He can write anything he wants. He can make all the contracts he feels like, and get any income he wants to. What more could a man ask?

Q. When you were in Mexico did you receive the impression that Cardenas is slipping politically--that he is very much afraid?

A. Well, it is pretty hard to say whether a man is slipping or not when he has nine hundred thousand/^{military}C.T.M. people in addition to the regular army, and a hundred twenty thousand armed agrarians, when any opposition to him is immediately put up against the firing squad as they were in Costa Rica and Sonora. There isn't any outstanding vocal opposition to Cardenas. The program of the National Revolutionary Party, which is Cardenas' party, says that if at any time there is any interference with the policy of the party, then that will be just cause for a revolution. That is written right into their party platform, so the opposition would have to be an organized opposition that broke out in the form of civil war. I don't think there is going to be any. Many people predict that there will be,

but I didn't see any evidence. I also didn't see any evidence of Fascist penetration in Mexico. I think that Cardenas is simply trading oil for arms and boats and facilities that he can get to handle it, and for all the machinery that he needs and all of the textiles and other products that he can't buy because they haven't any cash to buy it with.

Colonel Miles: Did you get the impression, or do you think that industrial Mexico is capable of carrying on under Cardenas?

A. Well the standard of living has dropped, I'd say--I think I have got some facts here. The factories have been gradually going down in disintegration and obsolescence. Now here are some facts as to what has happened since the reform has come in. They built a big sugar plant which has been unable to operate. Nationalized railroads lost over eight hundred thousand dollars since the workers took over the management. The wages to the workers in the oil fields have been decreased twenty per cent less than they were under private operation; the currency has slipped from 3.5 to 5.18 to one dollar; the cost of living has increased steadily. We had to ship products from our Surplus Commodities Corporation in the United States, wheat and other grains, to help feed them down there because with all of the social reform they can't find time to keep the crops growing. They have had to import corn and beans from South America and Africa, as well as the United States and the credits loaned to the small landholders, who have the land that has been taken over from others, including our Congressmen, lost twenty million pesos for the Government last year and the rents have increased fifty per cent and--well, that is just a beginning on the economic aspect of it. Their plant capacity is obviously less

because they haven't got any efficient managers to run the places. They aren't maintaining them and they haven't the technical skill necessary to continue operations. They are importing some German people and some Italians to help them with their work, but even the Germans and Italians aren't quite as good as the American superintendents.

Colonel Lewis: Would you care to say anything about these Utopian schemes for old age payments that are so prominent in California now?

A. Well, I don't know. I notice that in August our foremost citizen in the United States condemned the "\$30.00 every Thursday", and now he is coming out for "\$30.00 every Thursday" so far as the representative from California is concerned. There is one thing I would like to leave with you, though. Do you mind my taking just another minute. I think this will be the most interesting thing that I could tell you about economic planning and panaceas. Did you ever study the requirements of our Department of Agriculture program? This is an abstract of a bulletin from the Agriculture program. I think, sometime when you have time, if you will take out a pencil and a piece of paper and try to work this problem--well, I have studied a great deal of mathematics, including calculus and analytical geometry, and I can use a slide rule, but I can't work it. A farmer would have to have calculus and a slide rule in order to know how to plant potatoes. This is the question of how you establish the productivity balance value for the farm. (Read from the Department of Agriculture Bulletin.) Now the poor old farmer by the light of an oil lamp, the rural electrification he hasn't got, in his resettled farmhouse that wasn't resettled, has to sit down and determine the algebraic sum of those positive and negative factors. I know a lot of farmers but I don't know any farmer that can figure that out.

The same thing is true in Mexico when they complicate the laws and spend their time turning out a lot of literature, which means that their production drops down to nothing. We are up against the same thing when we debate industrial problems all over the lot and spend our time on nonproductive things that we should be spending on productive things. Why the public and everyone are the losers and we have nothing to gain.

Major Gano:

Q. Mr. Barclay, We of this country, of course, are interested in the relations of this country with other countries and the implications thereof and the results. I think, without question, that the conditions in other countries south of us particularly are of interest to us. In your opinion is it desirable that they be allowed to work out their own problems without any attempted influence from this country? Does it appear to you that this country should engage in the propoganda that is being spread in countries of that kind and, if so, who should handle it?

A. Well, I think you have got a very fine question there. That is something that we have done some work on. I had the privilege this year of entertaining Dr. Honeycutt, who is President of the largest college in South America, MacKenzie College at Sao Paulo, Brazil. Dr. Honeycutt gave an address in which he discussed just the subject that you are talking about, and that was the beginning of my acquaintance with him. The educational system for Brazil was founded out of money that was granted by New York industrial people, who wanted to have a college in Brazil so that the workers would be able to get an education, and the entire Brazil public school system developed out of that MacKenzie group. Now, when Dr. Honeycutt

came up here, his talk was on the subject of the danger of open spaces and it was a very inspiring address. He pointed out how the various ideologies were infiltrating everything below the Border from the right and from the left, and there is no one down there who tells the American story and who tells what America means to the South under the Monroe Doctrine. Dr. Honeycutt said this. "I would like to have an opportunity to do a little public service work in that connection." He was introduced to some people and as a result the General Electric Company at Schenectady introduced their beam radio broadcasts, one beam to Rio and one beam to Buenos Aires, I believe, and as a result, that is the only organized propaganda that is going down to South America on behalf of constitutional democracy as we know it in the Western Hemisphere. Now, a great deal more of that needs to be done. I have urged in the last two weeks, all public citizens who have an opportunity in South America or Mexico to try to tell the people there what democracy really means, and I think that in the next year there are going to be a number of other groups who will follow the leadership of the General Electric Company in making information available without cost to the people in Latin America. A great deal depends, however, on this Pan-American Congress at Lima, Peru, in December. If the key note for that Congress is constitutional democracy--that is one thing. If the key note is going to be radical social reform--that is another. We have got to wait and see what the key note is going to be down there. Before we will know what is ahead for us, and there is a great opportunity for America to do a constructive job in the South. I hope we get a sound and rational and reasonable statement from our public officials during that meeting.

Colonel Miles: Are there any further questions? I think it has come upon us to thank Mr. Barclay for this excellent exposition of facts and to govern ourselves, at least our minds, accordingly. I think it is a rather serious situation when democracy is being narrowed down the way it is today, and those of us who believe in democracy sit by and see it done. Somewhere within us there ought to be a little "riling up", a little attempt to meet the situation in the manner in which it ought to be met. We certainly thank you, Mr. Barclay, for this fine talk.