OPEN SHOP ENCYCLOPEDIA

FOR

DEBATERS

A REFERENCE BOOK FOR USE OF TEACHERS, STUDENTS AND PUBLIC SPEAKERS

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CHAPTER I.

Definitions and Introduction

This Encyclopedia is designed to meet the needs of debaters seeking information concerning the open shop. But it should also be of value to teachers and students of economics, especially in the field of labor relations. Investigators studying such topics as strikes, union apprenticeship, etc., will likewise find much useful material.

It must be borne in mind that the Open Shop question is simply one phase of the great industrial problem. There are other important phases of that problem which must be solved, but perhaps none of them concerns more directly the relations that shall exist between employers and workers, between fellow workers, and between industry and the public. The public is more and more realizing that it is vitally concerned in these problems. There is scarcely an industrial dispute which does not adversely affect thousands, in some cases millions, of people who are not immediate parties to the controversy. The public itself is realizing this; the ever-increasing complexity of the industrial structure and the resultant inter-dependence between men has forced their attention. The Winnipeg and Seattle general strikes, the outlaw railroad strike, the coal and steel strikes, and the Boston police strike have forcefully reminded the public that it must take an intelligent and active part in the problems of industry. We believe that when the public obtains the real facts as to these problems and the principles concerned that in the long run it will decide rightly.

The manufacturers certainly do not deny the right of the public to concern itself with industrial problems. Systems and organizations are justified only as long as they advance the welfare of society as a whole. There are principles of social justice, of justice to all parties concerned, which should prevail. They will prevail when and because the public takes enough interest to act. But the welfare of society must rest on more than principles of justice, for efficiency must be maintained. There must be as little waste effort as possible. Are the means adapted to the ends? Concretely, is the Closed Shop based on principles of justice and is it efficient in serving the wants and needs of society? Is it sound economically and does it conform to American political institutions?

To answer this the facts must all be known. The National Association of Manufacturers fully recognizes such to be the case. It desires to place the facts concerning the Open Shop and the Closed Shop before the public for its consideration, so that it can decide which theory and system of operation is based on the principles of justice and economics.

Except where otherwise noted the statements in this Encyclopedia have been prepared by the Open Shop Department of the National Association of Manufacturers.

We have endeavored to obtain reliable data. We are not to be considered as endorsing the opinions of all the workers and employers who are quoted.

Facts Are Enough

In pointing out the specific reasons for opposition to the closed shop we will present only facts which cannot be successfully contradicted. We will condemn no organizations of employes simply because of the acts of individual members. Our opposition is based upon the very nature of the closed shop organizations and upon the rules and practices they adopt, follow and condone.

We do not need to rely on abuse, ridicule, and vituperation in condemning the closed shop. The simple recital of the inherent results in operation of closed shop unionism and the citation of the rules of the unions brings out clearly the inefficient and destructive nature of these policies. The open shop is efficient and constructive, bringing service to the community.

No system or policy in either politics or industry can permanently succeed without the support of public opinion; the public must decide if conditions shown by these facts are best adapted to bring about efficiency and harmony in industry.

The Definitions

The first step is definition. We take our definition of the Closed Shop from the *Bridgemen's Magazine*, official organ of the Iron Workers' Union. Their definition is as follows. (Issue of December, 1905):

> Closed shop, then, is the term for a shop, factory, store or other industrial place where workmen cannot obtain employment without being members in good standing of the labor union of their trade. This is demanded by the unions * * * They insist that the shop shall be closed against all employes who, not already belonging to the union of their trade, refuse to join it.

The Printing Pressmen, Constitution and By-Laws, 1909, declare:

The words "union pressroom" as herein employed shall be construed to refer only to such pressrooms as are operated wholly by union employes, in which union rules prevail, and in which the union has been formally recognized by the employer.

The Open Shop exists wherever and whenever the following labor principle enunciated in a unanimous report by the Anthracite Commission, appointed by President Roosevelt, in 1903, is practiced:

No person shall be refused employment, or in any way discriminated against on account of membership or non-membership in any labor organization, and there shall be no discrimination against, or interference with, any employe who is not a member of any labor organization by members of such organization.

The *Bridgemen's Magazine* further says:

If the employer will not yield without coercion, and the union is unable to coerce him, then non-unionists as well as unionists may obtain employment and the establishment is consequently known as an open shop.

These definitions bring out the following points clearly:

(1) Under the closed shop only members in good standing of the unions may obtain employment. Open shop employers refuse to discriminate on account of "membership or non-membership in any labor organization" and "non-unionists as well as unionists may obtain employment."

(2) The closed shop "shall be closed" against men who "refuse to join" the union. The open shop denies the right of union members to discriminate against "any employe who is not a member of a labor organization."

(3) The closed shop makes the employer agree to employ only union members, and tells the independent worker that if he "refuses to join" the union he shall not have work.

(4) In the closed shop "union rules prevail." The employer, in other words, must yield to the "union rules" where they affect the conduct of his establishment.

The "Union Shop"

Sometimes the closed shop apologists insist that the term "closed shop" is unfair, and that it has been coined by opponents of "labor" to injure "labor."

Dr. Frank T. Stockton, in a monograph entitled "The Closed Shop in American Trade Unions," says on page 15, after a careful study of the history of the terms used:

"It is safe to say that the present meaning of the term 'closed shop'

was developed independently by the trade unions themselves and has not been foisted upon them by their opponents."

The term which the closed shop advocates sometimes say they prefer is "union shop," which means the same as the appelation "closed shop."

Thus, Dr. Stockton, in the work quoted above, which was published by Johns Hopkins University, says on page 11:

"The term 'union shop' now means identically the same thing as closed shop."

The "Preferential Shop"

Reference is likewise made to the "preferential shop," in which employers do not agree to employ *only* union members, but do agree to give them *preference* in employment. The experience of New Zealand and Australia demonstrates that the "preferential shop," which distinctly includes the principle of discrimination, amounts in nearly all cases to the "closed shop," in which it is impossible for a non-union or independent worker to obtain employment.

That this is so is supported by a letter written by the President of the American Federation of Labor early in February, 1921, to a high school debater in New Jersey. He said:

"The 'preferential shop' is really a union shop * * * The non-members are expected to join the union later on * * * A 'preferential shop' gradually becomes a union shop if a sufficient number of workers in the trade are eventually hired."

Bear in mind Dr. Stockton's statement that the "union shop" is the "closed shop." Miss Helen Marot, from 1905 to 1913 executive secretary of the Women's Trade Union League of New York, in her book "American Labor Unions" refers on page 120 to "a union shop, called outside of union circles a 'closed shop,' that is, a shop where the owner has agreed to employ only members of a union."

So the terms "union shop" and "preferential shop" are in reality only other terms for "closed shop."

(The following definitions and comments were published in the "Open Shop News" December 21, 1920, of the Twin City, Benton Harbor and St. Joseph, Michigan, Employers Association.)

CLOSED SHOP. This is a term used by trade unions when referring to shops, stores, or factories with whom they have an agreement to employ none but union members.

If a man owns his own home, is the father of a large family, is 100%

patriotic, is a first-class workman, working for the interest of his company and community, he cannot work in a Closed Shop unless he carries a "trade union card."

NON-UNION SHOP. This is an expression which is used by trade union agitators when referring to firms who will not employ members of any trade union.

History will show that no firm elected to operate on the non-union basis unless at some time it became difficult to get cooperation from their employes while the employes were under union domination. It has become necessary in some instances for firms to refuse employment to applicants who are members of trade unions.

OPEN SHOP is an expression given to firms or corporations who hire anybody capable of performing the task for which they are hired, regardless of whether or not they belong to a trade union.

What About the "Non-Union Shop?"

Not all employers who have no union labor in their employ operate non-union shops. The truth is that most unions *forbid* their members working alongside independent workers. They also refuse to arbitrate the question of the closed shop.

(From testimony of Mr. Benjamin Osborne, President of the Portland, Oregon, Building Trades Council, before the Industrial Relations Commission, August 22, 1914, page 4715 of the record.)

MR. THOMPSON: Do the members of your crafts or your unions work with non-union men in this city?

MR. OSBORNE: Not with the non-union men of its own craft. We at times—we work—all trades work a closed shop to their own trade.

MR. THOMPSON: How about your own line of work?

MR. OSBORNE: Well, my own line of work; we work a closed shop within our own trade. But there are times that we work on buildings where there is some other trade that is not organized, but not with our own organization. This is an understanding with the building trades council that we have, as I said before, all of the large contractors work union men. The work—and all subcontracts are let to union firms. There is only one large contractor in the city that operates non-union; and, of course, there is some smaller contractors that operate non-union. And we have got that understanding among ourselves that certain of those small contractors, if they let a subcontract to one of the union firms, we allow the members of that organization to go and work there. That is in order to strengthen, and looking to that time when we can all work on all jobs or refuse to work on them.

(From testimony of Mr. E. B. Ault, editor of the Seattle Union Record, official organ of the Central Labor Council, before the Industrial Relations Commission, August 12, 1914.)

Acting Chairman Commons: Do the unions of this locality consider

it an essential thing to obtain the right to quit work in case a non-union man is employed?

MR. AULT: So far as my knowledge goes all of the unions affiliated with the American Federation of Labor do not require the closed shop conditions. The larger number do, I believe, and in this city the general sentiment is that the workers should have the right to quit work—that is, the organized worker should quit unless all of the men are organized.

ACTING CHAIRMAN COMMONS: But they all consider that is essential?

MR. AULT: We consider that that is essential. I believe that is the general sentiment of the labor movement of this city. We consider it essential that, in case we have our work with a firm, that our members only should be employed.

Forms of the Closed Shop

(Extracts from "The Closed Shop in American Trades Unions," by Dr. Frank T. Stockton. Published by Johns Hopkins University in 1911. Dr. Stockton here explains the different forms of the closed shop and the methods used to extend it by the closed shop labor organizations.)

The great majority of American labor unions fall into the class that accepts the principle of the closed shop rule. Whether they insist upon its enforcement or not depends largely upon expediency. It often happens that a union which would like to enforce the closed shop is compelled to tolerate non-unionists. The Commercial Telegraphers and the Textile Workers, for instance, allow their members to work in open shops because they are not strong enough to do otherwise. In every closed shop union there are times when it is inexpedient to attempt the exclusion of non-unionists. There are thus a few open shops in the jurisdiction of almost every closed shop union. It is customary for the unions to insist that members employed in these shops shall receive union wages. In many cases the unions also require that non-union men shall be employed under union conditions before union men can go into the shops.

The Simple Closed Shop

In its simplest form the principle of the closed shop is embodied in the rule that members of a trade union shall not work in an establishment where non-unionists are employed, unless such non-unionists fall within classes exempted by the rules of the union from the requirement of membership. When the exclusion of non-members is carried no further than this, we may say that a union enforces the "simple closed shop."

The Extended Closed Shop

The application of the closed-shop principle is not limited to a single shop, but in many unions has been extended to cover two or more shops. These separate shops taken together are considered by the unions as one shop, and the principle of exclusion is enforced in them as if they were a single shop.

The simplest form of the extended closed shop is found in union regulations concerning subcontracting. In the building trades a general

contractor often sublets part of the work on a building to another contractor. Where the job is a large one several of these subcontractors may employ men at work which falls within the jurisdiction of a single union. Thus one of them may have the subcontract for laying floors, another for erecting doors, and another for setting window-frames. In each of these cases the subcontractor would employ carpenters. At the same time the general contractor may have reserved some carpentry work to be done under his immediate direction.

When a general contractor sublets work, he usually feels that he is not responsible to the union for the method in which the subcontractor conducts the work. Since he himself does not hire the workmen, he regards each subcontract as a separate job or shop. In his opinion if one of his subcontractors employs non-union men, it should not be a cause of complaint by the union against other subcontractors or against himself. Each subcontractor who employs union men maintains likewise that since he exercises no control over the general contractor or over other subcontractors, strikes should not be called against him if they employ non-unionists. Many unions, however, insist that all the subcontracts shall be regarded together as a single job or shop, and demand that all workmen in their trade employed on the contract shall be unionists.

Tell Employers What to Do

In the building trades the bricklayers and masons have been particularly active in this policy. Many of their local "working codes" and agreements have provided that "fair" employers shall not sublet work to non-union contractors. The national executive board has also decided in several cases that it is not permissible for union bricklayers and masons to work with non-union members for a "fair" firm which has sublet to non-union employers or for a "fair" employer who has subcontracted from an "unfair" firm. Union members are thus prohibited from working for one subcontractor if any other on the same building employs non-unionists of the same trade. The United Brotherhood of Carpenters, the Granite Cutters, and the Bridge and Structural Iron Workers also oppose the employment to or from an "unfair" employer. The Bridge and Structural Iron Workers, however, are forced to allow their members to work for "fair" employers who subcontract from the American Bridge Company and other large "unfair" concerns which are subsidiary to or in close alliance with the United States Steel Corporation. These firms control so much important work throughout the country that unless the union made some concession its members would be deprived of much employment.

The extended closed shop has also been enforced by certain unions in cases where a manufacturer buys from another manufacturer part of the goods he sells. The two establishments, in these cases, have been considered a single concern. This policy is almost entirely confined to unions in which the label is important. None of these unions, as for example the Cigar Makers, the United Garment Workers and the Upholsterers, allow an employer the use of the label if he buys the output of a non-union factory or shop.

Occasionally a strong union, even though it does not have a label, will object if a union employer subcontracts to non-union shops. A case of this kind occurred in the Glass Bottle Blowers in 1903. At that time the Cumberland Glass Manufacturing Company, a union plant, sublet part of its work to non-union factories. Its action was immediately considered by the executive board of the Blowers. President Hayes declared that the company could not be "too severely censured," and other members of the executive board favored the calling of a strike and the adoption of other "radical measures." A majority of the board, however, thought it best not to force the issue, but soon afterwards the conference committee of the union informed the representatives of the Green Glass Bottle and Vial Manufacturers that the time was coming when union men would not work in a factory which purchased the product of non-unionists.

The unions have extended the closed shop in another way. Many unions require an employer who hires union men in one shop to hire unionists in other shops in the same trade of which he is the proprietor.

Refusal to Complete Work

The unions in the building trades sometimes refuse to complete jobs that have been begun by non-unionists. Thus the executive board of the Bridge and Structural Iron workers have decided that union members must not rivet material raised by "scabs" or place corrugated sheeting on structures erected by "unfair" firms. Union bridgemen are not allowed to rivet material that has been put in place by "scabs," but they may make repairs on "unfairly" built structures. In the "working rules" for 1903-1905, agreed to by the Contracting Sewer Builders' Association of Cook County, Illinois, and by Local Union No. 21, of the Bricklayers and Masons, it was provided that union bricklayers were not to build "inverts, man-holes or catch basins" on a sewer which had been constructed by non-union labor.

In at least one case a local union of the Painters forbade its members to paint walls that had formerly been painted by non-unionists. While the national union of the Painters and of other building trades unions do all in their power to assist in making jobs union "from beginning to end," they do not approve of this policy, since its adoption would deprive union members of employment. In very few cases can a property owner or a contractor be forced to tear a building down and rebuild it in order to be in a position to hire union painters. Consequently most of the unions in the building trades consider that it is usually the wisest policy to finish an "unfair" building. Here again, expediency is the key-note of union policy.

Will Not Handle Open Shop Material

The application of the closed shop rule has been extended in still another direction by the refusal of certain unions to handle non-union material. The unions which are chiefly concerned with non-union materials are those which have jurisdiction over establishments in which material is manufactured as well as over the shops in which this material is put into place or finished. The Amalgamated Carpenters, the United Brotherhood of Carpenters, and the Sheet Metal Workers, for example, include

"inside men" or shop workers and "outside men" or structural building workers within their jurisdictions. The Sheet Metal Workers have advised their local unions to adopt by-laws forbidding the erection by union members of non-union metal work. The locals have frequently refused to erect non-union made pipe elbows, skylights, metal ceilings and so on. The Amalgamated Carpenters impose a maximum fine of fourteen dollars on a member for "fixing, finishing or using work which has been made under unfair conditions, either in the United Kingdom or abroad or contrary to the recognized rules of the district in which it has been prepared." In the United States this rule has not been strictly enforced.

The United Brotherhood of Carpenters has been more active against non-union material than either the Sheet Metal Workers or the Amalgamated Carpenters. In the early years of its history there was much agitation against the use of "trim" and other mill work manufactured in towns and cities where the rates of wages were low. Since 1887 there has been increasing agitation against the use of all non-union millwork. In the year mentioned the New York City carpenters were urged not to "touch a piece" of the product of a Poughkeepsie mill owner who had persisted in running a non-union shop. By 1897 the situation in New York had become critical. Mill owners in that city who ran union shops were required to pay such comparatively high wages that they could not successfully compete with non-union mills outside the city. Consequently, in order to save the New York mills to the union the local unions of the Carpenters decided not to put up any non-union "trim" or to work on a job where it was used. Many strikes were called. The movement against outside non-union trim finally assumed such importance that the executive board of the International union gave financial assistance to the New York district council. As a result of this movement the Carpenters claim that many mills in the small towns about New York were unionized.

In many other localities similar measures have been taken by local unions and district councils of the Carpenters. More and more the officers of the union have come to believe "that the carpenter in order to hold what rightfully belongs to him, must control the manufacture of the material" which he erects. In 1904 the constitution of the national union was amended so as to provide that local organizations must promote the use of "trim and shop-made carpenter work" with the union label. The chief value of the label to the Carpenters at the present time is that it affords a convenient and sure method for union carpenters at work on a building to determine whether "fair" material is being used.

The Joint Closed Shop

It has been noted in the chapter on the simple closed shop that when a national union has jurisdiction over two or more branches or trades organized into separate local unions, it is usual to require local unions of one trade to assist local unions in the other trade to establish the closed shop. Very often, however, combinations have been formed among national unions and among local unions of different national unions for the purpose of securing mutual discrimination against non-union men. The group of shops thus covered in any particular case may be fittingly

called, in the aggregate, a "joint closed shop." The joint closed shop is distinguished from the "extended closed shop" by the fact that the cooperation against the employment of non-union men is among national unions or among the branches of different national unions. The joint closed shop has been principally employed in certain well-defined groups of allied trades. These will be considered in the order of their importance.

The building trades. In strong trade-union centers it has been increasingly difficult in recent years to get a union man of one trade to work with a non-unionist of any other trade on structural building work. In many cases discrimination against non-unionists has been extended even to unskilled building laborers. It has been comparatively easy to secure the cooperation of the unions in the building trades in establishing the joint closed shop because their members ordinarily work in intimate association with each other. Although jurisdictional disputes have hindered the development of amicable relations, there has been, on the whole, a greater sense of unity and a stronger spirit of fellowship among the building trades unions than among any other group of unions.

Another factor in the success of the joint closed shop in the building trades has been that six or seven unions of approximately uniform strength and influence include the great mass of the workmen. These unions are the more willing to assist each other inasmuch as each of them incurs practically the same risks and secures practically equal benefits by joint action. The smaller unions have also usually been willing to assist to the extent of their power in any joint movement, but the greatest factor in the success of the joint closed shop among these unions has been the peculiar effectiveness of the sympathetic strike in the building trades. Since a building must be erected on a certain spot and within a fixed time, a strike even of a single union is a serious matter; but if a group of unions strike simultaneously to redress the grievance of one, the employer is placed at an enormously increased disadvantage.

Use of Compulsion

The power of the joint closed shop has been frequently used to enforce the extended closed shop. The National Building Trades Council, through its general secretary-treasurer, on more than one occasion has expressed itself as opposed to allowing "fair" employers to sublet work to non-union firms. An agreement between a local council and employers allowing non-union subcontracting was declared to be "a peculiar guarantee," permissible only in lockouts "as a policy to keep the council and unions intact." It was also one of the aims of the National Building Trades Council to compel an employer to be "fair" to the affiliated unions in all parts of the country. At the time of its organization in 1897 many building contractors no longer confined themselves to local operations but undertook work in many different sections. If one council became involved in a dispute with a contractor while he was carrying on work under the jurisdiction of another council, it was the policy of the national organization where practicable to force the contractor to grant union conditions in the former locality as the price of employing union men in the latter.

Closed Shop History

(From "History of Labor in the United States," by John R. Commons and associates. Volume 1, pages 130-132. The foot notes are not included. Early history of the closed shop.)

Just as the strike was the direct means of enforcing demands upon the employers, so the closed shop, in addition to being a corollary of the strike, was also the indirect method of enforcing and maintaining demands. The term, "closed shop," is, of course, quite recent in origin, but aptly describes the policy adopted by the cordwainers of Philadelphia when they effected their first permanent organization of 1794, as well as by the other cordwainer societies. It consisted partly in compelling the employer to retain none but society men in his shop and partly in preventing non-society men from getting employment.

The Philadelphia, New York, and Pittsburgh cordwainers required outsiders to join them as soon as they came to town, and the New York cordwainers imposed a heavy fine for failure to do so. The Pittsburgh society even went so far as to exercise jurisdiction over non-members, requiring them to appear at meetings and defend themselves against charges, remitting a fine only on condition that the offender promise to join the society. Scabs were hounded and heavily punished. One manufacturer in Philadelphia, who refused to discharge a scab, held out for over a year and a half, but was finally forced to move his business to another city. Other employers were compelled to pay the fines of the scabs or to instruct the scabs to do so themselves under pain of discharge.

It was as a means of disciplining the scab that the boycott was first thought of. Here again the shoemakers were the pioneers. The Philadelphia cordwainers refused to eat at the same boarding house where non-union men boarded. This social ostracism proved effective. Boycotting of commodities was unknown.

The strategic hold of the shoemakers, owing to scarcity of men in their trade, is illustrated by the following complaint of a master at the Pittsburgh conspiracy trial: "Some of the journeymen were traming out of town, and I was afraid if I did not give the wages I would not have a stock of work to go down the river." Another, who employed eleven journeymen, did no business at all during the turn-out in 1815, while a third, who ordinarily hired from fourteen to twenty-two journeymen, had only three during the strike.

While the cordwainers generally took the aggressive, demanding outright from the masters an absolute closed shop, the printers, less strongly organized, groped their way cautiously and meekly, made demands, but did not press for their enforcement. Their attitude, however, was stated by the New York printers in 1809 as follows: "In all classes of society, experience has proved that there have been men who, laying aside those principles of honor and good faith which ought to govern their conduct towards their brethren, and for a mere gratification of private interest, have set aside the obligations they were under, by violating the ordinance which they have pledged themselves to maintain. It is for the interest of the profession that such persons * * * should be discountenanced * * * "

The printers denounced scabs but did little else. The cordwainers not only denounced them but made their exclusion from employment the whip of union discipline. "The scab law," said one of their witnesses in Philadelphia, "was a stimulus to the members to support what they undertook."

The theory of the closed shop was propounded by counsel for the New York cordwainers in defending them against conspiracy charges. He explained their refusal to work with those who violated "the rules and ordinances" of the union as follows: "If the majority of the workmen were content with their wages, the majority would be harmless; but if an individual will seek to better himself at the expense of his fellows, when they are suffering privation to obtain terms, it is not hard that they leave him to his employers; and the most inoffensive manner in which they can show their displeasure is by shaking the dust off their feet, and leaving the shop where he is engaged." He contended "that in times of public division no man should be neutral," which "tended to obviate the evils of deception and dissimulation. It prevented matters from being carried to extremity, and it gave each party a clear knowledge of its own strength, and furnished a measure by which the success of the struggle might be foreseen, and useless contest avoided."

Extent of Open Shop Movement

(From an address of President William H. Barr to the National Founders Association, November 17, 1920.)

A change has been brought about by the determination of men to free themselves from the unsound and unnatural control so imposed upon them. Today, that determination is manifest in the open shop movement. Its progress is a matter of economy to those who began it; of consolation to those engaged in industry; and a stimulant to the patriotism of every one. A partial, but careful survey of irresistible activities in behalf of the open shop shows that 540 organizations in 247 cities, of forty-four states, are engaged in promoting this American principle in the employment relations. A total of twenty-three national industrial associations are included in these agencies. In addition, 1,665 local Chambers of Commerce, following the splendid example of the United States Chamber of Commerce, are also pledged to the principle of the open shop.

CHAPTER II.

Labor Attitude of the National Association of Manufacturers

Declaration of Labor Principles of the National Association of Manufacturers of the United States of America

1. Fair dealing is the fundamental and basic principle on which relations between employers and employes should rest.

2. The National Association of Manufacturers is not opposed to organizations of labor as such, but it is unalterably opposed to boycotts, black-lists and other illegal acts of interference with the personal liberty of employer or employe.

3. No persons shall be refused employment or in any way discriminated against on account of membership or non-membership in any labor organization, and there should be no discriminating against or interference with any employe who is not a member of a labor organization by members of such organization.

4. With due regard to contracts, it is the right of the employe to leave his employment whenever he sees fit, and it is the right of the employer to discharge any employe when he sees fit.

5. Employers must be free to employ their work people at wages mutually satisfactory, without interference or dictation on the part of individuals or organizations not directly parties to such contracts.

6. Employers must be unmolested and unhampered in the management of their business, in determining the amount and quality of their product, and in the use of any methods or systems of pay which are just and equitable.

7. In the interest of employes and employers of the country, no limitation should be placed upon the opportunities of any person to learn any trade to which he or she may be adapted.

8. The National Association of Manufacturers disapproves absolutely of strikes and lockouts, and favors an equitable adjustment of all differences between employers and employes, by any amicable method that will preserve the rights of both parties.

9. Employes have the right to contract for their services in a collective capacity, but any contract that contains a stipulation that employment should be denied to men not parties to the contract is an invasion of the constitutional rights of the American workman, is against public policy and is in violation of the conspiracy laws. This Association declares its unalterable antagonism to the closed shop and insists that the doors of no industry be closed against American workmen because of their membership or non-membership in any labor organization.

10. The National Association of Manufacturers pledges itself to oppose any and all legislation not in accord with the foregoing declaration.

What the Declaration Means

(The following commentaries on those sections of the above declarations which bear on the Open Shop, were made by President Stephen C. Mason in an article appearing in the *Annals* of the American Academy of Political and Social Science, March, 1919.)

(2) The National Association of Manufacturers is not opposed to organizations of labor as such, but it is unalterably opposed to boycotts, blacklists and other illegal acts of interference with the personal liberty of employer or employe.

From its organization this Association has never denied nor condemned the right to existence of labor unions. It has, however, insistently demanded that labor organizations be founded upon an enlightened public consciousness, and their operations based upon legitimate principles, and that they recognize the right of all workers to engage for their services under such lawful conditions as may seem best to them. Such organizations should establish responsibility for their contracts. Power without responsibility always leads to abuse. There can be little room for doubt that the general disuse into which such labor union tactics as boycotts and black-lists have happily fallen in recent years has proved not only their illegal nature (as numerous court decisions proclaim) but the emphatic disfavor of the general public regarding such practices.

"Cruel," "cowardly," "immoral" and "anti-social," are some of the judicial characterizations of the un-American labor union weapon, the boycott. The pernicious nature of both this practice and that of labor union black-lists is that they are serious invasions of the rights and personal liberties not only of the employer and employe, parties to a dispute, but inflict injury on third persons who are not interested parties in the controversy. We equally condemn any such practices on the part of employers. Against such oppressive illegal acts the Association has stood and always will stand firm.

(3) No person should be refused employment or in any way discriminated against on account of membership or non-membership in any labor organization, and there should be no discriminating against or interference with any employe who is not a member of a labor organization by members of such organizations.

This declaration embraces the fundamental principle that every person who labors must have the freedom to engage for and deliver his of her services without interference; conversely, every employer of labor must have the freedom to hire the class, grade, quantity and quality of labor best suited to his needs. This is the definition of the important industrial principle of the "Open Shop." It is a principle that should neither be denied nor compromised in the interest of either employers or employes, and is a sound doctrine interwoven with certain inherent, individual, human rights. An analysis of this tenet shows it to be neither offensive nor destructive. On the contrary it is a safeguard of a sacred individual human right whether it is industrial in application and exercise, or otherwise. It is a concept upon which our Constitution and political institutions are based.

(7) In the interest of employes and employers of the country no limitation should be placed upon the opportunities of any person to learn any trade to which he or she may be adapted.

Unrestricted opportunity for industrial education of the youth of the land so that there may be produced efficient industrial workers, is the underlying thought involved in this statement. It implies a complete rejection of the erroneous and harmful principle of trade unions by which limitations are placed upon the number of apprentices permitted to be employed in the skilled trades. In recent years there has been a widespread awakening of public interest in the subject of vocational training. Municipal, state and even the federal government, realizing the dire necessity for the more general systematic industrial training of our youth, have undertaken extensive plans in this direction. For more than twenty years the employers of the country embraced in the ranks of the Association have not only recognized the urgency of this problem, but have consistently made every possible effort to increase the opportunities of any person to learn any trade to which he or she may be adapted. The widespread recognition of this question during recent years is an indication of the soundness of the position taken by the Association upon this question.

(9) Employes have the right to contract for their services in a collective capacity, but any contract that contains a stipulation that employment should be denied to men not parties to the contract, is an invasion of the constitutional rights of the American workman, and is against public policy and in violation of the conspiracy law. This Association declares its unalterable antagonism to the closed shop, and insists that the doors of no industry be closed against American workmen because of their membership or non-membership in any labor organization.

The evident purpose of such a declaration as this is the affirmation of the sacred and unassailable constitutional right of every worker and of every person to engage for his labor in a free and unrestricted market. Despite the efforts of many to garble and destroy this vital industrial truth, it is unquestionable that the prosperity of this country depends upon strict adherence to this fundamental rule of liberty and justice. The employers of America regard this principle as something that cannot, in the interests of free institutions, be abridged by legislation. In other words, we insist that no man or group of men whether employers or employes, has any right to place a brand upon any human being and say that those so branded, regardless of merit, are entitled to special privileges, and in the same breath to say that those who are not so branded and not willing to be so branded must be limited in or prevented from the full exercise of their constitutional rights.

It may be timely to record the fact that the question of collective, shop bargaining, or cooperative representation already has had earnest consideration by a large number of manufacturers throughout the country, and practical and successful plans embodying such purposes are already in operation in many important establishments. In the adoption

of these industrial representation plans no question is raised regarding the membership of workers in outside organizations.

These plans present a method by which employes can deal collectively, through representatives selected or elected by them, with their employers in relation to all questions and conditions of employment. They will furnish a new channel of communication between wage-earners and wage-payers whereby they may better be able to avoid misunderstandings and mutually agree upon satisfactory adjustments of wages, working conditions, etc., and promote and establish such friendly relationships and cooperative spirit as will be beneficial and to the best interests of both. Such activities are clearly within the scope of this principle of our organization.

Scope of the National Association of Manufacturers

(From testimony of Mr. James A. Emery, General Counsel of the National Association of Manufacturers, before the Industrial Relations Commission, April 8, 1914.)

MR. THOMPSON: What is the general purpose of the National Association of Manufacturers?

MR. EMERY: The National Association of Manufacturers was organized in 1895 primarily for the promotion especially of foreign trade, and as it grew in years it developed a wider range of interest for the manufacturer, and it deals today with practically every phase of social and industrial activity in which the manufacturer as such is interested.

It maintains its headquarters in New York and carries on an extensive foreign department. Those who might have more interest will find a very interesting account of it in the *Saturday Evening Post* of two weeks ago by Mr. Forest Crissey, who is writing a series of articles on trade organizations, and in that he speaks of this as the largest trade organization in the world, and he gives a most interesting account of trade organizations.

The National Association of Manufacturers provides for the shipment of freight of every kind for its members. It has a department of translations, in which the foreign correspondence of manufacturers can be carried on in some thirty languages, letters being received and translated and others written. It has some 21,000 correspondents in all the chief commercial centers of the world, who keep it informed as to trade matters for the benefit of its members. It has a foreign collection bureau and a domestic collection bureau, and a shipping and transportation bureau. It has an extensive system of inspection for its factories. There is attached to it as a subsidiary organization a mutual fire insurance company, for the benefit of its members, and of course it informs its members as fully as it can on all questions of interest to the manufacturers. For instance, all questions which would develop in relation to the conditions under which manufacturers do business in every State in the Union, as well as in every foreign country.

The legal department attends to all the questions that necessarily arise under those circumstances. It keeps track of all legislation of

the States and in the National Legislature, of interest to manufacturers. It informs them fully as to their terms and meaning. It represents them in opposition to such legislation as they oppose, and in the promotion of such legislation as they express formal interest in. There is practically no matter that would inform a manufacturer concerning conditions in the trade at home or abroad, and practically no questions of interest to the manufacturer of which it does not undertake to keep abreast.

In the last five years it has carried on a very extensive movement for accident prevention and workmen's compensation. It was the first large organization in this country to take up that work, and it made extensive foreign investigations as to the practical operation of workmen's compensation laws abroad and methods of accident prevention, and from this experience it has undertaken to apply the fruits in this country, subject to the modifications that exist in our differing forms of work. We have a standing committee in charge of that work, and a continuous inspection is going on of the factories of all our members with respect to increasing the facilities for the prevention of accident, and the inculcation of those habits which most readily and powerfully lead to accident prevention.

In addition to that, there is a very wide range of educational work carried on in connection with that and other subjects. Practically every shop of the members of the national association has been visited in the last four years by lecturers, who, through moving pictures and a form of address, have undertaken to enlist the cooperation of both employers and employes in the movement for accident prevention and vocational education. We have spent very large sums of money in that work and have a very large staff carrying it on, and the films which have been made for the purpose of strikingly depicting these efforts and principles to the eye have not only been used among the employes or members of the Association, but they have been generally at the service of public bodies of any kind or character in parts of the country that were interested in the subject, and those lectures on those subjects have been carried on before commercial and manufacturers' associations in every part of the country.

MR. THOMPSON: I presume that among these activities you mention the relation of employer and employe have received the attention of the National Association of Manufacturers?

MR. EMERY: Very decided attention in the last ten years, notably. Much attention was not paid to that at first, but it became more and more a subject of discussion in conventions and meetings, and from 1903 or 1904 it may be said to have been one of the dominant questions in the life of the National Association and the Association has expressed itself very vigorously with regard to the principles which it believes ought to underlie the relations of employer and employe, and has undertaken by every legitimate means to defend those principles against attack.

I do not wish to be misunderstood. I mean by that there is no opposition, so far as I know, among members of the National Association of Manufacturers, to the principle of collective bargaining. There are

many members of the Association who deal with their employes collectively, and the Association has never at any time interfered with the action of its members in that regard, but it has opposed the making of an exclusive collective bargain which meant the establishment of what we term a closed shop.

MR. THOMPSON: But otherwise this section 5 is not to be understood or read as preventing collective bargaining?

MR. EMERY: Not as expressing an opinion in opposition to it; no, sir.

Ask Equality Before the Law for Employers and Workers

(From statements of James A. Emery, general counsel, National Association of Manufacturers, before the Senate Committee on Interstate Commerce, Sixty-second Congress.)

I, and all I represent, are firm believers in the right of men to organize for the protection of their hours, labor and working conditions. Many thousands of men employed by my clients are members of labor organizations of all kinds, and we do not and never have questioned their right to form unions and by legitimate action enforce their demands. We ask for no other restrictions for them than the same law places on all citizens. We insist that any combination of workmen or employers that deliberately undertakes to compel another man to engage in interstate commerce in accordance with its will or not at all, or that undertakes to ruin the trade and persecute the trader who differs from its economic judgment and will not bow to its economic demands, always has been, and in a free country, always must be, condemned by law, whether it assumes corporate or voluntary form. That principle always has been recognized in applying the Sherman Act to combinations of capital or employers, as witness the case of Montague vs. Lowry (193 U. S.), which was a voluntary combination of tile dealers; or the case of Coal Dealers' Association (85 Fed. 252) which was condemned and dissolved by the Circuit Court of the United States in California. These and other voluntary associations, without capital stock, and not conducted for profit, in the same sense as a labor organization, have offended the Sherman Act. If we do not continue to restrain or punish combinations of workmen when they undertake to destroy and oppress traders or other workmen engaged in interstate commerce, it will not for equal reasons of principle be possible to protect the same trader against the acts of a voluntary association of employers, who undertake to compel him to do business in accordance with their will and upon their terms, or not at all, as did the combinations of tile dealers and coal dealers.

No Suppression or Discrimination

(The following is part of a statement by Mr. J. Philip Bird in the New York Herald of January 16, 1921. It is a discussion of the present open shop movement.)

The country-wide movement for the open shop, which is attracting

attention as one of the most remarkable phenomena in American industrial history, is entirely spontaneous, with no central control or authority of any kind, so it was asserted yesterday by J. Philip Bird, general manager of the National Association of Manufacturers.

"More than 500 organizations in 250 cities have now indorsed the plan," said Mr. Bird, "and prominent manufacturers declare they could not stem the tide if they wished."

According to the resolution first adopted by the National Association of Manufacturers in 1903, the open shop is one in which "no person should be refused employment or in any way discriminated against on account of membership or non-membership in any labor organization." The Association also declared "it is unalterably opposed to boycotts."

"The declarations mean exactly what they say," Mr. Bird declared yesterday. "It was stated that 'employes have the right to contract for their services in a collective capacity,' but that no collective agreement shall forbid employment to those who, for any reason, refuse to join a labor organization.

"There is no desire in this day and age of organization to suppress and eliminate organizations of employes. The great mass of union workers are honest God-fearing and liberty-loving Americans. But, according to William Z. Foster of steel strike fame, the unions are controlled by one per cent. of their total membership. It is the actions and policies of this one per cent. to which the employers object."

"The closed shoppers frequently seize upon isolated instances, some large, but most small, of open shop advocates who abuse the principle. It will be found in most of the cases where employers discriminate against union men that such discrimination is the result of policies and actions of the unions with which they would have to deal. For instance, certain employers refuse absolutely to deal with the Structural Iron Workers, thirty-eight of whose leaders were sentenced to prison a few years ago for destroying the property of employers. Twenty-one of these men were afterward elected to local and national office in the union, which still belongs to the American Federation of Labor.

"Then, again, many employers are unable in any case to employ union men because of union rules forbidding their working alongside independent workers. It is a fundamental policy of closed shop union rules to refuse to arbitrate the question of the closed shop. The general policy of the closed shop is to single out an individual case for attack, hoping the public will forget the principles involved and will fail to consider the thousands upon thousands of establishments all over the country willing and anxious to operate, where it is possible, under real open shop conditions."

CHAPTER III.

Structure and Finances of Labor Unions

The labor situation can never be properly understood without a correct knowledge of the nature of the organizations actively supporting the closed shop. We should, moreover, know, or at least have ready for reference, the internal structure of these bodies.

The Federation of Labor

(From an article explaining the American Federation of Labor appearing in the *American Labor Year Book*, 1917-1918, published by the Rand School, a Socialist propaganda organization. With certain figures corrected by later statistics from official sources.)

The character of the American Federation of Labor, which was organized in 1881, though not named "A. F. of L." until five years afterwards, was influenced to no small extent by the character of its predecessor—the Knights of Labor. This organization, which reached its zenith in 1885 came to grief largely because of its combining in the local assemblies laborers of all varieties and many employers and non-wage-earners; its dual organizations of labor assemblies and trade assemblies; its over-centralization; its frequent participation in sympathetic strikes and its peculiar ventures.

The A. F. of L. is in reality a federation. Local unions are generally affiliated with it through the nationals. It now contains 110 national and international unions, 46 state federations, 926 city central bodies, 1,286 local trade and federal labor unions, 36,741 local unions, 5 departments and 682 local department councils. Its membership is reported as 4,078,740.

The real factors in the conduct of the Federation are the conventions called annually on the second Monday of November—between election and the opening of Congress. National and international organizations are represented therein by one delegate for approximately every 4,000 members.

The officers of the Federation are a president, eight vice-presidents, a secretary and a treasurer, each elected the last day of the convention. All elected officers must be members of unions connected with the Federation. The responsible administrative work rests with the Executive Council, composed of the eleven officers. The council watches legislative measures, initiates legislation, schedules speakers and performs many necessary administrative tasks.

National and international unions must pay to the Federation two-thirds of one cent per member per month; local trade unions and federal trade unions, ten cents, five cents of which must be set aside for strikes, etc. State and Central bodies pay $10 per year. All national unions are supposed to instruct their locals to join the Central labor bodies and state organizations in their vicinities. Seven wage workers of good character favorable to trade unionism, whose trade is not organized

and who are not members of any body affiliated with the Federation, may form a local body to be known as a "Federal Labor Union."

The State Federations look after legislation in their respective states and urge more effective organization among the workers. The city councils—meeting generally once a week and composed of representatives from the various locals in their vicinity—look after the general organized labor interests of their respective communities.

The Federation also possesses five departments whose objects it is to get various unions to coöperate for mutual advantage—the Union Label, the Building Trades, the Metal Trades, the Railway Employes and the Mining Departments. Each department after its establishment, supports itself and manages its own affairs, and has its representatives at the meetings of the Executive Council.

The Building Trades Department, organized in 1908—though an evolution from a similar organization formed in 1903—contains most of the trades engaged in building and the Metal Trades those in the metal industries. The Mining Department contains the United Mine Workers, Western Federation of Miners, Brotherhood of Steam Shovel and Dredgemen, Iron, Steel and Tin Workers and the Machinists.

Although most of the unions connected with the Federation are trade organizations, there are a few individual unions including the United Mine Workers, the Brewery Workers and there is ever more discussion regarding industrial unionism in the ranks of organized labor.

A Statement

(From "The Union Shop and its Antithesis," by the President of the American Federation of Labor, page 8. Compare this very general statement with the succeeding views, which show its inaccuracies.)

Any wage worker can join a trade union. All are open, wide open to all wage-workers qualified at the occupation organized. They pay an entrance fee barely sufficient to equalize the payments of unions' benevolent benefits and current cost of administration. No union ever asks a non-unionist to pay for the slightest percentage of the damage he has done as a disruptionist. It is literally and positively true, without evasion or equivocation, that trade unions, and consequently union shops, are open for all wage-workers whom any employer would possibly contemplate as employes who would be kept regularly and permanently in his employ.

The Facts

(From "Unemployment and American Trade Unions," by Dr. D. P. Smelser. Published by Johns Hopkins University, 1919. Pages 35 and 36.)

In view of the existence of such union theories, it is not surprising that a great number of unions have placed restrictions upon the admission of workmen to their organizations. The editor of the *Bridge and*

Structural Iron Workers' Journal has stated the common union view as follows:

"As a general proposition with us we appear to think that a new applicant means another person to apply for the various jobs."

Not all of the unions have adopted the policy of limiting their membership; many are willing to receive as members practically all who are employed at the trade. But, where a local union has the field sufficiently organized to successfully deal with the employers, very little effort is made to secure additional members. In some of the large cities it is very difficult to obtain admission to a building-trades union. In such cases it is felt that workmen have the local situation so well in hand that the presence of even a considerable number of unorganized workmen can have little influence in their dealings with the employers.

A few local unions in various trades make their admission fees high as a barrier to deter the unorganized from joining. Initiation fees of $50.00, $75.00 and even $100.00 are found in a few highly organized unions, and this amount must be paid before the workmen are given their working cards. Another method of keeping the unorganized out of the union is to make the conditions of the examination such that it is very difficult for ordinary workmen to pass it. The New York local union of Steam Fitters limits its membership by this method. The requirements of the examination are said to be of such a nature that a majority of the members of the union could not pass it. Other unions have gone further and have absolutely refused to consider applications. While this is a policy of only two or three national unions, it is practiced in a great number of local unions of various trades. These local unions have a sufficient number of members to maintain relations with the employers and are extremely reluctant to receive any new members, even upon application. A still greater number of local unions do not make any serious efforts to organize their trade. Thus, a business agent informed the writer that he made no effort to secure new members and, further, that he attempted to persuade applicants not to join the union unless work was very plentiful.

The union apprenticeship policies are dominated by the same ideas. The unions seek to perpetuate the custom of apprenticeship with its accompanying rules, primarily, in order that the supply of labor may be regulated and, secondarily, that capable workmen may be produced. Although there is no desire to minimize the purpose of the unions to produce efficient workmen by the system of apprenticeship, it is obvious that this is subordinate to the desire to restrict the number working at the trade.

Initiation Fees in Unions

(From "Admissions to American Trade Unions," by Dr. F. E. Wolfe, Colby College. Published by Johns Hopkins University, 1912. Read this and the preceding statement and compare them with the preceding utterances of the President of the American Federation of Labor.)

An incidental requisite for admission into any union is the payment of an initiation fee. Usually the amount is small, and represents only a

nominal charge for the privilege of membership. But the power to fix a charge may be abused and become prohibitory to prospective members. *Strong local unions have at times sought to exclude workmen by charging a high admission fee* in order to monopolize employment for their members. A few national unions have also used high fees apparently for exclusive purposes. Thus the national board of directors of the United Hatters have fixed the fees from individual applicants at sums varying from $26 to $100. In 1908 the Print Cutters agreed to admit two men into the association upon payment by each of an initiation fee of $200. The determination of the initiation fees may have, therefore, an important influence on admission policy. The majority of national unions have not required the payment of high fees, but many of them have regulated the amount of such fees which may be charged by the local unions.

The determination of fees varies in different unions; some, as for example the Printers, leave the matter to local control. A second large class, represented by the Carpenters' United Brotherhood, the Painters, Decorators and Paperhangers, the Pattern Makers, the Elevator Constructors and the Plumbers fix only a minimum, thus interfering least with local autonomy. In either of these classes the local unions may raise the charge at their discretion. Thus, while the minimum for initiation into the United Brotherhood of Carpenters is $5, the fee for new members in the Baltimore district is $25. The Elevator Constructors require a minimum of $25, and the Chicago and St. Louis local unions have imposed fees of $50. The Musicians have a $5 minimum, but local unions on occasion increase the charge to $75 and $100. In a few instances local unions of the Bakery and Confectionery Workers impose charges of $200 and $250. In case no restriction is placed on the amount of the initiation fee and no appeal may be taken to the national union, a local union may thus hedge itself in against outsiders.

Another group of unions, including the Cigar Makers, the Iron Molders, the Granite Cutters, the Stone Cutters, and the Bookbinders, have prescribed a uniform fee for all localities. This method secures uniformity, and restrains the use of increased fees by a local union, unless the consent of the national authority is procured. Some unions, such as the Bricklayers and Masons, the Bakery and Confectionery Workers, the United Garment Workers and the Lake Seamen, fix a maximum as well as a minimum, and thus secure approximate uniformity in the fees charged by the local unions.

High special fees are defended on several grounds. In the first place, they often partake of the nature of fines imposed on recalcitrant, expelled and non-union workmen. Although national regulations forbid these fees above a stated sum, an additional amount in the nature of fines may be charged by the local unions, and must be paid for admission. The effect of this is merely to increase the fee. Many unions provide by this means for increased fees from "anti-unionists" or "oppositionists." Thus the Bricklayers and Masons permit the local unions to impose only $10 as an initiation fee, but provide for the imposition of penalties ranging from $25 to $1,000 upon either former members or non-unionists who have worked against the union. The Marble Workers impose a special

fee of $50 in addition to the regular fee upon non-members who knc ingly work on unfair jobs. The Pattern Makers provide that the exe tive committee of the local union may recommend such "cost of adm sion as it deems justified by the facts when the record of a candid shows persistent defiance of and antagonism of the League."

A universal condition of admission to any union is the payment an initiation fee. Usually the amount is small, and is not sufficient to d courage prospective members; certain unions, however, demand higl initiation fees of immigrants than of other applicants. High and in so case prohibitive initiation fees have been for a number of years impos on this class of workmen by the Flint Glass Workers, the Table Kn Grinders, the Pen and Pocket Knife Blade Grinders, the Window Gl Workers, the Stone Cutters, the Granite Cutters, the Wire Weavers, t Glass Bottle Blowers, the Lace Operatives, the Lithographers, the Pr Cutters, the Brewery Workers, and the Sanitary Potters. It was pi vided in 1887 by the Flint Glass Workers that "all foreigners be tax one hundred dollars as an intiation fee;" in 1904 the charge was reduc to $10. This amount is now the minimum special fee required of imr grants. In 1892 the Window Glass Workers fixed a few for "foreigne at $200, in 1895 at $500, and in 1904, at $300. But since 1907 the natio executive board has been empowered to determine the charge for ea individual case. The Wire Weavers, since 1895, and the Glass Bot Blowers, since 1903, have charged immigrant applicants $500. This the highest regular fee imposed upon an applicant in any American tra union.

National trade unions ordinarily prescribed a minimum initiation f for all applicants, but they often reserve to local unions the right increase the fee for special cases. In the port cities of the United Stat the local unions in some trades have exercised this right by imposi higher fees on immigrants. Local unions of the Musicians, the Plastere and the Pattern Makers thus impose special fees in addition to the mi mum fixed by the national union.

The imposition of a special admission charge in many instances m have no other purpose than to secure payment for advantages and pri leges which would otherwise be procured without adequate contributi from the prospective member. But the excessive fees required by t Glass Bottle Blowers, the Window Glass Workers, the Knife Grinders, t Print Cutters, the Lace Operatives, and the Wire Weavers are acknow edged to be for the purposes of exclusion. The five-hundred-dollar f of the Wire Weavers is maintained as a prohibitive tariff to keep o weavers from England and Scotland. The last foreign weavers we admitted in 1906. The Glass Bottle Blowers have desired particularly protect the trade against glass blowers from Sweden and Germany. N immigrant applicants have been admitted for several years, and for thr years none have applied. In 1908, the Lace Operatives increased the f for immigrants to discourage skilled workmen from migrating to th country. Local unions of the Stone Cutters, the Granite Cutters ai other trades openly seek protection against the competition of foreig workmen by the use of special high fees.

CHAPTER IV.

Trade Union Development in Brief

Forms of Organizations

(From an article by George E. Barnett, Professor of Economics at Johns Hopkins University, in the *Quarterly Journal of Economics,* May, 1913.)

Trade unionists in all industrial countries have developed a number of distinct forms of grouping. At the present time, for example, American trade unionists are organized into local trade unions, national trade unions, city federations, a national federation, local trades councils and national trades councils. The same unionist may be included in all of these six forms of grouping. A Baltimore printer, for example, may be a member of the local union of his trade—the Baltimore Typographical Union; of the national union of his trade—the International Typographical Union; of the city federation—the Baltimore Federation of Labor; of a national federation—the American Federation of Labor; of a local trades council—the Baltimore Allied Printing Trades Council, and finally, of a national trades council—the International Allied Printing Trades Association. Each of these forms of grouping might, therefore, embrace all the trade unionists in the United States. As a matter of fact, some of them include in their membership only a small part of the total number of trade unionists. The number of members of all the local trades councils in the United States, for example is probably less than one-fourth of the total number of trade unionists.

The forms of trade-union grouping have steadily increased in number. The local trade union dates its origin from the beginning of the nineteenth century; the city federation from 1827; the national trade union, as an effective form of organization, from 1850. Trades councils, local and national, are a development of the last twenty-five years.

The inter-relations of these forms of grouping—the elements in American labor organization—have been determined slowly, and from time to time the changing needs of the trade-union movement have necessitated readjustments of these relations. As might be expected from the political analogy, the relationship which has proved most practicable has been the dominance of some one of the forms of grouping over the others. Whenever the tide of trade unionism has risen markedly, the desire to give unity to the labor movement has led to the assumption of leadership and control by one or another of the forms of grouping. In the history of American labor organization, four distinct structural forms are distinguishable, each of which emerges in a time of rapid growth in the trade-union movement. The periods in the development of the structure of American labor organization may accordingly be roughly defined as extending from 1800 to 1815, from 1827 to 1838, from 1879 to 1888, and from 1897 to the present. In the years between these periods the labor movement was relatively weak and the relations of the various forms of grouping were less sharply defined.

In the earliest period—from the end of the eighteenth century to about 1815—the local union was the only form of trade-union grouping. Among the local unions of the different trades in the same city there was no substantial connection.

The second period, extending from 1827 to 1838, was marked by the rise of the city federation or, as it was then called, the trades' union. The admirable study of this period by Professor Commons and Miss Sumner shows that the labor movement of the period was largely directed and controlled by the city federations. Attempts to form national trade unions were made, but failed. The city federation united to form a national federation, the National Trades Union, but this exercised practically no power and its life was short.

A characteristic feature of American trade unionism from 1865 to 1888 was the formation of a number of the national federations in which the controlling elements were the city federation, and, to a less extent, the local union. The International Industrial Assembly of North America, organized in 1864, the National Labor Union, active from 1866 to 1870, the Industrial Congress, organized in 1873, and the Knights of Labor, organized as a national federation in 1878, were alike in this respect. These national federations were designed to exercise functions distinct from those exercised by the national and local unions, but the evident desirability of bringing the entire labor movement into unity led in the latest and strongest of these organizations, the Knights of Labor, to the gradual development of the idea that the national federation should be dominant in the structure of labor organization. The opposition of the national trade unions to a structural form in which the national union became subordinate to the national federation led to the bitter struggle between the Knights and the national unions which characterized the years from 1885 to 1888.

The fourth period in the structural history of American trade unionism—from 1897 to the present—has been distinguished by the increasing control exercised by the national trade union over the other forms of grouping. This development, which forms the subject of the present paper, will be treated with reference to: (1) local unions, (2) national federations, (3) city federations, (4) local and national allied trades councils.

The number of national unions affiliated with the American Federation of Labor has increased steadily since 1897. In 1911 the only important national unions not in affiliation with the Federation were the Locomotive Engineers, the Locomotive Firemen and Enginemen, the Railroad Trainmen, the Railway Conductors, the Flint Glass Workers, and the Brick-layers and Masons. The total membership of the non-affiliated unions in 1911, at a liberal estimate, did not exceed 600,000, while the membership of the affiliated unions was approximately 1,800,000.

No rival national federation has been able in this period to offer effective competition. The Knights of Labor has been practically an extinct organization. The American Labor Union, organized in 1902 to promote industrial unionism, went out of existence in 1905. The Industrial Workers of the World, organized in 1905 as the successor of the

American Labor Union, lost in 1907 the support of its only important national union, the Western Federation of Miners, which affiliated in 1911 with the American Federation of Labor.

Extent of Trade Unionism

(From an article on "The Extent of Trade Unionism," by Dr. Leo Wolman, of the University of Michigan, 1917. Dr. Wolman's estimates as to the extent of trade unionism in trades, considered highly "organizable" by "labor leaders," are the most liberal, probably, which have been made. They may be said to represent the extreme claims of the closed shop advocates, and show that 81.6 per cent of the workers, only certain trades considered "organizable" being included, are not members of trade unions.)

The total membership of trade unions in the United States in 1910 was 2,116,317; in the same year the total number of persons gainfully engaged in industry in this country was 38,134,712. The members of trade unions, therefore, constituted in the last census year 5.5 per cent of the industrial population of the United States. This percentage, however, appreciably underestimates the strength of the trade union movement because of the inclusion, in the aggregate of persons "gainfully engaged" in industry, of members of the employing and salaried classes. By combining those groups of industry that are composed of members of the employing, salaried, and fee-receiving classes, such as merchants, managers, and clergymen, a total for this group of 10,939,808 is obtained. Accordingly, the wage earning class in 1910 can be said to have numbered 27,194,904 persons; and of this number 7.7 per cent were members of labor organizations. Adherents of the labor movement would still maintain that this last index based upon a group that includes such wage earners as agricultural laborers and domestic servants, was not fairly indicative of the actual strength and extent of trade unionism. They would use as a basis for the calculation of the percentage of organization that group of wage earners which the trade union makes definite and sustained efforts to organize. Since no such efforts have been made, until the present at least, to organize agricultural laborers and domestic servants, because of their conditions of individual isolation, and similarly because the social and economic status of such employes as clerks and stenographers precludes any large extension in organization among that class of workers, it is contended that a fair estimate of the extent of labor organization can be based upon a group in which these classes are not included. Furthermore, practically every trade union maintains an age limit below which it will not admit workmen in the industry into membership in the union. The average lower age limit for all trade unions may be roughly stated at twenty years. When all persons engaged in industry as agricultural laborers, in domestic and personal service, in such occupations as stenographers and saleswomen, and also persons below the age of twenty be combined and the total for this group be deducted from the 27,000,000 wage-earners in the United States in 1910 a resulting group of, 11,490,944 persons, who may be characterized as

constituting a potential trade union membership is obtained. And wi this class as a basis the degree of organization is found to be 18.4 p cent. Accordingly, the most conservative survey of the situation wou indicate that in the United States in 1910, 92.3 per cent of the wag earners were unorganized; whereas the most liber..l estim. .s wou show that 81.6 per cent of those persons who are susceptible of orga ization were without the trade unions.

An Analysis of the Labor Movement

(An editorial on the "Past, Present and Future of Organize Labor" in the *National Labor Digest,* November, 1920.)

Long ago Labor was about the cheapest commodity in the worl It was unjustly regarded as a distinct class of the lower order, entirel beneath notice, except as the needs of the moment required its service The laboring man and his family, generally speaking, lived in the ram shackle houses and shanties of the unimproved outskirts of any community or in densely populated, unhealthy tenement houses. In very many locali ties workers were half fed, half clothed, and, at not infrequent times enabled to live only through the charity of the community. It is no beyond the memory of the present generation when ordinary labor wa paid 50 and 75 cents and $1.00 per day and the man was lucky who suc ceeded in getting in 200 days' work during a year.

It was due to abuses that the organized labor movement was con ceived. It was not founded so much on an "ideal," as on a genuine neces sity and it adopted the only means of progress at its disposal at tha time. The philosophy of the movement dealt only with the "rights" o labor, practically ignoring obligations. Its followers endeavored to achieve almost wholly by force. They assumed, and not without cause, that the world was arrayed against any movement to better the condition of those who labored. They knew they had to fight. Founded in this spirit, scattered organizations of workers grew up and fought many hard battles in the effort to improve their lot. In this same belligerent spirit the crusaders have continued their march, leaving their impress on every decade through which they have passed. The unpleasant details of the struggles can be passed over. It is enough to say that the move ment was prosecuted with vigor and that it finally compelled society to recognize the human element in industry, resulting in the development of the self-respecting workers of the present day. * * *

In its earlier efforts, when it was but an infant and irresponsible, organized labor had little and could afford to risk all on a chance play. Generally speaking, it advanced—chiefly by force. Then, gradually, there came a different day. It had progressed to a point where it ceased to be but an incident in the nation's affairs. During the Great War, and imme diately after, it attained its greatest height in history. More industries recognized its principles, and it received better pay, than it had ever known before. It had every opportunity to prove to the world the genuine worth of organization. It might have made a solid place for itself at the council table with capital. With capital it might have discussed the

advisability of that and the possibility of this, wherever "that" and "this" were questions bearing on the workers' welfare, and had its say in finally determining such questions. It was in a position to make legitimate, reasonable demands for a vast army of workers and to have those demands recognized. Organized labor had achieved much, consequently it had much to lose—it could no longer afford to be the reckless gambler. But it would be absurd to pretend that it had not finally ventured forth once too often on the uncertain power of force.

Organized labor gambled away, in a short while, much of its gains of years. It tossed away the most valuable opportunities. Strike after strike—little nagging strikes and big strikes—and violations of agreements were the principal means used to disrupt its own house. Curtailment of production—slacking on the job—along with demands for higher and higher wages was another effective method used to further opposition to itself and cancel its gains. It was slow to condemn the destructionists within its own ranks, there to disrupt every sound relation between employer and employe wherever found. It housed the Fosters and the Fitzpatricks. It gave such men equal rights in its council halls with men working honestly in behalf of honest men. It allowed the rule-or-ruin radicals to mold its reputation. Some leaders and many bodies felt it their duty to indorse every radical or vicious activity that any one started. Some even went so far as to indorse the recent "outlaw" rail strike and to vote funds to further it in opposition to the Brotherhood's wishes and every honest union principle.

Great Responsibilities Have Been Badly Managed

Altogether too frequently have labor bodies been led by men with vision narrowed down until they could see only their own selfish, and, at times, dishonest ends. Too often have workers been led and represented by men utterly unable to reason beyond the logic of "we want it because we want it." Too often have such men endeavored to carry their point by mere bluff in lieu of sound facts. Too readily have they called strikes, too readily have they countenanced violence, too readily have they sacrificed other men's employment and risked their all over some trivial matter that a more capable, responsible leader would have adjusted with few words. Organized labor dealt carelessly with its great opportunity. It failed to make industry and society in general see in it something they could not get along without. This has all been a great mistake. It was bad management of a great responsibility.

With their great appreciation of power, employers over the country marveled at labor's careless abuse of so much which it had gained. Friends of labor stood back and shuddered as they watched the radicals—the vandals—undermining the house of the workers, while there was not a process or hand of authority in all the great labor scheme to check them in their mad careers. There is hardly a good citizen who does not regret the misuse and abuse to which organized labor's possessions were subjected in its hour of greatest influence. * * *

To-day the voice of organized labor is heard echoing across the land in protest against the progress of a great open shop movement. The cry

which is heard is not without cause, for much of labor's influence a power have been shorn and its future is uncertain.

More than a million men are to-day out of employment and the pro pect is that many more will be idle within a short time. Many of the are union men who feel that their organization should have kept itse in a position where it could have been of help to them—that it shou have known better the waters it sailed—that it should have steered saner, broader course—that it should have chosen the calmer, safer cha nels instead of the dangerous rapids.

Men in need of work or money think lightly of past achievemen and little of promises for the future. To-day is their time of nee In time of plenty there is little need for help. In time of scarcity any he is welcome. In a time like the present organized labor could have be of inestimable benefit to its members had it guarded the place it so recent held. While it could not have avoided a measure of unemployment, an in some cases, wage reductions during the readjustment, it could ha protected its members by joining with employers in meeting the proble —in planning the distribution of men and work during the inevitab unemployment period. In that way all could have shared in such wo as existed and all could have weathered the storm with a minimum of wa and suffering.

Organized Labor Has Abused Its Opportunities

The present state of organized labor has come about, not becau organization was wrong, not because it did not have opportunities, b because it abused its opportunities, because methods were wrong, syste and control were lacking, reason was permitted to run unchecked, an union labor force failed to credit any possibility of equal or superi strength to other forces it was sure to encounter.

Labor is confident that it will return to power with renewed li when industry again gets into full swing, but many sound thinkers, the ranks of both labor and capital, are convinced that it can nev return on the basis of its old policies. Most of those policies ha been in force the movement's inception and have outworn the us fulness they possessed in an age that has passed.

Now organized labor must make its way back step by step. That will eventually get back to a place of power, there is no denying. Ho long it will retain or how it will manage its power on its next ascensio are the questions. If it is to attain a worth-while, enduring position, must start at once to assume the full responsbilities that intertwine t advantages it has secured. It must not only broaden its philosophy, an base its policies on sound facts, but it must develop a constructive, ration form of co-operation with all other factors to the social service it render It must base its hope and promise for future success upon methods th will stand the closest scrutiny, and upon a full regard and considerati for, and usefulness to, all other legitimate elements of society.

From now on labor will be wise to place less confidence in artifici economic pressure. It will be wise to remember that there is a lim beyond which it is dangerous to press demands. It will be wise to remen

ber that the law of supply and demand, coupled with living costs, will always be the predominant force in determining wages—this, in spite of anything organized labor or organized capital can do to prevent it. It will be wise to coöperate with industry in meeting many problems in which it is directly interested, prepared to give and take as just occasion demands.

If organized labor is to control workers and have an effective way in the working conditions of the country, it must make the fact of its being organized mean something to the employer and the public as well as to its own members. It must prove itself not only just, reasonable and capable, but an institution of value to workers, employers, and the public. This can be accomplished only through the high quality of the service which it, an organization, can prove its ability to render to society at large.

In its efforts to make a solid place for itself in the industrial world, one which can not be successfully attacked, organized labor must have the full and unreserved support of its members in its coöperation with industry. If union men are to be at a premium in industry, they must make themselves worth that premium; they must prove to the employer and the world that they are better workers, from the standpoint of quality and quantity of production, because of union affiliation. Otherwise organization of labor will be simply an instrument of coercion and will remain without appeal to the employer, a large percentage of the workers, and the public. Antagonism will continue to exist.

Unless organized labor will discard fallacies which beset its position, it must stand on wobbly legs or, perhaps, topple completely over.

CHAPTER V.

Do Open Shop Employers Hire Unionists? Will Open Shop Success Destroy Unions? Can Unions Be Made Constructive?

A familiar closed shop argument is that the "open shop" is really a "non-union" shop, in which union members will not be employed. Yet the *Seattle Union Record* of December 15th, 1920, prints a statement that the printing trades of Seattle are "open shop with ninety per cent union men."

The International Typographical Union in its 1920 convention voted 171 to 79 against a proposition to revoke the card of any member who obtains employment in an open shop. This is not the policy of most of the closed shop unions; but it indicates that unionists are employed in open shops. Otherwise, the question would not have been advanced.

The metal trades employers in New York City recently established the open shop; it is said that ninety per cent of the men now employed are union members.

Will Not Work with Non-Unionists

(From testimony of Mr. Anton Johannsen, general organizer of the United Brotherhood of Carpenters and Joiners, before the Industrial Relations Commission, at Stockton, August 25 1914. Page 4,800 of the record. This and the following quotation show that many open shop employers have no union workers because union rules forbid their members working by the side of independent workers.)

COMMISSIONER COMMONS: The issue, as I understood it to be stated a while ago, was in regard to this ultimatum in the last year. If you will notice it, they insisted that the agreements that have been proposed by the unions—that they should only be union men who were employed

MR. JOHANNSEN: Why, certainly. I can't speak for all the unions but so far as the building trades are concerned we refuse to work with non-union men. But he can hire all the non-union men he wants; but if he wants our services he will have to employ union men.

(From testimony of Mr. H. W. Dennett, former organizer for the International Typographical Union, before the Industrial Relations Commission, September 14, 1914. Page 5,780 of the record.)

CHAIRMAN WALSH: In speaking of arbitration, following what you said about arbitration, would you be willing to arbitrate the question of the closed shop; that is, whether you would have the closed shop or not

MR. DENNETT: I would not.

The American Federation of Labor in 1890 went on record (p. 42 of the convention proceedings) as declaring that it is inconsistent for union men to work with non-union men.

Organization of Office Workers

(Testimony of President C. H. Markham of the Illinois Central Railroad before the Industrial Relations Commission, April 7, 1915. Page 9,705 of the record. Reasons for opposing organization of certain employes.)

Before proceeding further with this statement, it may be as well to call attention to the fact that one of the unions involved in this matter included the clerks. It has never been the policy of the railroad company to recognize a labor union composed of clerks. These men sustain a more or less confidential relation to their employers. They manifestly stand a class by themselves. By reason of the nature of their duties they are much closer to the railroad officials than are the workmen in the shops or the employes on the trains. It must be admitted by every fairminded man that if these clerks join the unions and become associated with organized labor generally, their obligation to the interests of the company would thereby be seriously impaired. The opportunity which these clerks would necessarily have of knowing what goes on in the general offices of the company would lead to endless trouble and strife between the officers and the employes. Every trivial matter would be reported to the unions, and there would be no such thing as the company having any secrets whatever relating to competitive business, negotiations with labor unions, or the like, from its employes. It was therefore not considered advisable to recognize the right of the clerks to organize in this manner.

Our judgment in declining to recognize a union of the clerks was amply vindicated by the course of events after the strike. I will a little later show that at Memphis, New Orleans and elsewhere, the business of the company was greatly hindered by the action of the striking clerks in removing and concealing records, in removing cards from cars, and in exchanging cards on cars so that the utmost confusion resulted from their action. The mix up caused by changing the cards on the cars, led to shipments going astray, to great delay in the delivery of freight, to unnecessary out-of-line hauls, and to the payment of heavy claims based on the failure to deliver goods promptly, or, in some cases, to deliver perishable goods at all.

The Open Shop and Unions

It is frequently asserted that if open shop conditions generally prevailed labor organizations could not exist. If labor organizations can maintain their existence only because of the unfair closed shop, then something must be wrong with them. But as a matter of fact open shop conditions will not in any way lessen

the possibilities of good work by organizations based on right principles which are practiced in the right manner.

It is being claimed to-day, without the slightest attempt to substantiate such statements by facts, that employers are laying off men who are receiving high wages so that they can be re-employed at lower wages and under open shop conditions. Reports of the Federal Bureau of Labor Statistics and the New York Industrial Commission indicate that up to November 30, 1920, the wage reductions which had occured were not so great as the decline in food prices. What employer is going to lay off men and stop production when he does not have to? Every firm has to pay interest upon its investment, which includes the cost of the plant and machinery. The salaries of the officers and office force must be paid. Expenses such as lighting, heating and insurance must be paid. Taxes must be paid. If a plant is closed for a month, it simply means that expenses keep on running during the month; that it will have to operate just so much longer before any profit can be shown. Practically every manufacturing plant or mercantile establishment, which is operated by men of ability, is run on borrowed capital; practically all of them owe thousands of dollars to the banks. If they are idle their profits cease, and the banks, to protect themselves, naturally begin to squeeze and curtail their loans. No business will remain idle more than it absolutely has to. The slightest knowledge of economic laws makes this clear. Those who talk of a gigantic plot to close down industry and bring about open shop conditions certainly believe the public is gullible.

This is the view taken by the New York *Times* in a recent editorial.

"The unemployment of capital is the unemployment of labor. Nothing pleases the capitalist more than to put his dollars to work, and he cannot do that without paying wages. Nothing offends the economist more than the unemployment of capital, because the interest unearned to-day cannot be earned to-morrow. Charles M. Schwab is both a capitalist and a master workman. He worked his dollars hard, and is an easier taskmaster for others than for himself. His grievance against the tax laws which oppress all industry is not that they part him from his money, but that they make capital unproductive. 'Excessive taxes tend toward leveling, but it is leveling downward, because the supply of free capital arising from profits, instead of being turned back into industry, is turned into the coffers of the Government and there is mostly wasted.' Government makes no money, and pays no wages in productive industry.

"The taxes which the Government takes are diverted from the wage fund. When the taxes are put on the rich the poor do not have to pay

them, but they suffer from loss of wages which the taxes would produce if they were invested capital. If there is to be any surplus, there must be production; and when profits and production stop together the country suffers from loss of production, just as labor suffers from loss of wages.

"It is remarkable with what unthinking gayety labor strikes and sacrifices wages. It is even more remarkable in contrast with the gloom with which capital stops production. It is the difference between ignorance and knowledge, between theory and practice."

No Right to Dictate

(From pamphlet No. 2, February 15, 1920, of the Associated Industries of Tacoma.)

Organized labor leaders, on the other hand, have immediately shown a spirit of absolute antagonism to all efforts of the employer to bring about a better understanding. They say "the plunderbunds" of capital seek to destroy unionism, lower wages and living conditions and enslave the freeborn American workingman. The Associated Industries, they declare, is the medium through which labor is to be crushed.

These assertions are absolutely false. The Associated Industries does not seek to crush organized labor as such, but we do seek to nullify the autocratic power of dictation, the weapon used by the radical leaders of organized labor in gaining unreasonable demands which slowly but surely leads to the destruction of American industry. Through this same autocratic power the individual worker is denied the right to obtain employment, except at the pleasure of the union leader. Efficiency is destroyed, the slothful workman is protected and the skilled and efficient craftsman robbed of his true worth.

We believe in the right of men to organize for their own protection, but we do not believe in their right to dictate to other workmen, for whom, for what, and when, they shall work. Neither do we believe in an absolute power which shall dictate to the employer whom he shall employ and to what extent.

Theory Versus Facts

(From the *Industrial Relationist,* published by the Merchants and Manufacturers Association of Los Angeles.)

It is said every day that there is no brief against organized labor as such. What does that mean?

It means that the original theory of trade unionism is perfectly right, proper and perhaps even benevolent, but we are not facing the theory of Labor Unionism, we are facing facts, and the facts are that labor unions, as they operate to-day, under radical domination, are a menace to the integrity of this country.

Their demands are too frequently unjust and impossible to grant because they are economically unsound, or prohibitive, or confiscatory, or, as is often the case, they are all three of these things.

Too many labor leaders are unscrupulous or ill-advised men who

mislead and perform many acts which benefit themselves and their small radical clique most, and which are detrimental to the entire community, including particularly the members of their own unions.

Radical labor unionism established a dead line of inefficiency. It curtails production, it limits the ambitious, helps the inefficient and lazy, obstructs progress and accomplishes sheer mediocrity.

Radical labor unionism seeks to limit, and in many cases does limit, the freedom of American citizens. Any organization which says in effect, "Thou shalt not work without the permission of labor unions," or "Thou shalt employ no man without the permission of labor unions," is so fundamentally wrong that no well-informed person can subscribe to its doctrines, and least of all can labor ultimately afford to be hampered and limited in that way.

Radical labor unionism seeks to compel, to coerce and to force unwilling men to do its bidding by threats and acts which are relics of savagery, and which are a blot upon the escutcheon of any civilized country.

Radical labor unionism feeds the flames of class consciousness which is an un-American thing; it has sought minority and class control and has even sought to set itself above the government of the United States.

Labor unions have apparently been unwittingly used as a vehicle for destructive programs of many kinds.

These are some of the facts which were not part of the original theory of trade unions. It is true that there is a majority of conservative, wise and broad visioned men in organized labor who would like to see the original theories replace the present facts, but though greater in numbers, their counsel does not prevail, and until such sane counsel does prevail, it is greatly to be regretted that organized labor cannot be trusted.

Destruction Versus Repair

(From the testimony before the Industrial Relations Commission, May 17, 1915, of Mr. Walter Drew, Counsel for the National Erectors' Association.)

COMMISSIONER O'CONNELL: If you had to say, Mr. Drew, whether organized labor in its present capacity, with all the faults that you have alleged against it, with all its weaknesses and ramifications, would you have it wiped out of existence?

MR. DREW: Not at all, Mr. O'Connell; I think that would be a very foolish thing to do. You may plant a tree out in your back yard, and because of its location or the lack of proper training it may grow to be crooked. That does not mean that you have got to tear the tree up and throw it away.

COMMISSIONER O'CONNELL: I take it that the general thought you have given to bring your mind to its general criticism of organized labor that you must have given some thought as to what organized labor might be and how it should conduct itself and how it should be organized. I am sure this commission would and I would be intensely interested to have your opinion, because of the specialty you apparently have made of

one side of the question, as to whether you have given thought to the other side.

MR. DREW: Mr. O'Connell, I am a firm believer in the organization of workers, I am a firm believer in collective bargaining. I think that nothing more effective could be done in the direction of realizing both of those things than to get the union movement of to-day back to bedrock—a sound economic foundation; to think a little more of the plowshare and perhaps a little less of the sword. There isn't any fair argument against a laboring man using his power, even in militant methods, using your people when they are organized with all the discipline of soldiers in war. But the trouble with that is that you develop class consciousness, according to my mind, along the line of organization; you emphasize the strong arm of the organization so much that the man forgets his own duties and responsibilities and strength as a productive factor in industry.

Now, I have read through the different trade magazines of the country, including the *Federationist,* and I do not find a word from cover to cover advising the workingmen to increase their efficiency or capacity or to co-operate with the employer in securing as great an output as possible for the common result of his capital and their labor.

COMMISSIONER O'CONNELL: Probably the laborer believes there are now enough engaged in that work—

MR. DREW (interrupting): Well, I don't know; labor is the one great essential to production; and if the laborer limits production or takes a stand that limits production there is just that much less in the pot for him to fight for a share of.

COMMISSIONER O'CONNELL: I understand you to say, Mr. Drew, that you are a firm believer in organization, and with that in the right of bargaining?

MR. DREW: No sane, sensible person nowadays objects to those conceptions.

COMMISSIONER O'CONNELL: And you agree that we can not have collective bargaining without organization?

MR. DREW: Exactly; exactly. Therefore, I think it is a greater pity that the ability of organized labor to realize its proper functions as a party to collective agreements should be so handicapped by a lot of these things that they do.

COMMISSIONER O'CONNELL: Well, first, how are we going to have organization with the opposition of employers, who employ the workmen, against organization? How, then, can we have collective bargaining?

MR. DREW: Mr. O'Connell, if you will go through the great national industries of to-day that are upon the open shop basis, you will find that they were once upon a closed shop basis. Organized labor has collective agreements; had collective agreements with our people; they had collective agreements with the metal trades and founders. They developed the strength to secure them and to have them in actual operation. Why have they lost them? I think that is a very pertinent inquiry. Why are industries that were once closed shop to-day open shop?

COMMISSIONER O'CONNELL: I think the answer is that employers

have combined for the purpose of declaring for what they called the open shop.

MR. DREW: But why did they do that if the agreement with organized labor was desirable, was right, was good for the industry, brought about an increase of output, brought about peace in the trade? There were no questions of competition among these men, because the great mass of employers in these industries were parties to those agreements, so that each manufacturer was competing on the same basis with others. Why did they get together to throw off the control of the closed shop? I can tell you why they did it with the structural iron workers.

Over 50 Per Cent in Open Shops

(From testimony before the Industrial Relations Commission, June 26, 1914, of Mr. John Watt, business agent of the Pattern Makers' Association, Philadalphia, page 2,914, of the record. Mr. Watt shows that over half of the membership of his union are employed in open shops.)

MR. BUSIEK: How many pattern makers are there employed here in Philadelphia, approximately?

MR. WATT: Approximately 600.

MR. BUSIEK: And how strongly are you organized?

MR. WATT: About 70 per cent.

MR. BUSIEK: About 70 per cent?

MR. WATT: Yes.

MR. BUSIEK: Have you any closed shops in Philadelphia?

MR. WATT: Yes.

MR. BUSIEK: About how many men working in closed shops?

MR. WATT: Well, there are about 200.

MR. BUSIEK: About 200?

MR. WATT: Yes.

MR. BUSIEK: And your other men working in the other open shops?

MR. WATT: Yes, sir.

Constructive Organization

The possibility of labor organizations which will be beneficial both to the workers and the public are pointed out in the following:

An editorial in the *Weekly Review* of January 26, 1921, says:

"Union labor leaders constantly have as their objective the universal closed shop. They regard non-membership in a union, in any trade in which there is a union, as treason to the cause of labor. The attitude is quite intelligible. But there is no reason why intelligent persons, looking at the matter from the standpoint of the general public, should assent to the notion that the labor unions must be either everything or nothing. A union may be powerful without being omnipotent. If it succeeds in bringing into its organization a preponderating, or even a very large, body of

the workers in the trade, it can exercise powerful pressure upon employers in behalf of any reasonable—and, if circumstances favor it, even of very unreasonable—demands. Yet many persons see no distinction between opposition to the closed-shop principle and opposition to the whole system of labor organization. They do not stop to think either of the large possibilities of united action which union labor can avail itself of without proscription of non-union labor, or of the intolerable situation which would arise if such proscription were complete. In that situation, we should all be at the absolute mercy of the labor unions; they could at any moment enforce any demand they might think fit to make by the threat of paralysis of the whole activities of the community. It is the privilege of the members of a union to refuse to work alongside of anybody who is not a member of a union; and if the union is sufficiently strong, it may, by making use of this privilege, be able to compel any given employer to accept the closed shop principle. But likewise it is the privilege of any employer to refuse to accept that principle. Those employers who are doing so, and who, in doing so, are not resorting to measures that are in themselves oppressive or unlawful, are fighting a good fight for us all—a fight against the reduction of the country to a condition of subjection to arbitrary class-rule."

Efficiency What Is Needed

(From "Latter Day Problems," by J. Laurence Laughlin, Emeritus Professor of Economics, University of Chicago, published by Charles Scribner's Sons.)

In contrast with the existing policy, which can end only in discouragement and failure, permit me, wholly in the interest of the membership of the unions, to suggest another policy which will certainly end in higher wages and open a road to permanent progress for all working men. Instead of the principle of monopoly of competitors, I offer the principle of productivity or efficiency, as a basis on which the action of unions should be founded.

By productivity is meant the practical ability to add to the product turned out in any industry. The relative productivity of labor operates on its price just as does utility on the price of any staple article—improve the quality of it and you increase the demand for it. This general truth is nothing new. The purchaser of a horse will pay more for a good horse than for a poor one. A coat made of good material will sell for more than one made of poor material. Why? Because it yields more utility, or satisfaction, to the purchaser. In the same way, if the utility of the labor to the employer is increased, it will be more desired; that is, if the laborer yields more of that for which the employer hires labor, the employer will pay more for it, on purely commercial grounds.

Now it happens that where productivity is low, that is where men are generally unskilled—the supply is quite beyond the demand for that kind of labor. Productivity being given, supply regulates the price. Obviously, to escape from the thraldom of an over-supply of labor in any given class, or occupation, the laborer must improve his efficiency. That is another

way of saying that, if he trains himself and acquires skill, he moves up into a higher and less crowded class of labor. The effect on wages is two-fold; (1) he is now in a group where the supply is relatively less to demand than before; and (2) his utility as a laborer to the employer is greater, and acts to increase the demand for his services. Productivity, therefore, is the one sure method of escape from the depressing effects on wages of an oversupply of labor.

It is unnecessary to describe in detail the forms by which productivity shows itself in the concrete. If the laborer is a teamster, he can improve in sobriety, punctuality, knowledge of horses, skill in driving, improved methods of loading and unloading, avoidance of delays, and in scrupulous honesty. If, moreover, he studies his employer's business and consults his interest—instead of studying how to put him at a disadvantage, or instead of making work—he still further increases his productivity and value to his employer. In other occupations and in other grades of work the process is simple. In fact, it is the ordinary influence of skill on wages; and men have been acting on an understanding of time out of mind.

To this suggestion it may be objected that the workman who makes himself more efficient receives no more from an employer than the less efficient; that employers treat all alike and are unwilling to recognize skill. The fact is doubted; for it is incredible that intelligent managers should be for any length of time blind to their own self-interest. But if they are thus blind, and if they place an obstacle to the recognition of merit and skill, then we at once see how the unions can make legitimate use of their organized power of demanding higher wages for higher productivity. Such demands are sure to meet with success.

This method of raising wages based on forces bringing about a lessened supply and an increased demand, shows a difference as wide as the poles from the existing artificial method of "bucking" against an oversupply by an ineffective monopoly. To the laborer who wishes higher wages the advantage of the former over the latter is so evident and so great that further illustration or emphasis on this point would be out of place. In the economic history of the last fifty or sixty years in the United States and Great Britain it appears that money wages have risen by about fifty per cent for unskilled labor to over one hundred per cent for higher grades of work, while the hours of labor per day have been lowered considerably. Moreover, this gain in money wages has been accompanied by a fall in the prices of many articles consumed by the laboring class. This fortunate outcome has gone on simultaneously with a progress in invention and in the industrial arts never before equaled in the history of the world, and it is a progress which has enabled the same labor and capital to turn out a greater number of units of product. In fact, the enlargement of the output has been such that each unit could be sold at a lower price than ever before and yet the value of the total product of the industry has sufficed to pay the old return upon capital and also to pay absolutely higher money wages to the workmen for a less number of hours of labor in the day. Indeed, one is inclined to believe that the gain in wages by the working classes in recent years has been due far more to

this increased productivity of industry and much less to the demands of labor unions than has been generally supposed. The productivity method of raising wages has the advantage over the one in present use in that it gives a *quid pro quo,* and excites no antagonism on the part of the employer. A pressure by strikes to have productivity recognized must be successful, since an employer cannot afford the loss consequent on hiring an inefficient workman. The insistence, as at present, on a uniform minimum rate of wages by process of terrorism, and without regard to the supply of possible competitors, cannot for a moment be considered in comparison with the hopeful and successful method through improved productivity. The one is outside, the other within, the control of any individual initiative.

Why Not Require Efficiency and Character for Union Admission?

Keeping these things in mind, those of us who would like to see a definite and permanent progress of the laboring classes believe that here the unions have a great opportunity. They must drop their dogged attempts to enforce a policy against the oversupply of labor by a futile monopoly; it is as useless and hopeless as to try to sweep back the sea with a broom. On the other hand, should the unions demand as conditions of admission definite tests of efficiency and character, and work strenuously to raise the level of their productivity, they would become limited bodies, composed of men of high skill and efficiency. The difficulty of supply would be conquered. A monopoly would be created, but it would be a natural and not an artificial one. The distinction between union and non-union men would, then, be one between the skilled and the unskilled. The contest between union and non-union men would no longer be settled by force. Thus the sympathy of employers and the public would be transferred from the non-union, or the unfit, to the union, or the fit men. If space were sufficient, interesting cases could be cited here of unions which have already caught sight of the truth, and greatly improved their position thereby. This policy unmistakably opens the path of hope and progress for the future.

In contrast with the mistaken policy of the present, we may set down the different ways in which productivity would act upon the four evils enumerated at the end of the second part of our study:

1. The wrong to the non-union man would disappear. The rivalry of union and non-union men would no longer be the competition of equals, because the non-union, or inferior men would be out of the competition for given kinds of work. There is no wrong to a non-union man if he is excluded from work for inefficiency. The wrong of to-day is that the union often shields numbers of incapables.

2. Since the unionists would represent skill, and the non-unionists lack of skill, there would be no need of force to hold the position of natural monopoly. The perpetual defiance of the law in order to terrorize non-union men would have no reason for its existence; and the worst phase of unionism would disappear. Such a consummation alone would be worth infinite pains; but if it should come in connection with a policy which is morally certain to improve the condition of the workmen, not to reach out for it is little short of crime.

3. As another consequence of the new principle the unionist would find himself and his comrades steadily gaining a higher standard of living without resort to the artificial methods of politics. Legislation would not be needed to fight against the results of the oversupply of labor. Like ordinary businessmen, the unionists would find their affairs peacefully settled in the arena of industry by permanent forces, and not in the uncertain strife of legislatures and political conventions, in which they are likely to be outwitted by clever party leaders. And yet the workmen would retain in their organized unions the power to command justice from those employers who are unjust.

4. The new policy would insure community of interest between employer and employe. This objective is so important, it has been so outrageously ignored in countless labor struggles, that to attain it would almost be like the millennium; and yet, instead of being moonshine, it is simple common sense. If the laborers knew and acted upon the fact that skill and good-will were reasons why employers could pay better wages, the whole face of the present situation would be changed. If it were objected that the unfair and grasping employer would pocket the surplus due to the improved efficiency of the laborer, it must be remembered that the unions still retain their power of collective bargaining. But, of course, the unions must not believe that demands can be made for advances of an unlimited kind far beyond the services rendered to production of any one agent, such as labor.

The new proposals would also completely remove the disastrous tendency to make work. If men obtain payment in proportion to their productivity, the greater the product the higher would be the wages; for this has been the reading of economic history, no matter how individuals here and there protest. Hence the result would be lower expenses of production, a fall in the prices of staple goods, and a generally increased welfare among those classes whose satisfactions have been increased.

Not only would the consumer be benefited, but the increased productivity of industry would enable the home producer to sell his goods cheaper in foreign markets. As things are going now, the hindrances to production and making work by unions are the serious influences now threatening to contract our foreign trade. The new policy proposed to the unions would therefore aid the United States in keeping its present advantages in the field of international competition.

While it has been impossible to discuss fully all the points which may have arisen in the reader's mind, it must suffice to bring into bold contrast the present erroneous policy of the labor unions with the possible one of productivity. In a very true sense, the labor problem is a conflict between different grades of skill. Legitimate industrial success comes with the ability to use better than others the agencies of production. One reason why managerial power commands such high wages is that a highly capable leader in industry receives returns not merely for the use of capital, but because he sees and grasps an opportunity where other men see nothing. No matter where a man begins in life, if he has skill, insight, foresight, judgment, knowledge of men, and managerial force, he will gain at least—if not more than—in proportion to his productivity. There-

fore, if the unions wish to elevate their fellow-workers, instead of breaking the heads of non-union men, they should set a premium on industrial education. It ought to be as easy for a working man's child to become a skilled craftsman—a machinist, carpenter, mason or bricklayer—in our public school system as it is to acquire geography and algebra. By eradicating industrial incapacity and substituting skill therefor, we should be increasing the wages of all classes, developing wealth in all forms, and enlarging the well-being of the whole nation.

Organized But Not Unionized

(From an article entitled, "Organized But Not Unionized," in the "New Sky Line," published by the Little Rock, Arkansas, Board of Commerce, March 6, 1920.)

White Motor Trucks, Cleveland, O., are organized, but not unionized. No walking delegate from the outside comes in to interfere or to tell the men or the company what shall or shall not be done. The men have a representative organization, made up from small groups, each group having a representative. The representatives come direct from the workmen, and meet at stated times in regular assembly. All matters for consideration originate among the men, and are then discussed and passed upon by the assembly. Those things possessing merit are adopted and passed on to a higher body, composed of the heads of the departments, or foremen and the others are rejected. When favorable consideration is given to a matter by the higher body, it is then passed on to the executive heads of the business, where it is either approved or vetoed. Sometimes conferences are held between the executives and a committee from the representative body, and matters that cannot be approved are modified so as to meet approval. The history of this arrangement reveals very few instances where the veto power has been exercised. The men are invited to employ initiative, and to make suggestions for the improvement of working conditions and factory conditions. Under this plan the workmen find frequent opportunity to make suggestions that will increase factory output or lower factory costs, and add to the changes in the light of the company's ability to meet them out of the profits. The results of this arrangement have been highly satisfactory to the men and to the company. The men have been given increased pay on a basis of reason and right, and through this co-operative spirit the company has been able to meet the expectations of its men out of the profits accruing from increased efficiency and factory output. Rational organization has taken the place of the labor union in the White plant. The things considered by the men are things of common interest to the men and the company, and harmony characterizes the deliberations. There are no strikes, no labor troubles. A community of interest exists, and is respected. The men make more money by earning more money, and not by demanding it arbitrarily. The company is able to pay the men more money out of the increased profits of the business, made through the

initiative and increased efficiency of the men. This is the kind of labor organization that will get somewhere and accomplish something. In fact, it has accomplished much. It has no walking delegates, no paid representatives, no fines, suspensions or heavy dues. It has no outside interference, no labor disputes or disturbances, and but few grievances, most of which are individual, and adjudicated in a way to establish justice and promote harmony.

These Unions Did Not Die

"Street Railway Employment in the United States", a bulletin issued in April, 1917, by the United States Bureau of Labor Statistics, clearly demonstrates that unions may exist where the open shop prevails. Sixty-seven agreements between the Amalgamated Association of Street and Electric Railway Employes and the companies refer to "the matter of employes becoming members of the association," says the government bulletin on Page 308. "Membership is compulsory as a condition of employment under the terms of 30 agreements, while the other 37 contain optional clauses only." An examination of these 37 show that 29 are indisputably open shop agreements. The great majority of unions refuse to make any but closed shop ageements and insist that they must follow this course or perish; yet this government document absolutely proves the falsity of their claim.

CHAPTER VI.

Collective Bargaining

The general attitude of the majority of open shop employers towards collective bargaining is set forth in Chapter II.

At the 1919 convention of the National Association of Manufacturers the following report was presented by the Sub-Committee on Coöperative Representation. This report amply demonstrates that collective bargaining with one's own employes, without outside interference or influence, is not at all inconsistent with the open shop.

Coöperative Representation

Your Committee on Coöperative Representation, which may be defined to be a method or plan by which employes shall deal collectively, through representatives selected by them, with employers as to wages, conditions of work, etc., reports as follows:

Such a plan of representation in establishments where the number of employes is so great that individual contact by the employer with each employe is impracticable, would appear to be a valuable and necessary channel of communication between the employer and the employes, whereby they may be able to avoid misunderstandings, to determine in a reasonable manner upon modifications of wages or working conditions, and in general to establish such friendly relationships as will be beneficial to the interest of both the employer and the employes.

The various plans examined by your Committee differ only in minor details, and a typical coöperative representation plan may be outlined as follows:

1. Purposes

(a) To provide regular means of access by employes through the representatives to the employer and for consultations by the employer with employes through their representatives.

(b) To avoid interruption of production and to maintain maximum production,

(c) To give employes an opportunity to discuss conditions under which they work and the means of improvement.

(d) To further the common interest of the employes and the employer in all matters pertaining to work, organization and efficiency.

2. Methods of Adoption

The employes to be invited to coöperate with the management by electing from among their number by ballot representatives in whom they have confidence, and through whom they may deal with the management.

The number of representatives to be not less than two of each section, or one for each one hundred employes or more as may be determined. Elections to be held semi-annually, the representatives to hold office for one year, except that one-half of such representatives chosen at the first

election shall be retired by lot at the end of the first six months' period, and their successors then elected.

Any representative may be recalled upon the written request of two-thirds of the employes qualified to vote in his election. The office of a representative shall become vacant upon termination of his employment, or upon his appointment as department head, foreman or leading hand. Vacancies shall be filled by special election for unexpired terms.

No department head, foreman or leading hand shall be entitled to vote or be eligible for election as a representative.

There shall be no discrimination, either by employes or the employer, because of creed, society, fraternity or labor organization.

3. Qualifications of Representatives and Voters

Only an employe who is an American citizen (or who has taken out his first papers), who has been employed for six months and who is twenty-one years of age or over may be a representative. *All* employes who at the time of an election shall have been employed for three months or more, and who are eighteen years of age or over, shall be entitled to vote for Representatives.

4. Methods of Conducting Elections

Elections to be held within the works semi-annually at fixed dates, and upon notice which shall be posted at least three days in advance of the election.

Each employe to be given a ballot upon which to write or have written the names of his choice of his fellow employes for representatives in his section. The employes in each section to name one of their number to act as teller, with whom representative of the company shall act conjointly. The tellers shall have custody of the ballot box until the votes are counted and results announced.

5. Industrial Representative

The employer shall appoint an industrial representative to facilitate close relationship between the management and the employes' representatives. He shall respond promptly to any request from the representatives and may attend any meeting but shall have no vote.

6. Joint Committee

In a small plant committees may be appointed representing the entire membership; in larger plants subdivision may be made and committees appointed for each division. Each committee to consist of six persons, three of whom shall be appointed by the employes' representatives, and three by the management.

Committees shall meet regularly each month, and special meetings may be called when necessary.

The time spent by employes' representatives at regular or special meetings jointly by the members of the committees involved, shall be paid for by the employer at regular rates.

The committees may be as follows:

1. Committee on Routine, Procedure and Elections.
2. Committee on Adjustment of Wages and Working Conditions.

3. Committee on Safety.
4. Committee on Efficiency, Economy and Suggestions.
5. Committee on Health and Recreation.
6. Committee on Education.

Each committee to keep a record of its proceedings.

7. Procedure

Any matter requiring adjustment to be referred in the first instance by the employe affected, with one of the representatives of his section, to the foreman under whom the employe is engaged. If a decision is not promptly reached the matter to be referred to the section superintendent, and if he fails to make adjustment the matter is then referred to the joint committee involved. Unanimous decision of the joint committee shall be final. In case of failure to reach such decision, the questions involved to be put in writing and submitted to the management for action.

8. Amendment

Any course of procedure herein provided may be amended by unanimous vote of the Committee on Routine, Procedure and Elections.

The foregoing is intended only to be an outline of a plan embodying the principle of dealing with employes through representatives, details of elections, elected by them and modification would be made of number of representatives, details of elections, and number and duties of committees, etc., as in each case might seem desirable.

The Committee on Coöperative Representation Plans recommends to your Committee that report be made to the Board of Directors favoring such methods of dealing between employers and employes in large establishments, believing that such plans will bring employer and employe closer together, preventing misunderstandings with resulting irritation and loss, and be constructively of benefit to both employer and employe.

Open Shop Collective Bargaining

Is there any method by which Collective Bargaining can function under the open shop conditions?

We would call attention to the *Monthly Labor Review* of August, 1918, beginning on page 180, which describes a collective bargaining system which permits the employment of both union and non-union workers. Summarizing the experience of the factory in which the system is analyzed, Dr. Emmet, the author, says: "The three years operation of the plan has resulted in putting on a collective basis, the wage bargaining of the establishment, as well as hours of labor, discipline, discharges, and adjustment of grievances."

The National Industrial Conference Board, in October, 1919, issued a report entitled, "Works Councils in the United States." Of eighty-one establishments from which information was secured on the particular point, seventy-one reported that they maintained open shops. The report as a whole is an interesting analysis of systems of collective or mutual bargaining between the employes of an establishment and its management, which

do not provide for recognition of the trade union. That is, they do not grant the closed shop.

The Question of Size

(From testimony of Mr. James A. Emery, General Counsel of the National Association of Manufacturers, before the Industrial Relations Commission, April 8, 1914.)

MR. THOMPSON: From your study of this question of collective bargaining and from the experience you have gained in your position as counsel for the National Association of Manufacturers, do you believe that an individual can fare as well with reference to his wages, hour or labor, conditions of work, if he deals individually with the employer as he would if he should deal collectively with him?

MR. EMERY: Generally speaking, it depends upon the quality and character of the employer and his size. To illustrate what I say, I heard Mr. Gompers's very interesting illustration here, which he presented with characteristic extremity. It is true, what he said, as to the individual bargain with the United States Steel Corporation, but it is just like talking about a plumber over on F Street here having a little shop—a smaller employer, who employs two or three men—dealing with the plumbers' union. The small employer is at the same disadvantage in dealing with the union. I assume that if all the employers of men in this country were taken together it would be found that the average employer employs between five and ten men. I merely take those figures from estimates that I have heard made by many manufacturers, both large and small. While it seems quite true that the individual laborers would be at a decided disadvantage in dealing with a large manufacturer, it is equally true that the small employer is at a decided disadvantage in dealing with a large union, and while it is true that the individual wage earner may be both poor and somewhat weak, it is equally true that collectively he is rich and powerful which is illustrated by the influence exerted by many large labor organizations and by the very fortunate conditions of their treasuries; and it is equally true that there are many employers of labor who are as much enmeshed by the situation in which they made their contracts as any individual laborer could be. Mr. Bradstreet tells us that about five per cent of the men who engage in manufacturing industries succeed. The remainder fail. So that the roadway of the manufacturer is by no means of high success and certainty.

MR. THOMPSON: Mr. Emery, if it is true that the small employer is in the aggregate the large employer of the country, and if it also is true that the small is weak in dealing with the workingmen who are organized, then it would naturally follow, would it not, from the standpoint of the workingman at least for him to deal collectively with the employer would better his condition?

MR. EMERY: Yes; in many cases.

MR. THOMPSON: I mean as a general proposition?

MR. EMERY: Well, that is an abstract question that would have to

be divided probably into several considerations to admit of a positive answer, a categorical answer, at least.

MR. THOMPSON: Would you mind dividing it?

MR. EMERY: Certainly. I think there is a great number of workingmen in this country, and the higher you go in the scale of efficiency the more you find of them who dislike to surrender their earning power to an organization that makes its bargain for them. I think your inquiry is directed to this question, because the market for labor in skilled trades, is always undersupplied.

So far as I know, the demand for men highly skilled, men capable of filling the positions of foremen and superintendents—I am speaking of skilled labor—is never satisfied, and I know personally from many manufacturers that I have come into contact with that there is always a pressing need and demand expressed for the higher forms of skill, both the individual workmen and for those capable of being foremen and for leadership and for constructive purposes, for the increase of efficiency of the plant generally, because the intelligent employer realizes that that is the way to secure efficiency in competition, not only within the surroundings of our own nation, but over the face of the earth, and that it is the efficient nation who owns the markets of the world. So the desire of every employer is to cultivate by every means in his power the efficiency of his men, and I think he realizes as keenly as any element in our community possibly can the enormous opportunity that good feeling between employer and employe has in producing necessary condition of success.

MR. THOMPSON: Then, as I understand, if you were an employe of the ordinary and usual industries of this country, looking for a job and seeking to do the best for yourself that you could, you would be in doubt as to whether it was advisable, in order to accomplish that purpose, to join a union or to become organized or not?

MR. EMERY: It would not depend upon that consideration alone. Peace for myself and my family might induce me to do many things that my industrial progress would require.

MR. THOMPSON: But taking those conditions, without any other considerations, that would be your idea?

MR. EMERY: It would depend upon the trade I belong to.

MR. THOMPSON: I mean eliminating both the advantages and disadvantages that would come to you?

MR. EMERY: Yes.

MR. THOMPSON: Eliminate the necessity of joining a union in order to get a job.

MR. EMERY: Yes; and I think I would be supported in that opinion by many, many millions of my intelligent and practical citizens.

MR. THOMPSON: I take it that you mean a small percentage of the workers are organized?

MR. EMERY: The percentage of unorganized is much greater than organized and in view of the active missionary campaign of organized labor there must be excellent reasons for so many remaining unorganized.

MR. THOMPSON: That rather implies, I take it, that you consider

the people unorganized here seriously considered the question of organization and have the means of forming an organization, but, having that door open to them, have decided that on the whole it is best not to do so?

MR. EMERY: That is a conclusion I naturally form from the conditions which I observe all about me.

MR. THOMPSON: Then we are to understand, as I said before, that you have no opinion as to the merits or demerits of collective bargaining from the standpoint of the employe, no general opinion?

MR. EMERY: On the contrary, if I were looking at the matter from the standpoint of the employe, I see many advantages in collective bargaining, a great many indeed, and I should certainly be guilty at least of having suffered a miscarriage of interpretation if I permitted you to believe that I was personally opposed to collective bargaining or that my experience was against it or that I did not recognize it to be not only of importance, but a very essential feature of our modern life in many instances.

I would say that it is very difficult—collective bargaining, without referring to it with the approval or disapproval which I would give it—depends entirely upon the principles which underlie the proposal. If you say, for instance, the form of collective bargaining that is presented in what I regard the best statement ever made upon that subject, in the report of the Anthracite Coal Commission of 1902, I would say not only for myself, but the great body of manufacturers I personally have been in contact with, they accept practically almost unreservedly the opinions there expressed and would indorse the form of collective bargaining with the principles underlying it was so satisfactorily outlined in that space.

MR. THOMPSON: Could you briefly state in your own language what that form is and what are the commendable features of it which you indorse?

Award of the Anthracite Coal Strike Commission

MR. EMERY: The most important, to my mind, is that found under the ninth finding of the commission. You will, of course, recollect that both employers and employes were represented on this commission, unorganized employers, I believe, and organized employes, in person by E. E. Clark, now of the Interstate Commerce Commission. The most important principle there is stated thus:

"It is adjudged and awarded that no person shall be refused employment, or in any way discriminated against on account of membership or non-membership in any labor organization; that there shall be no discrimination against or interference with any employe who is not a member of any labor organization by members of such organization."

I regard that as the most important, and a most fundamentally important principle. Of course, there are no such questions arising here as to the restriction of product or restriction of apprentices; no issues of that character were presented.

On the other hand, I should hesitate very much, it seems to me, to engage in any collective bargaining in which this section was embraced

as part of it, part of the governing law that was to rule. I read from the constitution and by-laws of the Glass Bottle Blowers' Association. This agreement covers the 1913-14 blast:

"A member who encourages or assists in any manner, either directly or indirectly, any foreign glass blower to come to the country shall, upon conviction, be fined not less than one hundred dollars and to be suspended from work for one year."

"Clause 25. No foreign glass blower shall be admitted into the association during the blast of 1913-14. But the national president and executive board shall have power to admit such when deemed necessary, and initiation fee of five hundred dollars ($500) imposed."

COMMISSIONER O'CONNELL: What year is that?

MR. EMERY: 1913. The blast of 1913-14 is now in force. It would seem to me, since you have asked me as an employe, that I should somewhat hesitate to become a member of the typographical union if I were required to take this obligation, part of which reads as follows: "That my fidelity to the union and my duty to the members thereof shall be in no sense interfered with by any allegiance that I may now or may hereafter owe to any other organization, social, political or religious, secret or otherwise."

I am reading article 12, section 1. That complete clause is part of the common obligation given to members.

I simply speak of this to illustrate my answer to your inquiry as to whether I would be a member of this or that organization, and I would say that it depends entirely on the conditions attached to the membership, and to the prospect of employment. I would not be misunderstood for a minute in either questioning the necessity, propriety, and the enormous social and individual value of the organization of the workingman. What I discuss now, when you ask that question, is perhaps a criticism of features of it which seem to be intertwined with the movement among organizations, which seems to me subject for a proper criticism.

MR. THOMPSON: Let me see if I can state your position, as I get it at least, that where the making of a collective bargain with the employer automatically incorporated into that agreement detrimental conditions or clauses such as those you have named, naturally being in your opinion a bad agreement, you would not make it?

MR. EMERY: No.

MR. THOMPSON: But that if an agreement to be made between the parties had no detrimental features such as those you have named, or anything similar, you would then believe in collective bargaining?

MR. EMERY: When you say "detrimental," that may either be a question of principle or of policy. A question of policy, of course, can be readily corrected by change; a question of principle, of course—

MR. THOMPSON: I am trying to first get at the pure question as to whether, from the standpoint of the employer, or the standpoint of the employe, collective bargaining is a good proposition to go on.

MR. EMERY: Yes.

MR. THOMPSON: Then, we can eliminate from that such cases of col-

lective bargaining that we would not agree to. Do you believe in a general principle of collective bargaining between employer and employe?

MR. EMERY: Yes; I think it an excellent thing in many cases. I think the smaller the employer the more difficult position he is in, and the larger the employer the more difficult position the individual employe would be without it.

MR. THOMPSON: You have read from the glass blowers' constitution and by-laws. What has the introduction of a man in the glass blowers' trade, which has made that more or less an automatic proposition, had to do—or, change the form of the question. It is possible that the introduction of such a man had the effect of throwing or tending to throw a great many men out of employment in the glass blowers' trade?

MR. EMERY: Yes; I have heard that.

MR. THOMPSON: Men who have heretofore been recognized as highly skilled men and who have devoted their lives to learning their trade and becoming skilled at it; that therefore under such conditions it was necessary for the union men to protect the livelihood of themselves and their families by introducing just such clauses in the by-laws so as to take into consideration the introduction of such a machine to the world all at once would seem like restrictive conditions which were unbearable and unjust; if the introduction of those clauses was caused by the introduction of such a machine, would that mitigate your view of such clauses?

MR. EMERY: It would not mitigate the condition of a person who did not happen to be a member of the union, and was equally under the necessity of supporting his wife and children.

MR. THOMPSON: Do you know of any union in which the system of collective bargaining which you commend has been enforced?

MR. EMERY: You mean in which the right of non-members of the organization to belong is recognized?

MR THOMPSON: Yes.

Collective Bargaining But Open Shop

MR. EMERY: A great many. Brotherhoods are, of course, the most striking examples, and there are many others. For instance, the street railways of Boston have just entered into arrangements, or have just made a collective bargain with the Amalgamated Association of Street Railway Employes, which is a member of the American Federation of Labor. The first clause in that collective agreement provides practically for a principle that is here recognized in the Anthracite Coal Strike Commission, and, of course, when I read you from that, I brought to your attention by that fact an agreement entered into which covered all the coal miners whom Mr. Mitchell so ably represented here the other day.

That principle is still recognized, although I heard Mr. Mitchell say the other day that a man was expected automatically to become a member of the union. The Amalgamated Association of Street Railway Men has just made this arrangement with the Boston Elevated, and the first provision of the agreement recognized that condition. I have here a num-

ber of agreements with stationary engineers in which that arrangement was made, and I know the members of our own association, quite a few of them, who have collective bargains in which they decline to exclusively employ the members of the union with which they deal, but in other respects recognize them as to hours, wages, and working conditions, and deal with their representatives, and in all respects treat them as the agents or authorized representatives of the men, but not as the exclusive source for their labor supply.

MR. THOMPSON: In referring to the question of collective bargaining, I have not necessarily inferred that it must be with the union.

MR. EMERY: Sir?

MR. THOMPSON: In considering the question of collective bargaining, I have not implied that it must necessarily be with organized trade or craft, but rather, as a whole of the employes of the factory or employes generally in a line of industry; following that out, however, and your answer—

MR. EMERY: Your question, if you will pardon me, was, of course, whether or not I knew any organization maintaining collective bargaining of the type to which I have alluded.

MR. THOMPSON: Following out the last answer which you gave, or at least apropos of it, if you were a miner working in the anthracite coal region, would you be inclined to join the union because of benefits you might thereby derive—I do not mean to escape violence, but for the benefits you might derive, would you be apt to become a member of the union?

MR. EMERY: Yes; I might.

MR. THOMPSON: If you were a trainman, Mr. Emery, on some of the railroads where there are brotherhoods, the brotherhoods you spoke of, would you be inclined to join those organizations and deal collectively with the railroad company, or would you be inclined to remain an individual and deal individually?

MR. EMERY: It is very difficult to answer that question from my standpoint. I might and I might not, according to the circumstances. I would take complete personal responsibility for what I did. I could answer you very fully, in the terms of the Anthracite Coal Strike Commission if you would like to hear it. They answered that question very completely and I think very satisfactorily, and that report was signed by Mr. Clark.

MR. THOMPSON: I will be pleased to have it.

MR. EMERY: (reading):

"The union must not undertake to assume or to interfere with the management of the business of the employer. It should strive to make membership in it so valuable as to attract all who are eligible, but in its efforts to build itself up it must not lose sight of the fact that those who may think differently have certain rights guaranteed them by our free government. However irritating it may be to see a man enjoy benefits to the securing of which he refuses to contribute, either morally or physically or financially, the fact that he has a right to dispose of his personal services as he chooses can not be ignored. The non-union man

assumes the whole responsibility which results from being such, but his right and privilege of being a non-union man are sanctioned in law and morals. The rights and privileges of non-union men are as sacred to them as the rights and privileges of unionists. The contention that a majority of the employes in an industry, by voluntarily associating themselves in a union, acquire authority over those who do not associate themselves is untenable."

Of course, your inquiry is naturally predicated upon the assumption implied behind your question that I might find it valuable to join the union. I might and I might not. I should insist upon the recognition of my right to pursue my own happiness and to make my living for myself and family in either case as I saw best, and I regard that as a most fundamental principle in this whole controversy.

A Common Misconception of Employment Relations

(From an address of James A. Emery, General Counsel for the National Association of Manufacturers, before the Chicago Association of Commerce, February 2, 1921.)

But the common misconception of the conditions of the general employment relation in industry in the United States have prevailed rather than the true one. One of the common misconcepts at the bottom of the discussion, whenever you start it, is that you have before you the spectacle of a very large employer, on the one hand, who employs thousands of men, and, on the other, thousands of men who have no individual opportunity to meet with that employer or to know him except through the non-commissioned officers of his vast army.

Is that generally true of American industry? Why, gentlemen, let me tell you that the next census of the United States that shortly will be published will show in the neighborhood of 300,000 manufacturing establishments in the United States. They will show an average employment per establishment in the neighborhood of 25 persons, and they will show that 98 per cent of all those establishments and of the great volume of industrial production in the United States takes place in plants that employ two hundred and fifty persons or less, and that only one-fifth of one per cent of American industrial establishments employ more than one thousand people.

Shows It Is Not True

So it is not true that you have only great groups of employes operating under a single employer. You have in the great aggregate of production a condition in which it is not difficult for management that desires to do so to maintain individual relationships with its employes either directly or through trained conduits that translate its policy, if it has one.

Let us understand clearly that in the employment relation there is no denying that personal relationship betwen employer and employe is the most desirable relationship and that the ability to maintain it is one of the severest as it is the truest tests of management, and to-day to all his other competition the manager has added the necessity of competing with an

organized interest to demonstrate to his men that he can do more for them through intelligent direction and sympathy than an outside interest can.

In a world in which in places and times large groups of men are brought together under a common management there should be, if the parties desire it and the circumstances suggest that it is the best way of conducting their relation for the achievement of their task and service to the public interest, that they should collectively agree together, but I resent and I reject the attempt to assert that a collective bargain can only be made with one particular kind of a collective organization.

Rock That Broke Conference

The president's first industrial conference broke on that rock because the labor organizations undertook to define collective bargaining as dealing with a labor organization through its chosen representatives and the employers insisted that a collective agreement was one that was made by an individual or groups of individuals with other groups upon such conditions as they jointly determine to be agreeable.

Collective bargaining in its broadest sense can only be an agreement between an individual or groups of employers and a particular group or groups of working men. It may be a shop council, it may be a works council, it may be any kind of an agreement within the plant that brings men together in groups, but it cannot mean and it cannot be construed to mean under institutions like ours nor under industrial conditions such as exist in America, an exclusive dealing with one kind of an organization. It was reported back by the chairman of the public group in the employers' conference at that time that the leading representatives of the labor organizations insisted upon their definition because they insisted that this conference must go out to the United States with a declaration that there was no kind of collective bargaining recognized except dealing with a labor organization.

Should Wages Be Based on Time or Production?

(From Pamphlet No. 3, March 1, 1920, of the Associated Industries of Tacoma. This, and the following statement, voice the views of representative employers' organizations.)

Collective bargaining in the sense applied and so loudly demanded by the leaders of organized labor, is an ill defined term, according to A. L. DeLeeuw, of the American Society of Mechanical Engineers, who points out that there is at present no equitable way of determining wages, and as a result that there is no possibility of collective bargaining.

Wages at the present time are paid for time given, whereas they should be paid for work produced. Employers alone cannot correct this condition, but employers and labor together, assisted by qualified engineers, might go far in adjusting this unsatisfactory condition of wage payment, he maintains.

Thus, far, he continues, collective bargaining has been collective, it must be admitted, but it has not been bargaining. In collective bargaining it is supposed that some or all of the employes have delegated the

right to bargain for them to some attorney or business agent. In practically all cases this business agent is their union, and this union, according to the term used, is supposed to bargain with the employer. As a matter of fact, however, there is no bargaining and under the present conditions there can be no bargaining. The issue has been brought to a conclusion by strikes or threats of strikes which is no more a method of bargaining than when a man points a gun at his debtor to collect a bill. The fact that the bill may be due to him, and even overdue, does not make this a method of bargaining.

Furthermore, is such "collective bargaining" bargaining by all the employes, or is it bargaining for a group or a part of a group? If it is bargaining by a union acting for a group should the representative, the business agent, show credentials before the bargaining starts? Such a course of action might reveal the weakness of the union, but would probably be for the best interests of the third party, the general public.

Dealing Through Third Parties

("Collective Bargaining" as explained in *The Open Shop,* published by the Business Men's Association of Omaha, March 1, 1920.)

What is meant by "collective bargaining?"

Many people believe that it means bargaining between an employer and his employes, as a group, as distinguished from that dealing in which he would meet each particular individual on an individual basis. That was the definition which many people had in mind when they read that employers in the president's first industrial conference were accused by labor unions of refusing to concede "collective bargaining." On that basis many thought the employer wrong.

But, however willing union labor leaders may be to let the public think that this is what it means by "collective bargaining" it insists upon a very different meaning of the phrase when it comes to deal with employers. The real definition of "collective bargaining," as union labor leaders seek to practice it is stated succinctly by W. Jett Lauck, counsel for the Amalgamated Association of Street and Electric Railway Employes, who says:

"The time has passed when collective bargaining can or should be interpreted in any other way than as to mean the recognition of trade unions or labor organizations. As urged by employes, it means union recognition. This does not necessarily mean the adoption of the 'closed shop,' but does mean that the street railway managements shall conduct all negotiations as to wages, working conditions and relations with a recognized labor organization."

And "a recognized labor organization" means a labor union affiliated with the American Federation of Labor.

This is the UNION definition of "collective bargaining." It does not mean collective bargaining by all the employes of a shop or a single employer. It does not mean direct dealing between employer and workmen "in the family." It means dealing through a third party—

the union, the union business agent or imported international officer from Chicago or Indianapolis or New York, who makes his living by managing strikes and adjusting disputes (the more strike the more management to be done; the more disputes the more adjustment to be undertaken.)"

Mr. Lauck insists that this UNION bargaining does not "necessarily" mean a "closed shop." But, if "all negotiations as to wages, working conditions and relations" must be through dealing with the union business agent, what voice has the non-union employe? Experience shows that when the union once becomes the ONLY medium through which employer and employe can talk to each other, the "closed shop" follows with certainty.

The Truth About the President's Conference

(From an article, "The Menace of the Closed Shop," by Judge Elbert H. Gary, Chairman of the United States Steel Corporation, published in *American Industries,* January, 1920. This is an answer to claims that employers at the conference called by President Wilson refused to accept "collective bargaining.")

Without discussing for the present the merit or demerit of labor unions it may be observed that union labor leaders openly state that they seek to unionize, or, as they say, "organize" the whole industry of this country. Those who do not contract or deal with unions although they do not combat them, insist upon absolute freedom to both employer and employe in regard to employment and the management of the shops. The non-union employers and employes both stand for the open shop. The unions argue for the closed shop or as the leaders now insist, "the right of collective bargaining through labor union leaders."

Every proposition contended for by the labor unions at the National Industrial Conference at Washington led to the domination of the shops and of the men by the union labor leaders. Every position taken by the other side centered on the open shop. This is the great question confronting the American people and, in fact, the world public. From 80 per cent to 90 per cent or more of labor in this country is non-union. It is for them and the employers generally and the large class of men and women who are not, strictly speaking, employers or wage earners, to determine whether or not it is best for the whole community to have industry totally organized. Judging by experience, we believe it is for the best interest of the employer and employe and the general public to have a business conducted on the basis of what we term the "open shop," thus permitting any man to engage in any line of employment, or any employer to secure the services of any workman on terms agreed upon between the two, whether the workman is or is not connected with a labor union. The people at large will finally decide this question, and the decision will be right.

I think the fundamental question submitted to the conference for recommendation to industries was the open shop; that question apparently could not be decided by majority vote for the reason that the conference

was organized into three groups called Labor, Employers and Public. No affirmative action under the constitution or adopted rules could be taken except by the unanimous vote of the three groups, each of which voted by a majority of all its members. It was necessary to have such a condition as otherwise there could be no conference in which there would be an agreement between capital and labor, so-called.

The union labor advocates stand for collective bargaining through the unions. The others favor collective bargaining through representatives selected by the employes themselves from their own numbers.

All through the conference whenever the question of collective bargaining was discussed, it was apparent that the union labor leaders would not support any resolution in favor of collective bargaining except on the basis that collective bargaining meant bargaining through union labor unions.

The unions claim that collective bargaining through different forms of shop organization made up of the employes tends to limit the extension of unions by increasing their numbers. The non-union employes and their employers insist that collective bargaining through labor union means that employes are forced to join the unions, as otherwise they could not be represented. So it is perfectly clear that the whole argument returns to the main proposition of open or closed shop.

In the conference there was no objection offered by any one to a form of collective bargaining as between employes and employers; provided both were free from outside representation and direction.

The labor group, so-called, was made up of union labor leaders, leaving unorganized labor without special representation. The same mistake seems to have been made by a large portion of the public which was made throughout the war, namely that organized labor really represents the workmen or wage earners, notwithstanding, as a matter of fact, at least 85 per cent are non-union—not members of any union organization. The employers' group, in which were men first-class in every respect, included men connected with large and important lines of industry, and also included several others, some of whom at least should have been with the labor group. In selecting the public group there were overlooked thousands of vocations, professions, artisans, and other lines of industry, all of which are more or less affected by the cost of production, the expense of living, and, therefore, the control and conditions of both labor and capital.

However, it would seem there were many objects which might appropriately have been considered by the conference and conclusions for recommendations arrived at by unanimous consent which would be advantageous to the public good; and, therefore, to all mankind, such conditions, women's work, child labor, recreation, medical and surgical treatment, pensions, relief in times of stress, and other educational facilities. With the right disposition and intelligence the public group, sole survivor of the conference, can agree upon recommendation to the industrial world which should be of substantial benefit. All of us are in favor of these principles and of any others that may be suggested which we believe will be of real benefit to the wage earners and to the general public.

(From testimony of Mr. H. W. Dennett, former organizer for the International Typographical Union, before the Industrial Relations Commission, September 14, 1914. Page 5,780 of the record. Mr. Dennett bears out Judge Gary's argument, that the collective bargaining the unions now demand means the closed shop.)

CHAIRMAN WALSH: In speaking of arbitration, following what you said about arbitration, would you be willing to arbitrate the question of the closed shop; that is, whether you would have the closed shop or not?

MR. DENNETT: I would not.

Collective Dealing in the Plant

(From testimony before the Industrial Relations Commission, April 8, 1914, of Mr. Earl Dean Howard, Professor of Economics at Northwestern University, and manager of the labor department, Hart, Schaffner and Marx, Chicago. Pages 571 and 573 of the record. Professor Howard shows the possibility of collective bargaining by a plant's workers.)

MR. THOMPSON: Prof. Howard, I understand you have prepared certain information in regard to the working out of the trade agreement at Hart, Schaffner's & Marx's. I will ask you if you have that in shape to present to the commission in written form, in order that we may save the time of going into it. I will direct your attention to the question of collective bargaining, conciliation, and arbitration as it works out there, and your opinion in regard thereto. First, I will ask, from your experience do you believe that collective bargaining is the proper way of dealing between a firm and its employes, and why?

MR. HOWARD: I undoubtedly believe it is. I believe it is the only possible foundation for an experiment such as we have had. That does not necessarily mean, however, that the employes must be represented by a national union or any kind of a union. We have been particularly fortunate in having our own employes in a rather autonomous organization, very little influenced by outside organizations. I think there has been quite a factor in progressing in the experiment, because they were rather free to adopt policies with those of the board of arbitration. But it is necessary in any experiment of this kind where the employes must be represented or at least their opinions must be known and given expression to, that they have their representatives and they be able to choose in some way, so that they will be properly representative. That implies, I think, some organization, and, of course, the dealing with the employes directly in any form whatsoever implies collective bargaining, especially with reference to wages.

MR. BARNETT: You stated at the beginning of your testimony that the organization of the employes in Hart, Schaffner & Marx was autonomous—these employes organized in local unions of the United Garment Workers.

MR. HOWARD: Yes.

MR. BARNETT: Are these local unions practically composed exclusively of employes of Hart, Schaffner & Marx, or are there other employes of other firms included in their membership?

MR. HOWARD: Not exclusively. Simply because there is not enough people employed by other firms to organize a local they take them in, but they have very little, because there is a little problem now developing on that account; but the principle to decide, after all, is so small that it does not make much difference, and I think that it will gradually work out that the unions will consist only of Hart, Schaffner & Marx employes. I hope to see it that way. Of course, I cannot determine their policy.

"Recognition of the Union"

(From Open Shop Bulletin No. 4. Should employers "recognize the unions"?)

It has been declared that employers should negotiate with the unions; "recognition of the unions should be given."

Authors of such statements should know that with a very few exceptions all labor unions at present insist that every agreement made must contain a provision for the closed shop; they must know that it is against union principles to arbitrate the question of the closed shop.

Unionists themselves admit that "recognition of the unions" is equivalent to the closed shop. Thus, Helen Marot, formerly executive secretary of the Women's Trade Union League of New York, in her book "American Labor Unions," says on page 120: "A union shop, called outside of union circles a 'closed shop,' that is, a shop where the owner has agreed to employ only members of a union, and union recognition, or the agreement by the employer to deal with representatives of the union, instead of with his employes individually as to this or that condition of employment, are both demands that follow logically the program of the American Federation." The two—recognition and closed shop—are coupled together.

Dr. Frank T. Stockton in his book, "The Closed Shop in American Trade Unions" (page 126, italics ours) says:

"The method ordinarily employed of unionizing a shop is to bring into membership as many of the men as possible, and then to *demand* of the employer that he *recognize the union* and agree thereafter to *employ only union members.*"

Do we want "recognition of unions" which compels the manufacturer to "employ only union members?"

"Recognition" Means "Closing"

(From "The Closed Shop *vs.* The Open Shop," a monograph by Ernest F. Lloyd, published July, 1920, by the National Industrial Conference Board. "Recognition" means "Closing.")

The power universally recognized as residing in monopoly and the condition of irresponsibility which we have seen pertains in labor organizations, combine to cause a constant effort by union leaders to "close" the shops under their influence. The extent to which this effort is successful is the extent to which the union is "recognized," and measures the degree to which an extra-legal or irresponsible power is introduced into the management of the shop. We are not here concerned with the desirability or undesirability of any practice or conduct which may be sought or agreed upon, but only with the fact of its irresponsible source. Then open shop does not therefore preclude the making of arrangements with its workers as a group. Nor does it preclude conference with union representatives nor the putting into effect of the results of such conferences. But it does distinctly maintain the right to employ any person regardless of his personal affiliations, and that any understanding or agreement shall apply equally to all its workers affected. And commonly it will not permit union propaganda in working hours.

Are Employers Just in Refusing Recognition?

(From "Labor in Politics," by Charles Norman Fay. Pages 152-154. Mr. Fay here answers the claim that employers who refuse to "recognize the unions" are being unjust to the workers.)

While discussing Organized Labor's catch phrases, it would be well to clarify our ideas a little on the meaning of two of them, which are generally misunderstood by thousands of men and women of heart and conscience, especially by the clergy, to wit: "Recognition of the Union," and the "Closed Shop." The union leaders sometimes call the latter the "Free Shop"—free of non-union labor, that is.

An association of clergymen, the Inter-Church Industrial Conference (the name may be incorrect), whose secretary is a Dr. Poling, has just formulated a report on industrial relations and remedies that suggests at first the utterance of an official of an imaginary clergyman's union affiliated with the Federation of Labor. Its perfectly innocent acceptance of the slogans and economics of trades-unionism, of the villainy and greed of capital, and the righteousness of Organized Labor, saddens a man who, like myself, is a descendent of a long line of clergymen, and a sincere believer in them, their lives and their work. The Parable of the Unjust Steward says truly enough that "the children of this world are in their generation wiser than the children of light." Fortunately for the latter and for all of us, they can and do depend upon the conscience and the constant material support of the very men whom they so fluently condemn, for the safe existence of their churches and their noble charities. But they certainly do not comprehend the practical game played by "Labor."

"Recognition of the Union" means to many good Christians something like good manners, or human courtesy, to workingmen; and refusal to

"recognize" is stigmatized as autocratic hauteur, as contemptuous disregard of the "aspirations of labor." It is nothing of the kind. "Recognition of organized labor" and the "closed shop" are identical, and mean that the employer enters regularly into contract with the unions through their officials, usually in writing, which binds the former to employ labor only through the latter, and to close the shop to the non-union man. No matter how badly a non-union man needs work, or how good a workman he is, or how much the employer wants to hire him, he can get employment in that shop only by first joining the local union of his craft, signing its constitution, submitting to the authority of its officers, and most important of all, paying the initiation fee and dues involved. Then only a union card is issued to him, and he can get a job in a closed shop.

Many thousands of laboring men prefer their independence and refuse to be held up for union dues. Many hundreds of employers, though the majority are indifferent, refuse to contract for the closed shop; some as a mere matter of business policy, but many more, in my observation, because they refuse to betray the constitutional right of every man, employer or laborer to hire or work without the dictation of any other man or group of men. One of the largest employers in Boston lately said to me that he would lose every dollar he had invested, and if necessary would die for the "open shop," as a true American. He employs thousands of men without regard to union or non-union membership. My own feeling was just the same when I was an employer, that I would never be party to taking advantage of the necessity of a workingman, to compel him to pay tribute to a union, in order to qualify for employment in my shop. I have shown elsewhere how in the course of a strike in my own factory we discovered a strong preference among workers in Chicago for the strictly non-union shop. The sentiment for liberty prevailed.

Nevertheless, if it is after all a matter of business interest to close his shop to non-union labor, or to union labor or to maintain an open shop to both, he has an absolute right to do so, and to put sentiment aside. I cannot believe, however, that any intelligent and conscientious clergyman, who ought by virtue of his profession to put sentiment ahead of business considerations, would, if he understood the matter, favor forcing the free workman against his will to wear the collar or pay the tribute decreed for him by the local union. Our courts of highest resort have uniformly restrained the attempt to monopolize labor by virtue of "collective bargaining" and the "closed shop," as an invasion of constitutional right. I am glad to accept Judge Gary's maintenance of the open shop in the great steel industry, as dictated by love of American freedom as well as sound business judgment. I would urge the pulpit not ignorantly to condemn the law and the bench, but to study with open mind as well as open heart the intent and the result of bringing all industry within the grasp of a labor autocracy, the dream of Organized Labor.

(Testimony before the Industrial Relations Commission, April 7, 1914, of Mr. Joseph F. Valentine, president of the Inter-

national Moulders' Union. Do the closed shop unions make "requests" or "demands"?)

COMMISSIONER WEINSTOCK: Mr. Briggs also made the further statement that the unions do not come to the employer in a conciliatory spirit, but they come demanding limitations of apprentices, non-introduction of machinery, closed shop, etc. Will you be good enough to make answer to that?

MR. VALENTINE: We may have made demands upon the foundrymen for increases of wages and other things. Some people call them demands, and some of them call them requests. I think Mr. Briggs is right when he used the word "demand," because that is what it means.

Bargain or Dictate?

(From testimony of Mr. Grant Fee, President of the San Francisco Building Trades Employers Association, before the Industrial Relations Commission, September 1, 1914. Mr. Fee argues that collective bargaining as the closed shoppers wish it is collective dictation.)

There is no collective bargaining in this city, as I understand the term. The system in vogue in this city is: The unions pass a so-called law raising the scale of wages or changing the working conditions; that is referred to the building trades council for their approval; if approved by the building trades council, it is put in force; sometimes notice is given and again no notice is given in spite of the fact that the building trades council say that one of their laws is that a ninety-days' notice must be given before a change in wage or working conditions is put into effect. The employer has no voice whatever in making the above-stated rules; the employer's part consists entirely in making what resistance he can; this resistance has met with no degree of success, excepting cases of housesmiths' trouble in the matter of eight-hour day in structural shops. Collective bargaining, as I understand the term, presumes discussion and consultation by the parties concerned before agreements are made. Here there is no such discussion. The so-called agreement is the ultimatium of one party which the other party has no choice but to accept.

Individual Bargaining

(From testimony of Mr. Alba B. Johnson, President of the Baldwin Locomotive Works, before the Industrial Relations Commission, June 24, 1914. Pages 2,833 and 2,834 of the record. Mr. Johnson may be said to express the views of some employers who oppose collective bargaining. His opposition is based upon the restrictive practice of the closed shop unions.)

ACTING CHAIRMAN WEINSTOCK: Well, if I were to make application at your works then, you would make the bargain with me individually?

MR. JOHNSON: Yes, sir; individually.

ACTING CHAIRMAN WEINSTOCK: And you would pay me what you think I am worth.

MR. JOHNSON: Yes, sir.

ACTING CHAIRMAN WEINSTOCK: So that would be an individual bargain. Now, I take it from your testimony that you think you can get the best results from individual bargaining?

MR. JOHNSON: Yes, sir.

ACTING CHAIRMAN WEINSTOCK: Rather than from collective bargaining?

MR. JOHNSON: Yes, sir.

ACTING CHAIRMAN WEINSTOCK: That is, you say that you think it is the wisest course so far as your industry is concerned, not to recognize or to deal with organized labor?

MR. JOHNSON: That is a fact.

ACTING CHAIRMAN WEINSTOCK: Doubtless you have reached that conclusion as the result of careful thought and consideration and the commission would be very glad to know, Mr. Johnson, what were the reasons that have led you to reach the conclusion that it was not wise for you to do collective bargaining and to recognize organized labor and to deal with organized labor.

MR. JOHNSON: We believe that organized labor levels downward. We believe that it deprives the earnest, ambitious boy of a chance to rise out of his position.

ACTING CHAIRMAN WEINSTOCK: In other words, you think it makes for the dead level?

MR. JOHNSON: I think it makes for the dead level and we think that it destroys ambition and initiative.

ACTING CHAIRMAN WEINSTOCK: For that reason primarily, and perhaps there are other reasons that you may want to suggest.

MR. JOHNSON: We believe that it is impossible in a unionized shop, in a shop having organized labor, to reach the efficiency which is possible under non-union labor; that is, where the employer is free to deal with each employe—individual bargaining.

ACTING CHAIRMAN WEINSTOCK: And so you operate what I presume is generally called an open shop?

MR. JOHNSON: Yes, sir.

ACTING CHAIRMAN WEINSTOCK: Now, if I should come to your works wearing a union button, how would that affect my chances of getting a job if I was fit otherwise?

MR. JOHNSON: It would not affect it at all.

ACTING CHAIRMAN WEINSTOCK: It would not?

MR. JOHNSON: No, sir.

ACTING CHAIRMAN WEINSTOCK: You don't discriminate because I happen to be a union man?

MR. JOHNSON: No; but after you were employed we then found you were inefficient, you would not stay.

ACTING CHAIRMAN WEINSTOCK: But so far as you know, Mr. Johnson, the question of unionism is not an issue in the matter of employment?

MR. JOHNSON: The question of unionism is not an issue.

ACTING CHAIRMAN WEINSTOCK: You employ men on their merits regardless of whether or not they are unionists?

MR. JOHNSON: Yes, sir.

CHAPTER VII.

Irresponsibility of Unions

One of the objections employers have to the closed shop is that it asks them to make agreements with organizations which are not financially responsible for the aggreements they sign.

The union is in the great majority of states in no way financially responsible, as an organization, for damages it may cause in any controversy. It may have hundreds of thousands of dollars in the union treasury, but these funds may not be seized to pay for damages caused by the acts of the union. Their official acts carry no official financial risk. The employer who can be sued in the courts, and who is financially responsible is asked to make a binding agreement with an organization which cannot be sued and which is not financially responsible.

This absence of all financial responsibility means that there is no way by which contracts with the unions may be enforced. If labor unions demand the right to bargain collectively and to make contracts with employers, they should be held to the observance of their contracts just as strictly as any business man. The very absence of power to enforce the contracts means that the unions will not be so scrupulous about keeping them. This, of course is not true of all unions and all union members, but during the past few years union leaders who wished to abide by the contracts have been termed "old fogies" and their advice has been disregarded. Witness the longshoremen and printing strikes in New York City. Likewise the "outlaw" railroad strike which paralyzed transportation for a considerable period. It is estimated that 173,000,000 bushels of grain were held on the farms and in country and terminal elevators in the Northwest, unable to be shipped to market because of the railroad tie-up. The farmer was unable to ship millions of dollars of livestock. These things help explain why the National Grange now endorses the Open Shop.

Although the Executive Board of the Iron Workers' Union used the funds of that union to carry on a campaign of dynamite, none of the injured contractors could recover damages from the union treasury.

Just one instance more. The United Mine Workers of America attempted to unionize the coal mines of Arkansas. As a result damages which their own papers estimated at from

$200,000 to $500,000 were caused. The United Mine Workers was sued in the courts; practically its sole defense was that since it is unincorporated it is beyond the reach of the law. This case, known as the Coronado case, is now pending for final decision before the United States Supreme Court; it is claimed its vast funds cannot be made to pay for the damages caused, solely because the Union has not chosen to incorporate.

No Restraints Imposed on Labor Combinations

Mr. James A. Emery, counsel for the National Association of Manufacturers, addressed the Brooklyn Municipal Club November 23, 1920. After describing the Federal and state laws designed to control and regulate the activities of corporations, Mr. Emery said:

"No such regulation, however, exists for the combinations of laborers in unions. These combinations have amassed great wealth, great power and great influence. An interesting problem is whether, with their possibilities for good and evil, they will also yield to some form of regulation against misuse and the public interest. The fact is that the closed shop principle among organized laborers, surrenders to nothing—to no extremity of national condition, to no emergency of industrial necessity. It breeds an antagonism to everything opposed to its philosophy. It is against judicial decisions when they do not conform to it; it comes in inevitable conflict with the law, to which it refuses to bow."

Contracts Violated

The Philadelphia Board of Trade on November 15, 1920, unanimously adopted the report of its Open Shop Committee which among other things, said:

"The courts have emphasized as fact the assertion that unionized labor has thoroughly discredited its standing in the community by repeated violations of its contracts."

The Clothing Manufacturers' Association of Boston, voted on December 6, 1920, to abrogate all contracts with the Amalgamated Clothing Workers of America. The Employers Association of Eastern Massachusetts, reviewing the announcement, says:

"The union has broken agreements at any time it suited their fancy, their business agents have been unscrupulous, untrustworthy and have encouraged deliberate restrictions of output amounting at times to 50 per cent, which has caused the manufacturer serious loss, although the basic agreement prohibits all such actions."

Unions Admit Evil

We will first show that labor leaders have admitted that if contracts are not kept employers are justified in refusing to deal with the organizations at fault.

Then we will show that unions actually are not responsible financially for their agreements and that in many cases they do violate their signed agreements.

It is not to be understood that we claim all unions are contract-breakers. Nor do *all* unions restrict apprenticeship or limit production. But these practices are so common and seem to be so intensified by the adoption of the closed shop that we cannot but connect them as parts of the closed shop system.

Wise Men Profit by Experience

(Testimony of Mr. John R. Lawson, member of the international executive board of the United Mine Workers of America, before the Industrial Relations Commission, February 3, 1915.)

COMMISSIONER WEINSTOCK: Let us get it straight. If you were an employer and knew that the I. W. W.'s were contract breakers, that they did not make any secret of it, but shouted it from the housetops and stated it frankly and candidly and openly, would you enter into a contract with them?

MR. LAWSON: I think like this, about any organization, just the same as I feel about the operators, if their word is not good I am chary about accepting their word after they break it once, I agree to that.

COMMISSIONER WEINSTOCK: A very wise rule, Mr. Lawson. Now, just as I, for example, from my knowledge, look upon the I. W. W.'s, it is very evident that the operators of Colorado looked upon the United Mine Workers of America—

MR. LAWSON (interrupting): Well—

COMMISSIONER WEINSTOCK (interrupting): Pardon me. As evidence that in their opinion that the United Mine Workers of America were either unwilling or unable to keep their contracts, they submitted to this commission the experience of Pennsylvania mine owners, who claimed that in a hundred cases the workers had deliberately broken their contracts and gone out on strike against their agreement.

Mr. Lawson, will you tell what you know about a journal called the United Mine Workers' *Journal?*

MR. LAWSON: That is the official organ of the United Mine Workers of America.

COMMISSIONER WEINSTOCK: You remember that when you were on the witness stand the other day, Mr. Lawson, I read to you out of the records of the hearings a document that had been placed in evidence by the mine owners of Colorado which contained a set of resolutions adopted by the miners of Pennsylvania?

MR. LAWSON: Yes, sir.

COMMISSIONER WEINSTOCK: And you will recall that those resolutions adopted by the mine owners charged the United Mine Workers of America in Pennsylvania as having broken their contract, and that there had been a hundred strikes in violation of their contracts?

MR. LAWSON: Yes that was the charge as I recollect.

COMMISSIONER WEINSTOCK: I have here a communication sent to the United Mine Workers' *Journal* by Mr. W. O. Smith, who from all I can learn is ex-president or ex-chairman of the executive committee of the Kentucky district of the United Mine Workers of America.

Union Head Admits Contract Violation

Now, Mr. Smith, in sending his communication to the United Mine Workers of America *Journal* has this to to say in the matter of contract breaking. He says among other things (reading):

"For many years the United Mine Workers of America has preached and practiced the doctrine of inviolability of contracts, and by doing so has won the respect and confidence of the general public—a mighty influence, affecting all industrial disputes and conflicts. But for the past two or three years this respect and confidence has been waning, not because the officials have failed to do their duty, but because of the indifference of the conservative members of our unions and the activity of the later radical element, which is responsible for the greatest menace that has ever threatened the United Mine Workers of America—the local strike. During the past two or three years the international, as well as the district and sub-district officials have been confronted with many complexing problems some of which seem to threaten the very life of the organization; but I believe I am safe in saying that no problem has given them as much concern as the problem of local strikes in violation of agreements.

"Thousands of dollars are expended every year in the effort to organize the 250,000 non-union miners in the United States, while hundreds of our members go on strikes almost every day in absolute inexcusable violation of existing agreements."

COMMISSIONER WEINSTOCK: I simply want to correct your point of view, Mr. Lawson, in relation to the questions that were put to you on the matter of contract breaking. It is not the contention of anybody that I have heard or anything I have read that the United Mine Workers of America start out deliberately and intentionally like the I. W. W. to break contracts. It is conceded that the aim and hope and the desire of the United Mine Workers of America is to observe contracts.

MR. LAWSON: Yes, sir.

COMMISSIONER WEINSTOCK: But the facts that have been presented would indicate that in a goodly number of instances they have been unable to make good; they have not been able to deliver the goods.

MR. LAWSON: Purely of a local character.

COMMISSIONER WEINSTOCK: But widespread.

MR. LAWSON: *Over a territory embracing the United States and Canada.*

Refuses to Condemn Practice

(From testimony before the Industrial Relations Commission, December 29, 1913, of Mrs. Raymond Robins, president of the National Women's Trade League. Page 316 of the record. There is here no strong condemnation of contract-breaking.)

COMMISSIONER BALLARD: If a manufacturer's plant becomes organized and his employes join a trades-union and all of his employes are members of the American Federation of Labor, would you consider it fair on the part of his workmen or fair on the part of the American Federation of Labor, if they had a quarrel with some other concern, perhaps a hundred miles away or ten miles away, and if this man's plant should be closed, simply in order to hurt the other people?

MRS. ROBINS: I think the sympathetic strike is one of the greatest weapons in the hands of the laboring people.

COMMISSIONER WEINSTOCK: Would you think it morally right for a union to go on a sympathetic strike when it was working under a contract with an employer? In other words, would you think it morally right for the union to violate its contract in order to go out on a sympathetic strike?

MRS. ROBINS: I do not like breaking contracts, but sometimes you have got to break them.

COMMISSIONER WEINSTOCK: You justify the breaking of contracts, do you?

MRS. ROBINS: That depends upon conditions.

Strict Accountability Needed

(Testimony of Mr. John Mitchell, before the Industrial Relations Commission, February 1, 1915. Pages 8069, 8070, 8071, 8072, 8073 and 8080 of the record. Mr. Mitchell from 1898 to 1908 was president of the United Mine Workers of America and from 1898 to 1913 vice-president of the American Federation of Labor. Mr. Mitchell asserts that employers should insist upon the utmost responsibility for agreement-keeping by the unions.)

MR. MITCHELL: I think it would. I may say I am not an advocate—it is a subject that I have not specialized in at all, but I believe in democracy—the general terms of democracy I believe in. In other words, I believe in government by the people, and I believe it is wise to place upon people the greatest measure of responsibility, just as I believe it is in the industrial world. I believe in industry by agreement, and if I were an employer in making a contract with a labor union I would place upon the union every bit of responsibility I could. Too many employers seek to reserve to themselves the responsibility they should place on the workingmen. In making a contract, I say, I would give them all the responsibility I could put upon them, and then I would hold them to a strict accountability for the discharge of their responsibilities.

No Legal Responsibility

(Excerpts from testimony before the Industrial Relations Commission, May 17, 1915, of Mr. Walter Drew, Counsel for the National Erectors' Association.)

The first great legal fact in connection with the trade-union, because of its being a voluntary unincorporated association, is that it is not legally responsible in a suit at law for injuries which it may unlawfully inflict upon others. A great national trade-union may develop the most compact form of organization and government. Its thousands of members and hundreds of locals scattered all over the country may be knit together by the most effective machinery for purposes of promoting the interests and purposes of its membership. It may collect vast sums and gather them into its treasury. This vast power of compact organization, aided by equally vast financial resources, may be used by its properly delegated officers in ways which are, under accepted principles of law, contrary to the rights of other members of society. It is the power of the organization, the money of the organization, the common purpose of the organization as distinct from the individual purposes of its members, and the directing intelligence of the organzation which may inflict this unlawful injury upon some third person, and yet the injured person has no action at law against this same organization for the damages he may suffer. He is left, if he so choose, to seek out the hundreds or thousands of individual members of the organization and to begin action against them as individuals. The mere description of such a legal remedy indicates that for practical purposes it is no remedy at all.

As an example, those contractors and owners, whose work was destroyed by the hundred or more dynamite explosions, caused by the Structural Iron Workers' Union, can not recover a dollar in damages from that union. The evidence is full and clear that these explosions were planned by the executive officers of the union, that the moneys to carry them on were voted by the executive board of the union and drawn from th union treasury and expended under the direction of members of the same executive board. Yet that same treasury can not be reached by any known action at law to recover damages for the injury inflicted.

In the famous Danbury hatters' case, so widely heralded as a new and unprecedented advance in trade-union liability, it seems not to be generally known that the original action was begun against hundreds of the individual members of the hatters' union. The judgment obtained is not against the union, but against individual members thereof, and unless the judgment is paid by the unions in order to protect these individual members, or is paid by Congress, in acordance with the request in that behalf made, it will devolve upon the plaintiff in the Danbury hatters' case to collect his judgment from these hundreds of individual defendants as best he may; and proceedings for that purpose have been recently instituted.

While, therefore, the labor organization may develop an immense power for inflicting injury and ruin upon others, it occupies a unique position of possessing absolute legal immunity for the injury thus inflicted.

Power without corresponding responsibility—this fact is, in my judgment, the one most important fundamental fact connected with the legal status of the union. What human institution can successfully endure possession of power without responsibility? What more dangerous millstone to be hung about the neck of a labor organization in its upward climb to its proper place in society and in industry? In recent history, what one thing has retarded the growth and development of trade-unionism along right and proper lines so much as the reckless and lawless conduct of those who have achieved its leadership, and why is not the possession of immense power without corresponding responsibility the direct cause of reckless leadership?

(The effects of such lack of responsibility are pointed out by Ernest F. Lloyd in his monograph "The Closed *vs.* The Open Shop," published by the National Industrial Conference Board.)

Hence, the irresponsibility of the union organization does not stop with the representatives of the local union of the trade to which the immediate workers belong. Each such step in removal thus tends to reduce the responsibility, lessen the possibility of enforcement of agreements and increase the opportunities for the exercise of arbitrary authority and power. Yet, again, such removals introduce laxness of discipline, mutual jealousies among leaders of complimentary groups, involving jurisdictional conflicts and a vast confusion, ill will, and opportunity for factional contests, all affecting morale, production and continuity of operation.

Closed Shop Experience of Employers

The views of Mr. Taylor and Mr. Skinner, which follow, give the opinions of men with wide experience. They represent two large and influential organizations of employers.

(From testimony before the Industrial Relations Commission, July 21 and July 22, 1914, of Mr. Dudley Taylor, general counsel for the Employers Association of Chicago.

MR. THOMPSON: What is the attitude, if any, of your association toward the organization of workers; of your membership towards trade-unions?

MR. TAYLOR: Generally speaking, it has seemed to me that the members of our association are inclined to liberal, fair views and to appreciate the justice of organization. From my talk with them I am satisfied that they would prefer to do business with organizations of labor provided they were reasonably safeguarded so that they could do business under safe conditions and not have their business disrupted by some unjust demands, some whim or caprice. If they could only feel that there was stability enough that the union organization was conservatively directed and managed, I think there would be no complaint, as the employer is looking, above all things, for stability. He must know that his business can go ahead. I don't think he has any quarrel with organizations as such.

MR. THOMPSON: Will you give to us, as briefly as you can, your opinion in regard to trade-unions?

No Penalty for Damages

MR. TAYLOR: I find a great powerful organization daily becoming more powerful—that is the labor organization. It has a power to enforce not its requests but its demands. A single employer can't stand against it. It is a question of standing the gaff, or stand the loss not only of profits, but standing the deficit in the conduct of the business perhaps for weeks or months. I say, assuming for the purpose of the argument, that the employer happens to be right, where is his remedy against that powerful organization? I want to call your attention to the fact that these people, forming that sort of labor organization, are irresponsible financially, they can move about the city, be lost to sight. You talk about damage suits, you can't get a damage suit to a hearing for possibly one or two years. You get a judgment; it is worth nothing, it is not any remedy. On the other hand, the loss is continuing during all of that time. Now, I find that when banks, as responsible institutions, seek to do business in a community, they are required to give some token of their responsibility and satisfy the state auditor; that is right, I believe. They have to show their funds; their funds are under state control. The same thing is true of insurance companies; but here, we will say for the purpose of the same argument, is a powerful organization using its funds for the purpose of smashing another man's business, we will say, unjustly, and those funds are not subject to any control. You can't in this State sue at law a labor union, because there is no statute which renders a labor union liable in a suit against it. You have got to sue its members as partners; you can't get anywhere on that. You can't get their funds into the court's control, the funds which are being used against you all of this time. Now, that is the sort of thing, Mr. Thompson, we, in the vernacular, are up against all the time in this city.

What Is Needed

(From testimony of Mr. George N. Skinner, president of the Employers Association of Washington, before the Industrial Relations Commission, August 10, 1914. Page 4158.)

MR. SKINNER: My employment is entirely open shop. In fact, I never have asked, however, whether my people employed are union or non-union men. In the boat business, that I am in, the engineers are pretty generally organized, but I have never taken occasion to ask my office to employ only non-union or union men. They are never taken into account.

MR. THOMPSON: What suggestions have you to make to this condition, as to the way trade-unions should be organized so as to be properly conducted?

MR. SKINNER: I think that the conduct of the labor unions should be entirely within the scope of the man that works, the man that is interested in his labor, and I think that they should be made responsible on both sides, and that both sides might have some of it.

MR. THOMPSON: What form of responsibility? Have you given thought to that—what that might be?

MR. SKINNER: The law should prescribe that anything that the labor unions entered into, if they entered into a contract with the employer, that they must carry it out or be penalized financially. They would have to organize, take out a charter, and pay a sufficient amount of capital to guarantee the enforcement of their contract, the living up to the contract.

Contract Breaking Admitted

(Extracts from address of John A. Moffitt, Commissioner of Conciliation, United States Department of Labor, before the American Erectors' Association, March 9, 1915. On pages 10919 and 10920 of testimony before the Industrial Relations Commission. Here is a clear statement of official union admission of contract-breaking.)

As my card would indicate, I am representing the United States Department of Labor. On or about the 27th day of February, Mr. Secretary Wilson of the department was advised that a strike in the oil fields of Oklahoma and Texas, involving approximately 1,000 men, was in vogue, and he was petitioned by the officials of the Brotherhood of Boiler Makers and Iron Ship Builders, requesting that he use the good offices of his department to bring about an adjustment, if possible, of the strike.

The Secretary was advised that the members of the American Erectors' Association met frequently in the city of Pittsburgh, at the Fort Pitt Hotel, and he directed me to come here and take this matter up with you gentlemen, to see if something could not be done; and if there was not some general grounds upon which you could meet the representatives of the boiler makers, looking toward an amicable adjustment of this strike.

I do not know that I have anything to say other than that the general officers of the boiler makers have informed Secretary Wilson and the Secretary has informed me, that they are willing to make any honorable settlement that will be beneficial to both sides, if a conference can be brought about between representatives of your organization and a committee of their organization.

I understand that the members of your organization made contracts with their men who work in the field, and they agree that these contracts from time to time are violated, and by their men. They said that the only way they could obviate difficulties of that kind in the future would be to have an agreement with your association and their national organization, instead of with the men in the field; they had in mind when they made this suggestion that in the past they had agreements with the members of your organization and that the agreements had been violated, and by the men that made the agreements; that is, their own men; they admit that they are guilty of violating these agreements, but they said that the only way that such violations could be obviated in the future would be to have an agreement with your organization and their organization, and not with the men in the field at all; they said that in making

an agreement with their organization that would be mutually beneficial, in the event of men in the field violating any of the provisions of such agreement, they would, by their own act deprive themselves of membership in their organization. These were some of the suggestions they made to get a conference. (The contracts of which Mr. Moffitt speaks were with local boiler makers' unions.)

A Detriment to Honest Labor

(From an address by Charles N. Piez, president of the Link-Belt Company, before the Industrial Relations Commission of America, May 21, 1920. Mr. Piez says that in Chicago they maintain a non-union shop because unions persistently failed to keep agreements which had been made.)

I am asked to speak this morning on the question of "Relationships of Organized Labor to Industry." I want to preface my remarks by stating that the Link-Belt Company, of which I have been president for many years, has plants in Philadelphia and Indianapolis, where the question of unionism or non-unionism has never been raised, and where we have maintained pleasant relationships without strife or trouble of any kind since I have been connected with the company for thirty years, and that in Chicago we maintain a non-union establishment. We have maintained that for some thirteen years, and our reason has been that prior to that time we had agreements that were broken four times in five years, absolutely broken without any cause, resulting in tremendous damage to us. As a result, we decided that so long as labor was not content to abide by its agreements, we would run our industry without agreements.

Alienates Employers

(From the testimony of Mr. Frank B. McCord, prominent New York contractor, member of the Iron League, before the Industrial Relations Commission, May 25, 1914. The experience of Mr. McCord has been similar to that of Mr. Piez.)

MR. THOMPSON: Are you in favor of or opposed to agreements with labor unions?

MR. MCCORD: I am opposed to an agreement with the ironworkers.

MR. THOMPSON: But generally are you opposed to agreements with labor unions?

MR. MCCORD: We only have one other union.

MR. THOMPSON: That is the hoisting engineers?

MR. MCCORD: Yes, sir.

MR. THOMPSON: With that union, you have an agreement, have you not?

MR. MCCORD: Yes, sir.

MR. THOMPSON: Why are you opposed to an agreement with the structural ironworkers?

MR. MCCORD: Because they won't live up to an agreement.

MR. THOMPSON: That is to say, they did not in the past.

MR. MCCORD: And they would not in the future.

COMMISSIONER BALLARD: Why do you think that the structural ironworker union would not live up to an agreement?

MR. MCCORD: They never did.

COMMISSIONER BALLARD: Would you care to give any experience you have had with them?

MR. MCCORD: Well, take it—go back when we started off on the arbitration plan. They formed a new union and the bosses beat them out and then these men that they had broke in were taken into the old union, and, of course, they were wiped out right away; they did not get any more jobs. They were killed right then and there. Then this man Ryan came on from the West there and said the arbitration plan wasn't worth anything, and the structural ironworkers were bigger than New York City—they were more powerful—and they were going to stop us from working. They have not stopped us yet.

The same men are at the head of that union as were eight years ago. They have not changed their politics.

(From testimony of Mr. John G. Shedd, president of Marshall Field & Co., Chicago, before the Industrial Relations Commission, July 24, 1914. Page 3373 of the record. He repeats the experience of Mr. Piez and Mr. McCord. These three men fairly represent the experience of large employers.)

My experience in relation to collective bargaining and trade unions has not been such as to inspire confidence in the result of the various phases of this element. The lack of moral or financial responsibility to carry out the written contracts of these institutions is largely responsible for my state of mind on this question. Collective bargaining, as I have observed it, binds only the employer and not the employe. The peculiar necessities of the business in which I am engaged requires service—active and prompt—and requires the immediate and conclusive acquiescence of all in the service from the lowest employe to the head of the house. We make no exception to this rule and we have never found that it was either irksome or detrimental to the interests of the employe. I believe our organization has the highest state of efficiency of any of like nature in the world. To reach this high state of efficiency we have for nearly fifty years adhered strictly to one policy, probably not deviating once a year from such policy; that is, continual promotion from the ranks going so far, if you please, as from elevator operators to stock rooms, stock rooms to sales persons, sales persons to department heads. Every officer of our company has gone up through the business from stock boys or errand boys to the high positions they now occupy. As I view it, none of this could have been accomplished if these men in occupying their lower positions had been members of a fraternity to which they were more loyal than to our business.

CHAPTER VIII.

Outside Interference

The Closed Shop means outside interference with industrial establishments. It means that some force and will, other than that of the public, is to interfere in and to a greater or less degree control the plants or shops in which individuals have invested their savings. It is control by those with neither financial nor moral responsibility for the conduct of the establishment. The unions with which we have to deal are represented by "business agents" or "walking delegates." These men are not necessarily inclined to favor strife or to be unreasonable. However, the very nature of their positions tends to cause them to foment strife and to be unreasonable. They go, let us say, to Mr. Smith, manager of a concern, and say to him: "We want you to make a contract with Union No. 61." The men of Union 61 are employed in Smith's establishment. But the walking delegate represents twenty or more local unions; he obtains 95 per cent of his pay from men who are not employed by Smith; he is not employed himself by Smith; if the union rules lessen production and raise prices, curtail profits or force bankruptcy he is not the loser.

Many of these delegates, moreover, feel that they will lose their jobs if there are no signs of activity; that if everything seems to be going smoothly their men will think them idle. So this very fact means that friction is a sign of activity and an aid then in keeping their places. Being human, the result is inevitable. Why should they oppose strikes and disputes; is it not more to their interest to foster and encourage them?

Irresponsible power, by its nature, tends to become arbitrary in its exercise. The irresponsible nature of the power given means that scheming, self-seeking men endeavor to secure these positions and control the labor organizations.

Control by One Per Cent

This control by outsiders goes still deeper. The large majority of labor union members are by nature peaceful, law-abiding American citizens. Do they themselves frame the union policies which govern their actions while at work and on strike? We do not undertake to ourselves to supply the answer, but will

quote the well-known "Red" Foster. The *New York Call,* one of his strong supporters, quotes him as follows in its issue of December 13, 1920:

"The reason our movement is backward is the very activity of the radicals.

"At the average meeting *of a trade union* perhaps five to ten per cent of the members are present. Of these only a few are really active, so that the whole movement *depends on one per cent of the total membership.* This insignificant minority is the heart and soul of the labor movement." (Italics ours.) Do you believe in minority rule? In his attempts to impose union rules in a plant does the walking delegate represent only the men in that plant; does he really represent more than theoretically the total membership in his union?

But even if all "walking delegates" were perfect, were not influenced by the nature of their work, and took a real interest in the individual employer's welfare—even if these things were true, this outside interference to which the employer objects as an interference with the processes of production would still exist. It would exist because of the nature of the present labor organizations.

Who Makes the Union Rules?

When Mr. Smith, the employer, makes a closed shop agreement with the union the union rules must govern in his establishment. Who makes these rules? Do his own employes make the rules which govern their relationships with him? No. The control of their actions, so far as working rules are concerned, does not reside within their own group. The union consists of workers in the trade who may be hired by one hundred different employers. The employes of any one must submit to the control of the whole union, whose power comes from the workers employed in the other ninety-nine establishments.

The "walking delegate" or "business agent," represents only in part the group with which any individual employer is concerned. He is not dependent upon this group for which he acts and which he binds by his acts. The employer sees no element of fairness in having the men in his plant bound by rules of apprenticeship, output, etc., made by men ninety-nine per cent of whom are not in his employ.

Employers object to the Closed Shop because by the inherent nature of the modern unions outside interference, of a totally

irresponsible nature, is brought into industrial establishments. We saw that rules, adopted by a union most of whose members are employed in other plants, are enforced in closed shop establishments. A little later we will see just what these rules are.

Third Party Dictation

(From "The Closed Shop *vs.* The Open Shop," by Ernest F. Lloyd, published by the National Industrial Conference Board.)

If the source of control were immediate, that is, if it were lodged in the group of workers with whom the employer deals, so that it might be possible to show the consequences of an action to its members, to reason with them, or even to share with them a loss which it had been predicted would ensue, the employer might feel that the loss would have at least an educational effect and that possibly with more effort on his part a repetition might be avoided. But in dealing with closed shop union control he has neither opportunity nor prospect. He may even know that, so far as the members of his own group are concerned, they agree with him in large measure, yet that their union solidarity, or considerations of personal or family security or comfort, cause them to subordinate their economic interests.

Hence, we observe that in the closed union shop the policy also of the shop itself is substantially determined by a third party—one who may be morally and financially irresponsible and who does not derive his support from the operations of the shop.

CHAPTER IX.

Union Apprenticeship Rules

The union rules, by which the closed shop plant must abide show clearly how restriction is caused and encouraged. These rules do not apply in open shop establishments. The rules cited are typical of rules in existence in other unions and in all sections of the country.

Take first, the rules which limit apprenticeship. The Cement Finishers in Idaho Falls, Idaho, have this rule: *"No employe shall have* more than one apprentice at any one time and should an apprentice be discharged before the expiration of his term of apprenticeship, namely, four years, *said employer shall not be entitled to another apprentice* in the place of the one having left until the expiration of the time said apprentice should have to remain to finish his trade. Any journeyman working with apprentices who are not *registered with the association,* shall be subject to the same fine and penalties as though working with a journeyman not a member of this Association." (Italics are ours. Notice the control which the union tries to keep over boys who are learning a trade.

Section 31, of the Carpenters' Union of Idaho Falls, says "Where a contractor has five or more journeymen employed steadily he may have two apprentices. *But at no time shall he employ more than two apprentices."*

The Plumbers' Union provides that *"Whenever necessary* local unions *may allow* each shop to be entitled to one apprentice where they employ one or more journeymen steadily * * but *in no case* shall any shop employ *more than four apprentices* * * * It is expressly understood that in localities where provisions have already been made *to restrict the production* of the apprentice less than herein provided they are not to be subject to this rule."

The Bricklayers' Union provides that "No contractor *shall be allowed* more than one apprentice."

These are simply typical of rules enforced by closed shop unions all over the country. Thus, a special committee of the Boston Chamber of Commerce said in its recently submitted

(1921) report: "The building industry has suffered from a lack of apprentices * * *. Union rules and trade agreements do restrict the number of apprentices to be employed."

Article 9, Section 1, page 72 of the minutes of the Rochester (1920) convention of the International Association of Machinists, reads: "The rates of apprentices *shall be* one for every ten machinists, instead of one for every five at at present."

Creating Craft Monopoly

Do you see why the employers object to the union apprentice system? Why the public should? The National Association of Manufacturers declares: "In the interest of employes and employers of the country, no limitation should be placed upon the opportunities of any person to learn any trade to which he or she may be adapted."

Under the rules of the closed shop union what are the opportunities to learn a skilled trade, and who gives the boy who wants to become a carpenter, plasterer, plumber, or molder his opportunity? His parents cannot; neither can the employer. It is the closed shop union which dictates the time when he can start, how long he must serve, and how many apprentices can be employed in any establishment. As pointed out in Chapter III, the closed shop unions also endeavor in many other ways to limit the opportunities of non-members to obtain employment; in some cases they even refuse to permit non-members to join their monopolistic organizations, or make admission exceedingly difficult.

Such a system prevents the existence of a continuous supply of efficient mechanics. Craft monopoly is built up; not only the actions of the union members are controlled, but those of every ambitious boy. These rules of the closed shop unions cripple the employer and keep down the wages of workers by preventing boys and young men from learning useful trades and occupations. The employers believe it neither right nor just to refuse opportunity to a boy who is willing, and where an employer wishes to hire him, to learn a skilled trade. Unfair restrictions are placed upon that "equality of opportunity" which is a fundamental principle of individual liberty and American freedom.

Prominent economists likewise recognize the inherent evils of the apprenticeship restrictions. Thus, Professor Fetter, of Princeton, says (Modern Economic Problems, Volume II, page 303, italics ours):

"Unions often limit the number of apprentices and *determine who shall have the privilege of learning the trade."*

Employers who oppose such a system surely deserve the whole-hearted support of the public.

Practiced in Most Unions

(Extracts from "Apprenticeship in American Trade Unions," by Dr. J. M. Motley, then Assistant Professor of Economics, Stanford University. Published by Johns Hopkins University, 1907.)

Of the one hundred and twenty national and international trade unions with a total of 1,676,200 members, affiliated in 1904 with the American Federation of Labor, fifty unions, with a membership of 766,417, do not attempt to maintain apprenticeship systems. These fifty unions may be divided into four classes.

As has been said, about fifty unions do not maintain a system of apprenticeship. The remaining national unions, that is, about seventy of the one hundred and twenty affiliated in 1904 with the American Federation of Labor, with a membership of 900,000 together with some half-dozen unaffiliated national unions, attempt, more or less successfully to enforce apprenticeship regulations.

Trade-union apprenticeship regulations are formulated in some cases by the local branches; in others, by the national unions. In the building trades and among the jewelry workers and the cigar makers, for example, apprenticeship regulation is a local matter. Several reasons for this policy, especially in connection with the building trades, may be noted.

The characteristics of the trades in which the apprenticeship rules are formulated by the international union are well illustrated by the window glass workers, iron molders, glass bottle blowers, stove mounters and steel range workers.

The apprenticeship regulations of four trades represented in the International Typographical Union, namely, the English compositors, the German compositors, the stereotypers and electrotypers, and the photo-engravers have their apprenticeship rules at least in part determined by the International Typographical Union, but these regulations do not apply to the three remaining unions, that is, the typefounders, the mailers and the newspaper writers.

The International Association of Machinists attempts to maintain uniform international apprenticeship regulations. "One apprentice is allowed to each shop, irrespective of the number of machinists employed, and one to every five machinists thereafter; and no boy shall begin to learn the trade of machinist until he is sixteen years old, nor after he is twenty-one years of age." Furthermore, he must serve four years at the trade; but it is a well-known fact to all members of the craft that the rule is hardly more than the recorded expression of opinion of what should be the rule. Great diversity of practice exists among the local unions.

Changed Conditions Mean Nothing

Apart from the economic characteristics of the trades and the governmental pecularities of the unions, custom has been a factor in determining whether the national or the local union shall regulate apprenticeship. When certain policies have been followed for years, they are not readily changed, even when conditions change.

The term of apprenticeship varies in the different trades from two to seven years, three and four years being the ordinary term. The bakers and confectioners and the broom makers require that applicants for membership shall have had two years' experience.

The watch case engravers require apprentices to serve five years. Some locals in the plumbing trade keep the boy at the trade six years. The machine printers require that each apprentice at the trade shall serve seven years.

No Scientific Basis

In theory the time of service required is supposed to represent the time necessary for a boy of average ability, under fair circumstances, to learn the trade well enough to demand a journeyman's wages. *In the same trade, however, the term varies in different localities.* Thus the term of apprenticeship is carpentry in Tacoma, Washington, is three years, while in many Eastern cities four years are required. In the plumbing trade the term varies from two to six years. This variation arises partly from differences in the class of work done, but more especially because the local bodies are stronger in some places than in others. A long apprenticeship term is the rule where the union is strongly organized, or the finer grades of work are to be learned; but where the union is weak or the work desired is in the main of an ordinary type, the tendency is toward a shorter term.

The apprentice cannot be summarily discharged, except for incompetency or constant neglect, or, at least, if discharged without an explanation satisfactory to the union, his place cannot be filled until the expiration of the time for which he agreed to serve. The employer has the final word as to the fitness of the boy to continue at work, and can discharge him at any time. But, in general, the particular journeyman under whose instruction the apprentice has been placed is regarded as best qualified to speak as to the boy's ability and conduct, and the discharge of an apprentice is ordinarily upon his recommendation or that of the foreman of the shop.

The character of some trades, notably cigar making and the building trades, as has been noted, makes it necessary to leave apprenticeship rules to local determination. This policy has resulted in a wide range of treatment, in many cases unwise and inadequate. A nicer adjustment of rules to local conditions has been secured, but many local unions have been unable to enforce effective apprenticeship regulations. Some unions make no pretense of maintaining an apprenticeship system, and others make rules of the loosest imaginable description. In consequence, the large, strongly-organized unions observe elaborate apprenticeship codes; in the smaller and weaker unions in the same trade a brief statement of a few

lines contains all that is said in regard to apprentices, and even these provisions are often openly neglected.

Reducing Competition by Limiting Apprentices

(From "Admission to American Trade Unions," by Dr. F. E. Wolfe, Colby College. Published by Johns Hopkins University, in 1912.)

The most effective device whereby the union may guard the regular entrance to a trade is the limitation of the number, rather then the requirement of certain qualifications, of persons who may become apprentices. Since the beginning of customary or statutory recognition of the industrial need of an adequate supply of well-trained mechanics a limitation of the number of apprentices has been attempted. The essential purpose of numerical limitation has continued to be the insuring of a supply of workmen according to the needs of each trade. But it may easily serve also one immediate aim of trade unionism—the maintenance of wages—by diminishing the competition of laborers within the trade. Accordingly, all unions attempting apprentice regulation enforce more or less successfully some form of numerical limitation of apprentices.

Varying forms of limitation are used. But whether enforced as a national or local union regulation, the commonest form is a fixed ratio to the number of journeymen, which remains the same however great the number of journeymen employed. Thus, for instance, the Molders have a fixed ratio of one apprentice to five journeymen employed. Since 1902 the Saw Smiths, have maintained the ratio of one to ten. The Lace Operatives enforce a ratio of one to nine; the Metal Polishers, one to eight the Bridge and Structural Iron Workers, one to seven; the Boiler Makers, one to five; and the travelers goods and leather novelty workers one to four. In many trades local conditions make it necessary that the local unions should control the number of apprentices. It has consequently been the policy of the Cigar Makers, the Carpenters, the Painters, the Bricklayers, and the Printers to permit the ratio to be determined by the local unions. In such cases the ratio present varying proportions. The usual ratio prevailing among the local unions of the Painters is one apprentice to a shop with one for each five additional journeymen, among the Bricklayers, one to three, and among the Printers, one to five.

A second form of ratio is a declining one, by which the number of apprentices is reduced as the number of journeymen increases. Thus, the broom and whisk makers permit one apprenticeship to a shop of less than twelve men, two to a shop of less than twenty-two and three to a shop of twenty-two men or more; but no more than three may be accepted. This form of regulation merges into the third form which limits absolutely the number that may be employed in any one shop. Thus the Barbers' International Union has since 1894 allowed only one apprentice to any shop displaying the union card. Likewise the Journeymen Plumbers' United Association provides that apprentices may be accepted when necessary, but local unions shall in no case accept more than four in any one shop.

Views of Employers

The following views of representative employers are extremely interesting. They show the harm to industry and to boys of ambition which the union apprenticeship rules work. Mr. Donnelley, who runs both closed and open shop establishments, answers the argument that the union rules prevent unemployment.

(From testimony of Mr. T. E. Donnelley, conducting printing establishments in Chicago and Indianapolis; before the Industrial Relations Commission, July 25, 1914.)

MR. DONNELLEY: Well, now, I think the greatest charge against the unions is the fact that they limit apprentices. If there is any one thing which this country has stood for it is the fact that the young man has a chance. Unions have tried to close that chance. I understand—I am only now speaking from what I remember in reading that the great majority of criminals are not immigrants, but are the sons of immigrants. Now, we have a condition here in Chicago of thousands and thousands of the second generation of immigrants growing up who are prohibited by the rules of the union from learning a trade. What is before them is this: They have got to stay in what we call common labor, in the ranks of common labor. That means low wages, little opportunity, and social dissatisfaction arises. When we established our open shop I made up my mind that I was going to try, as far as I was concerned, to correct that evil. Of course we need boys sixteen years of age. The law prohibited a boy younger than sixteen, and, as we all know, from working more than eight hours a day, and from working on machinery. Now, the fact is that there are very few factories in Chicago running eight hours a day, even union shops, because they run more than eight hours a day in order to get the Saturday afternoon half holidays. We could not get boys at sixteen years of age that we need to learn the business, because they had been ruined in the years between fourteen and sixteen years of age. It is an established practice among the people of the lowest walks of life that when their children are boys of fourteen they must go out and earn a living. I do not uphold that, but that is the unfortunate situation. So we made up our minds we would start in to save those boys. We established in our plant a school where a boy came to work for half a day in our factory, and then for three and a half hours he would go to our school. Another boy would go to school in the morning and work at the factory in the afternoon. There were not two boys in the factory at the time and they did not have any disarrangement of the boys lying around. In this school we not only teach them to set type and all the technique of the art of printing, but we teach them arithmetic and give them algebra and geometry and give them English and give them science, etc. Now, when they are sixteen we put those boys in the factory full time, except for three hours a week. We have to-day in our factory eighty-seven of those boys. We have been running now for six years. If I was running

union conditions I would be entitled to twenty-eight. We now have eighty-seven.

Now, I feel very strongly on this question of apprenticeship, and it seems to me it is the greatest charge against unionism.

Several years ago in New Jersey a law was introduced, which was not passed, prohibiting unions from limiting the number of apprentices. I think it should be passed. I think it should be passed here. I think the State should have the right to say—they have the right to say he must go to school until he is fourteen, and he cannot work over eight hours a day until he is sixteen—and I think the State, the community, should have the right to say that a boy shall have the opportunity of learning a trade, and the union cannot prohibit, provided, of course, the boy is really being instructed. I don't think they should be allowed to come in there and be exploited and thrown out in the street after their wages have come to a reasonable rate. But as long as the boys are receiving real instruction I think that they should be allowed to work, should be by law permitted to work and that the unions should not prohibit it.

I would also say that the same scheme which I have adopted in my factory has now been adopted by others, and they have established a school for the whole printing industry that will run the open shop.

MR. THOMPSON: Take the apprenticeship proposition—assuming there were no unions—what would be the basis of limitation of the amount of apprentices in any shop?

MR. DONNELLEY: I do not think there should be any limitation, provided the boys are really instructed. Of course, I can realize—

MR. THOMPSON: In the industry itself, would the owner of the plant limit, or what would be the proper basis of his limitation if he did?

MR. DONNELLEY: Well, now, of course I can appreciate that the unions would fear at first that there would be a great influx of boy laborers, which they might think is cutting their wages, but as soon as this proposition was all taken care of—all the boys were employed—of course that would not exist. I think the limitation of apprentices would be the number of apprentices that the man would think he would need at that time. I think if every man tried to take on an average the number of employes in his plant, that would be the natural limit. I am quite sure we are absorbing in our plant the number graduated each year, and there will be no men laid off on account of it.

(Statement of Mr. Grant Fee, president of the Building Trades Employers Association of San Francisco to the Industrial Relations Commission, 1914. Pages 5312 and 5313 of the record.)

Passing now from the limitation of output, let us consider the conditions confronting the employer with reference to apprentices seeking admission to the various building trades.

The employers in the structural-iron business think the apprentice system fails to measure up to its necessities, in that it does not allow for a normal increase of membership without unduly and all too hastily

crowding the apprentice into the journeyman class. The attention of your body is called to the fact that but one apprentice is allowed to eight journeymen. A majority of jobs in this business are small, where a full erecting gang is made up of the five men and one engineer, but no apprentice is allowed. The work is particularly hazardous, and the annual death and disability rate high. The nature of the work forces the older men to find other employment. Were the apprentices in this craft to serve the time necessary to make them proficient journeymen, the restriction placed upon their number would not supply recruits for the ranks to take the places of those who drop out, much less provide for a normal increase, unless some expedient were adopted. It follows that there are many journeymen who have served only a month or two as apprentices, who, for that reason, are not and cannot be capable all around men, yet they must be paid the regular scale of wage.

That this condition should be remedied needs no argument.

Apprentice System Harms Apprentices

The apprenticeship system in the sheet-metal trades, though somewhat different, works upon the employer just as great a hardship and acts as a boomerang to the apprentice.

Looking at the laws governing the apprenticeship system, we find the by-laws of Local Union No. 104, of San Francisco, Cal., Sheet Metal Workers' International Alliance, article 14, section 6, states that apprentices when starting at the trade shall be required to apply to the executive board for registration. This section provides that no employer can place a boy as an apprentice in a shop unless said boy has been registered as an apprentice by the executive board of the union, and should the employer desire to register any particular boy, before said boy can be placed in his shop, he must wait until the boys already registered by the union have been placed as apprentices. In many cases it has been found almost impossible to get any particular boy registered and placed in any particular shop.

Article 14, Section 3, of the same by-laws, states that all apprentices' members shall appear before the examining board once every six months and shall have an increase in wages from time to time, at the discretion of the board. This sum is increased from time to time by said board, and the boy is warned that he can not work for any firm under the rate set by said examining board. In practice it is found that after a period ranging from a year to eighteen months the rate set by the union is greater than the boy can earn, with the limited knowledge he has attained in this period.

Practically this system, therefore works an elimination of these boys from the trade, because they are obliged, by union law, to demand more from the employer than their earning capacity is capable of producing.

Article 14, section 4, of the by-laws of the same union states that every apprentice member shall have his rating established on his card, same to be his rating for six months. This condition has been presented to the local union many times without favorable results to the boy. A careful perusal of the general principles of the Amalgamated Sheet

Metal Workers' International Alliance will show, under the heading, "General Principles" (apprenticeship), the following statement:

"We favor the adoption of a legal apprenticeship system, the parents binding the boy to remain at least three years, and the employer shall not have more than one apprentice for every six journeymen in his employ."

The employers also favor a legal apprenticeship of three years.

The apprentice, then, because of his inability to earn the wage insisted on by the union, must, after a wasting year or eighteen months, remain either an inefficient mechanic or seek other employment.

Turning to the case of the Lighting Fixture Hangers' Union we have a concrete example of the policy of this union regarding those seeking to enter. The letters in connection with this case (see Exhibit No. 24) show an honest attempt by a boy to gain admission to this union. This union failed to respond to his personal request. The matter was then taken up by the Lighting Fixture Club, the association of employers in this trade, and to their letter requesting that some action be taken by the union no response was forthcoming.

The letter by the club is attached hereto, made a part hereof, and marked "Exhibit No. 25." Here, then, deliberate lack of action on the part of the union prevents a man from taking up a trade to his liking and forces him into restriction of apprenticeship, believing that every boy in America should have the opportunity to learn a trade.

An Argument Answered

When faced by their rules restricting the opportunity to learn skilled trades the closed shop apologist sometimes says:

"These rules may exist, but they work no hardship. Investigations show that employers frequently do not employ even as many apprentices as our rules allow them."

This is not true in a majority of cases, but it does happen to be true in some places. Several things account for this condition:

(1) Union apprenticeship rules restrict the amount and kind of work apprentices may perform, thereby making it unprofitable for closed shop employers to hire apprentices.

(2) Sometimes the apprenticeship wage demanded by the union is so high as to make employment of more than a minimum number inadvisable.

(3) Union journeymen frequently evince little interest in the apprentices they are supposed to instruct, making it impossible for them to become highly skilled. The result is to increase the number of inefficient journeymen in union ranks; the employer does not desire to add to the number.

(4) Where work of an extra high grade is performed apprentices are not desired.

CHAPTER X.

Output Restriction

The rules of many unions provide for limitation of the amount of work a worker shall perform in the course of a day. Plans for the increase of efficiency by scientific methods are opposed.

The testimony offered will show the fact of a decline in production and then the union rules which result in such decline. In Chapter XI we will examine the operations of open shop plants and, as far as possible compare their costs with closed shop plants.

It is sometimes denied that labor unions do restrict output, but the denial cannot be supported by the facts. The official report for the fiscal year 1920 of the Construction Division of the United States Army says:

"While rates and materials have increased throughout the United States it is also a fact, that production has decreased to such an extent that it is very marked in certain localities. Bricklayers who at one time laid an average of fifteen hundred bricks per day on straight walls, are now averaging between six and seven hundred; plumbers who roughed in and finished five fixtures in five days have shown a decided decrease in the work performed. The carpenters, too, who fitted, hung, and locked four and five large doors per day seem to be no more, and so on down the line. The universally attractive high standard wages paid to organized labor have placed the second rate craftsmen on a par with the high class, efficient artisans and instead of the average day's work being raised it is proportionately lowered because the first-class journeyman must carry along his less efficient brother, which results in the above condition."

This is from an official government report.

The report, it will be observed, refers to "organized labor," which, to-day, means the closed shop advocates. The union rules, by which the closed shop plant must abide, show clearly how restriction is caused and encouraged. These rules do not apply in open shop establishments. The rules cited are typical of rules in existence in other unions and in all sections of the country.

Harvey's Weekly of December 4, 1920, states:

"Statistics show that in Indiana the wages of bricklayers have increased by several steps, from 1909 to 1920 to the extent of 127 per cent, but that their efficiency, denoted by the number of bricks laid in a day, has declined to nearly 51 per cent. Figures such as these are repeated in many occupations."

According to the December 15, 1920, bulletin of the Alton, Ill., Manufacturers' Association, the Grand Jury of Cuyahoga County, Ohio, after investigating Housing Conditions, said: "The chief cause of the increased building costs, was that labor would not give a full day's work, and that they are doing less than half the work they did on a pre-war basis." To verify this statement, the Builders' Exchange of Cleveland, gave these figures: Lathing, eight hours, 1914, 107 yards; 1919, 88 yards. Painting, same job 1914, 172 hours; 1920, 238 hours. Both for 1914 and 1919, the figures relate to "closed shop" labor.

Mr. A. W. Wilson, Business Agent of Local Plumbers and Steam Fitters Union No. 665, in Buffalo, is quoted in the *Buffalo Commercial* of January 4, 1921, as calling attention:

"To the fact that the average steamfitter could erect and connect from four to six radiators in an eight-hour day, but that in the past they had been limited by these outside influences to erecting and connecting not more than one to one and one-half radiators per day. In other words: the union steamfitters in the past have been compelled to limit their output to not to exceed one-quarter or one-third of their otherwise natural ability."

Union Rules Limit Production

The plumbers in their Constitution, adopted in 1913, provide (Section 125), that members cannot make "use of bicycle and motorcycle during working hours." The obvious result is to prevent their covering more than a limited number of jobs in a day. The Baltimore local union of plumbers prohibits its members telephoning to the employers when they are "out jobbing to know if there are any more jobs in the neighborhood."

In a number of places the lathers limit the day's work of wood lathers. The stone cutters' union goes at it in another way, and forbids any member receiving more than the other men on the same "job." The more efficient workman can receive no more than his fellow-worker, perhaps half as efficient. The New York Branch of the Brotherhood of Carpenters has adopted this by-law: "Any member who does an unreasonable amount of work * * * shall be fined for the first offense $10.00; for the second offense he shall be suspended or expelled." We declare that policies which make all men on a job earn the same amount and produce the same quantity, regardless of individual differences in their ability, are absolutely wrong.

Government Report Condemns System

The official report of the United States Government, before quoted, brings out clearly the evils of such a system, a system which is a vital part of the closed shop plan of operation.

"The Government, where it employs laborers direct, both skilled and unskilled, cannot discriminate either in favor of or against organized tradesmen, but it can on its maintenance and utilities work, hire and pay competent, qualified men based on their efficiency rather than any set standard of wages which might be adopted by a body of men regardless of the ability of men who are to receive that rate. The injustice works two ways, both to the detriment of the efficient workmen and also to the employer who must carry along an inefficient employe at the higher rate simply because of his affiliations with an organization. While it may be common practice, nevertheless, experience has taught us that no single schedule is equally adaptable for all trades from a standpoint of production."

Condemned by Economists

Professor Adams, in his book on "Labor Problems" says that: "The good effects of collective bargaining may plainly be negatived by * * * undermining the standard of efficiency through underhand restriction of output."

Professor Fetter, of Princeton, in Volume II of his book on "Modern Economic Problems," says (italics ours):

"*Unions* often limit the number of apprentices and *determine who shall have the privilege of learning the trade.* By a variety of regulations they *limit the output* and in many cases (though less frequently now) have opposed the use of labor-saving machinery."

Professor Deibler, of Northwestern University, testifying before the Industrial Relations Commission, July 23, 1914, said that, "limiting the output" by "taking the matter into the hands of the employe without the consent of the employer * * * is detrimental. I think it operates detrimentally to the laborers themselves to the extent which the limitation of output goes when you abuse its use."

Minimum Rates and Maximum Wages

(Extracts from "The Standard Rate in American Trade Unions," by Dr. David A. McCabe, Professor of Economics in Princeton University. Published by Johns Hopkins University, 1912. Dr. McCabe shows the methods by which unions limit the day's work and tend to make all workers earn the same amount, regardless of individual efficiency.)

By the term "standard rate," as employed in the present monograph, is meant a rate of wages fixed by a trade union as payment for a given

product or for work of a given duration in a particular trade or branc of a trade, and binding on the members of the union engaged on tha product or in that branch of industry.

The maintenance of standard rates has always been a leading featur of American trade-union wage policies.

This distinguishing mark of a standard rate, that is to say, the attribut which makes a union rate standard, is uniformity of application, or th obligation to observe such a rate in all the shops or localities for whic it is established. A very important point with regard to any given rat therefore is the industrial or territorial extent over which it is standarc Some rates are standard only for single shops, others for localities, other for districts or sections embracing many localities and some in all shop or plants in the entire union jurisdiction.

There are in many *unions policies or attitudes* with reference t the relation of output and wages which *discourage the payment* of *wage above the union minimum.* The union rule or attitude in these case does not have its origin in any opposition to the receiving of wages abov the minimum. The prevention of "rushing" and of increasing the outpu expected of the average workman as "a day's work" is the direct en aimed at.

Other building-trades unions offer less explicit discouragement t receiving more than the minimum rate for greater speed in working, bu in general the sentiment of the men is against a few men receiving mor than the others on the same job simply on account of greater speed. A few unions have specific regulations against rushing or setting a pac The result is that in trades where speed can be compared men do abou the same amount of work and payment above the minimum is usually fo general competency or workmanship of a higher grade and not fo speed.

A few unions effectually discourage very great variation in wages o account of speed by the adoption of limits to the amount of work to b done in a day. The lathers limit the day's work of wood lathers i many places, and a resolution establishing a national limit was adopte by the 1907 convention. "Stints" are observed in many local unions o other trades where the character of the work makes their enforcemen feasible. Sometimes, as among the coat operators and the cutters i the Garment Workers' Union and among the local unions of the art glas workers, these rules are adopted as defences against the enforcement o larger tasks by the employers. The meat cutters, when a strong unio gave much attention to limiting the day's work of time workers. At meeting of the national executive board in 1901 to consider the formula tion of a scale of wages, "it was declared the sense of the executiv board that in order to avoid the unjust methods that are often adopted b many superintendents and foremen in forcing unjust conditions by crowd ing the men that the amount of work to be performed and considere a fair day's work should be determined, the same to be based on a ten hour day." In the 1902 convention the president of the union, in pointin out that the time had not yet come to adopt a uniform scale for ho butchers stated that the prevention of rushing should be enforced befor

anything else. The Chicago local unions while they were able, enforced limits which considerably reduced the average output.

It has long been common among the iron molders to observe a "set day's work." Originally, a "set" was the number of castings which a man was expected by the employer to do. The workmen later began in many localities to adopt "sets" for themselves, and the amount of work which was to be regarded as a "set" came finally to be the subject of agreement between the employer and the shop committee.

Very little seems to be known as to the difference in efficiency among men engaged in the same kind of work. It is safe to assume, however, that they are not reflected in time-working trades with any exactness by the wages paid, even where there is no union minimum. When the union confines its action in wage rating to the establishment of a single minimum rate for members engaged in the same kind of work, it is obvious that the adjustment of individual earnings to individual capacity is not as likely to be secured as under the piece-rate system. Even where the union does not discourage large outputs, the time wages of the better men do not exceed the minimum in the same proportion that the men show efficiency above the average.

The maintenance of a minimum rate by a union also in another way *tends to make wages uniform.* The fact that a given rate is the "union" rate, and as such becomes the center of attention and the subject of negotiation and even of conflict—this makes it the presumptive rate. Moreover, many employers who are brought with much reluctance to agree to observe the minimum look upon the minimum as a "lump" rate which they have agreed to pay the union for the labor of its members. These employers often take the ground that they should not be expected or cannot afford to pay the better men more than the minimum, because they are compelled to pay the union rate to many men who are not worth it. The provisions in agreements noted above against reducing the higher men are evidences of this feeling. The union officials assert that some employers' associations have a rule against paying men more than the minimum. There is, of course, a greater likelihood of united action against the payment of differential wages when the minimum is established by agreement of the union and the employers as a body.

The Amalgamated Association of Iron, Steel and Tin Workers, the Flint Glass Workers, and the Window Glass Workers, for years maintained limits of output in their national scales, and the scales of the Window Glass Workers and of some branches of the Flint Glass Workers still provide such limits.

Where the limits have been abandoned, it has been because the unions have been unable to maintain them on account of the opposition of the employers and the competition of non-union workers.

Rules Which Restrict Output

(From "Unemployment in American Trade Unions," by Dr. D. P. Smelser. Published by Johns Hopkins University, in 1919. Pages 46-50. Dr. Smelser shows that the majority of unions have unwritten rules for the restriction of output. Dr. Smelser

answers the argument that such restriction prevents unemployment.)

The policy of restriction of output is justified by a number of union as a method by which employment may be increased. The desire t "make the work go round" is prevalent chiefly in trades which expe rience extreme seasonal fluctuations, and where the output is restricte in order to "make the seasons longer." The instances of union regula tions for the systematic restriction of output are not very numerous despite the fact that the inducements to adopt such policies are very grea Fifteen years ago, a number of unions provided in their constitutions fo a restriction of output, but only a few have maintained such policie to the present time. The force of public opinion and the increasin disinclination of the employers to bargain with the unions that openl declared for restriction forced these unions to abandon such policies Two of the most glaring and, perhaps, most important illustrations o restriction of output which are sanctioned by the national unions, ar those of the printers and the machinists.

The Typographical Union prohibits the loaning, borrowing, purchas or sale of news matter in type, linotype, matrix or plate form or o miscellaneous matter or cuts in small forms between newspapers of city. Furthermore, the loaning, borrowing, exchange, purchase or sale o matter or matrices, or cuts of advertisements, by one local newspape to another, is prohibited, except that when the matrices of advertisement are furnished by one local newspaper to another, the text shall be repro duced within one week from the time of publication as nearly like th original as possible, made up, read, corrected and proofs be submitte to the chairman for inspection. This rule has been characterized a "job making" of the most despotic sort, and, although some justificatio has been attempted for the rule which requires the resetting of advertisin matter, a great many of the members of the union criticise the rules o the ground that the only reason for their enforcement is the desire t "make work."

The International Association of Machinists in 1901, prohibited it members from operating more than one machine. The one-man-one machine rule, however, is not operative when the machines require n special skill to supervise them or are double machines. This rule ha its genesis in an unwritten law which prevailed in the trade before th organization of the machinists. And indeed, many employers do not no object to the rule when it is applied to establishments which make larg machinery, because in these establishments two machines cannot be effect ively operated by a single workman. However, in shops making smalle work, the rule operates as a restriction of output, for often one man i capable of operating more than one machine. Thus, while the one-mar one-machine rule of the machinists is justified in a great number of case there are other instances where its operation is merely a method o "making work." The union explains that the purpose of the rule is th physical protection of the workman, but it seems clear that this is nc the only motive. An officer of the union said in 1901: "We prevente the introduction of the two-machine system in 137 shops, employin

9,500 men, and it is safe to say that if this system had been introduced the force of men would have been reduced one-eighth; hence, in this we have saved the positions of 1,188 men."

These two examples are by no means the only instances of restriction of output in American unions. Thus, a curious regulation of the plumbers for increasing the consumption of time is the prohibition upon its members of "the use of the bicycle and motorcycle during the working hours." A business agent when asked for the justification of this rule stated that "a plumber could cover twice as many jobs that way."

In the majority of trades there are unwritten regulations for the determination of the daily "stint." And, in the greater number of cases, they have been handed down from one generation of members to another. They are not incorporated in any constitutions or working rules, but there is a tacit understanding among the members as to what constitutes a day's work.

It is very doubtful whether restriction of output affects to any extent the amount of unemployment. If restriction were applied only in seasons of depression, such might be the effect, but restriction of output on the part of individual workmen generally occurs in periods of prosperity. The employers maintain that in busy times men work at a more leisurely pace than they do in dull times, and the reason for this difference is obvious. When every member of the local union is employed and there is need for additional workmen, some workmen do no more than is absolutely necessary because they do not fear immediate discharge. On the other hand, however, when only two-thirds of the trade is employed, the other third being idle but anxious to secure work, the workmen who have employment will exert themselves to do all they can, knowing that many unemployed men are waiting for any vacancy that may occur.

Restriction by Closed Shop Labor

(The following account of output restriction by closed shop labor was written by Noel Sargent, former instructor in economics at the University of Minnesota.)

No fair-minded man, whether he is an employer of labor or not can have any valid objection to labor receiving adequate wages, having good working conditions, and reasonable hours. But is there any good and satisfactory reason why at the present time labor shouldn't give in return an honest day's work for a day's pay? It is essentially dishonest for a man to give a lesser return than he is able to give. You, Mr. Farmer or Mr. City Dweller, would righteously resent it if you hired a man to paint your house and discovered that half of the time he was supposed to be working, he was sitting behind the barn smoking his pipe. Wouldn't you? Yet that policy is the prevailing evil to-day in the ranks of union labor.

You and I are being "sandbagged" into paying higher prices for the house that shelters us, the clothes that protect us and the food that nourishes us. No matter whether you live or die the process is made more expensive as a result of union labor's arbitrary and unfair policy of restriction.

There is plenty of proof—in addition to observations most of us ha had an opportunity to make—or that have been forced upon us. We wa to be absolutely fair, however, so here is an extract from a signed artic prepared for the writer, November 10, 1912, by Mr. C. W. Doyle, busine agent (practically the same as "General Manager") of the Central Lab Council of Seattle:

"It has often been stated that there is some restriction of the outp That is *not true,* there being no limit to what a man should or should n do in a given time. In times past in some trades such a condition d prevail, but such an *unfair demand* could not last. Therefore, it has be *abolished in every craft.*"

Just note these things about Mr. Doyle's denial. He says it would an "unfair demand" to limit men as to what they "should or should not in a given time." Past restrictions, he says, have been "abolished in eve craft," and it is "not true" that output is restricted to-day.

Now I am going to present proof which will, I believe, convince a reasonable person that labor unions actually do restrict output at t present time—and just remember that this high labor official says th practice is "unfair."

Proof That They Do

The following statements proving that *unions do restrict output* a found in books written by authorities recognized as fair, and in nea every case quite friendly to organized labor. These books are written scholars and investigators, men friendly to the labor unions—and th prove that production is actually cut down by the deliberate policies the trade-unions.

Professor Groat concludes a study of the question as follows:

"The facts seem to stand out that limitation of output is purpos practiced by laborers in unions as well as out; that there are locals wh members have deliberately adopted rules providing for such restricti and imposing a penalty for their violation. * * * In many other instan it appears to be well established that laws and rules have been not o enacted but often enforced in order to accomplish restriction of outpu

The labor unions do not realize that in adopting such rules they a not only hurting the rest of the community and raising the cost of livi but that they are hurting themselves, as Professor Adams truly says.

Fifteen years ago a large number of the unions used to provide their constitutions for restrictions on output. Public opinion was aga this "unfair demand" and the employers in many cases refused to barg with unions openly declaring for restriction—so these unions were for to abandon such policies in their constitutions. So only a few uni to-day have provisions in their constitutions which provide for restricti of output; but most of them advocate and practice restriction neverthele as a result of by-laws or the "unwritten law."

Such practices are only one form of selling dishonest goods. Th advocates and users practice fraud on buyers and on the general pub

Examples of Restriction

Many of the unions have by-laws and regulations, some covering all of the locals in the United States and others being only local, which restrict output. The following examples are similar to restrictions in existence all over the country.

The Baltimore local union of plumbers prohibits its members from telephoning to the employers when they are "out jobbing to know if there are any more jobs in the neighborhood." A fine way of making it more expensive to get plumbing jobs done!

In a number of places the lathers limit the day's work of wood lathers. The stone cutters' union goes at it in another way, and forbids any member receiving more than the other men on the same "job." If you are a more efficient worker than the average and able to earn more, you must nevertheless keep down the amount of work you do, so that your earnings won't be any more than the other fellows, perhaps half as efficient, get. And yet the men who make such rules are the very ones who come around to us complaining about "robbery" and wanting a "square deal"—but we want it to be one for everybody. To us it does not seem just for a union to fine one of its members who produces more than the average; union coal miners have been fined, according to Governor Allen of Kansas, as much as $45.00 each for producing too much coal in one week. This method of restricting output, and consequently raising prices, is a shameful imposition on the American public.

The International Association of Machinists has for years prohibited its members from operating more than one machine. In large shops this doesn't work any hardship, but in shops which do work on a smaller scale the rule operates as a restriction on the output, since one man is often capable of operating more than one machine.

National limits are imposed upon the amount of work that may be done or the amount that may be earned by the Window Glass Workers and some branches of the Flint Glass Workers. Local or shop limits are known to exist in these unions; Stove Mounters, Hatters, Iron, Steel and Tin Workers, Pen and Pocket Knife Grinders, Table Knife Grinders, Broom Makers, Leather Workers, and Brick Makers.

The above are typical instances of union rules which result in output restriction. And as Dr. Smelser says:

"In the majority of trades there are unwritten regulations for the determination of the daily 'stint' * * * They are not incorporated in any constitutions or working rules, but there is a tacit understanding among the members as to what constitutes a day's work."

It is an industrial disgrace and a menace to the rest of society when labor unions can succeed in putting over policies which make all men on a job earn the same amount and produce the same quantity, regardless of individual differences in their ability.

Twin City Bricklayers

Thomas H. Preece, Vice-President of the International Bricklayers' Union, said recently (quoted in *Brick and Clay Record*, February 24, 1920):

That the bricklayers, like "other classes of workmen * * * are not producing that which they should produce for the money they are getting.

* * * A good bricklayer can lay 1,400 to 1,600 bricks a day. When he ha done that he has done a good day's work."

Do you know that in the Twin Cities bricklayers are laying only 70 to 800 bricks a day—just half what one of their best known leaders say they should lay? That's one of the things that makes home building s expensive these days—and because home building costs are prohibitiv rents are going up to the sky. Twin City bricklayers get $1.25 an hour- or $55.00 per week—about $240.00 a month: In 1907 they got $19.20 week; their wages have increased 185 per cent. Yet to-day they produc only half what they should!

Can Dishonesty Pay?

Manufacturers make a mistake and injure the public as well a themselves if they retain out-of-date or wasteful plants and equipmen Those who do so must, however, soon abandon their foolish and wasteft policies or be forced out of existence by pressure from alert and up-to-dat competitors. For labor to deliberately do less than that which it is pai for doing is even more harmful to the public welfare. Labor is sellin "fake" goods; it is not giving an honest labor day for the wage it demand and accepts.

After all, the question is not one of what is paid for wages—but o the service which is given in return. There is no desire to hurry men s fast they will injure the quality of the product or impair their own healtl And the amount of work that can be done without such impairment ca be scientifically determined.

The employer who agrees to pay the union rate of wages expects an should receive the benefit of the full and unrestrained ability of th worker. To-day he doesn't get this. The consequence is excessive cost of production, which finally must be paid by the community; you and are the real sufferers because or organized labor's deliberate lessenin of production.

Trade union autocracy, as sought in the United States by organize labor, demands full power over our economic life; extreme wages, wit no regard to service, quality or output; all these in absolute disregard o individual and public rights—all this is contrary to every principle fo which our government stands.

Minimum Tasks Opposed

(Testimony of Mr. P. J. Conlon, vice-president of the Inter national Association of Machinists, before the Industrial Rela tions Commission, April 14, 1914. Objection to any minimun task being set.)

MR. THOMPSON: What is the general attitude, if there is any, c your organization on scientific management?

MR. CONLON: The best answer I could give you to that would b to read an extract from our laws: "This association stands for th abolition of the operation of more than one machine, piece-rate premiun merit, task, or contract systems. Members who may be found guilt of agitating or encouraging any of these systems in shops where it is no in operation are liable to expulsion; and the practice in such shops sha

be entirely abolished as soon as possible the date to be set by the general executive board."

MR. THOMPSON: If I understand that correctly, that would prevent your men from working under any task system?

MR. CONLON: Yes; there is no hope of redress at all, and they will finally try to ruin the business of the employer.

MR. THOMPSON: Yes. Then the question is, after all, is it reasonable or unreasonable, fair or unfair?

MR. CONLON: We object to a minimum task being set.

(Testimony of Mr. Roswell D. Tompkins, secretary-treasurer of the United Trade Business Agents of Greater New York, before the Industrial Relations Commission, May 25, 1914.

MR. THOMPSON: How do you interpret this rule which is part of your by-laws: "Each and every member will be expected to do a fair day's work, and if on any job it is the judgment of the other members working on said job that any individual member who is found working detrimental to the interests of other members on that job a complaint must be filed immediately by the business agent against the member complained of, and if found guilty shall be removed from the job."

MR. TOMPKINS: The interpretation of that is this: A job might be working with probably eight or ten men, probably for three or four weeks, going along very nicely, and another new man is introduced on the job. This man starts to speed it up, as they call it. Probably for three or four weeks prior to the admittance of this man in on the job everything has been going along very nicely, no fault found by either the employer or the foreman, and this man starts out and probably will put in a certain amount a day of work on the job, and it is found out that he is getting probably fifty or seventy-five cents on the side for doing it. Now, that is what that clause covers.

MR. THOMPSON: Well, assume that he is not being paid anything extra on the side, but is working faster than your members think he ought to work, he still would come within this rule, wouldn't he?

MR. TOMPKINS: He would come within that rule and, upon complaint, be removed from that job.

MR. THOMPSON: Who decided whether he is working faster than he ought or not, the local union?

MR. TOMPKINS: The local union—the men on that job.

MR. THOMPSON: Does the manufacturer or contractor have any voice in it?

MR. TOMPKINS: No voice in it at all.

The True Meanings and Value of Scientific Management

(From "The Price of Efficiency," by Frank Koester 1913. Mr. Koester shows the real meaning of "scientific management," answers the objections made by the closed shop unions, shows how the present system of output restriction harms the workers

and the public, and points out the benefits to both which greater efficiency in effort will bring. This Association must not be considered as endorsing any of the specific plans, schemes, or outlines of "scientific management" or "industrial efficiency" which have been advanced.)

"Scientific management," a recent and high-sounding name given to the common-sense policy of shop efficiency, is also bitterly opposed by the labor unions. It amounts to a conservation of energy, and consists in reducing the number and difficulty of the bodily movements necessary to perform any given task.

Thus, a bricklayer, by standing in a certain position, having his bricks placed on a platform at a selected level and adopting a certain sequence of movements, can lay three times as many bricks in a day as one who goes at his task in the usually inconvenient manner, and not be any more fatigued by his work if as much. A house built in such a manner is much less expensive than by the old methods, and were all houses so built, rents would be greatly reduced. Yet the bricklayer can only see the point that by producing three times as much work, he will be out of work three times as quickly, and he therefore adopts the opposite plan, restricting his output as much as possible. All other trades follow a similar policy, for except on piece work, it is almost the universal custom among workingmen.

If as a body they understood the advantages of efficiency, with the consequent cheapening of products, and doubled their output, an enormous effect would be produced.

If, for example, a million coats are made daily, and the makers increased their product to two million without any additional cost of labor, the cost of coats would be greatly cheapened. But if carried out, practically half the coat makers would be thrown out of work, a calamity more obvious than real, as they would be able to find work in other lines while the coats of all would be cheaper, including their own.

In fact, for each worker, the consequent cheapening of coats for the remainder of his life would be in itself more than compensation for the loss of his position.

The same process applied to all trades would throw half the workers out of employment sooner or later, depending on the time consumed in arriving at the new condition. But though half the workers were thrown out of work, the cost of living would be reduced to half its former figures, so that the condition of the whole would not be any worse while the necessity of women and boys under eighteen working would not exist. The whole family of the laborer could live on his earnings, instead of, as at present having to work to make up the industrial deficiency caused by his ignorant attempt to get the best of his employer.

Why the Output Is Restricted

The labor unionist, however, will argue that if the worker doubles his output, it will throw half of his fellow workmen out of work and that the consequent over supply of labor will result in the unemployed half competing with the employed half, with the result that all are re-employed, but each at half the former wages to turn out twice as much in products

as before, not a pleasant prospect for the laboring man. Even admitting that such would be the case, the cost of production would by this process be reduced to one-fourth the present cost, for ultimately labor is the only item that enters into the cost of any article of commerce. The cost of living being reduced thus to one-fourth its previous figure, the worker working for half his former salary would buy twice as much as it does now. He would be twice as well off for the simple reason that he would be doing twice as much work. The laborer cannot, considered as a body, divest himself of the fruits of his toil any more than he can permanently obtain a greater compensation than that to which he is entitled by natural laws, no matter what scheme or device he employs.

Consider on the other hand that the labor unionists were to be able to obtain double their present wages for doing half as much work. The cost of all products would be quadrupled immediately, but the wages of the worker being only doubled, he would be in a position only half as advantageous as at present. Some such process as this has taken place in the last generation throughout the world. The workingman has become filled with false ideas as to his rights and privileges and what his labor entitles him to, and with everyone else, he is to-day reaping the bitter harvest. Wealth is nothing but accumulated work and the more work that the individual can do, the richer will be the world. By the not very great addition to work of increasing its value a dollar a week, the wage earners of the country in twelve months would produce value equivalent to the entire fortunes of Morgan, Rockefeller and half a dozen other of the richest men in the country, and give such an impetus to prosperity that hard times would be a thing of the past for years.

No worker working for himself ever restricts his output. But the worker imagines that in working for his employer he is working for someone else. Such is not the case. The public is composed of the public, not of strange gods or wealth devouring ogres, and work is always wealth. The worker's living expenses are certain, and more or less fixed. If he works twice as much he produces twice as much value. It goes somewhere. Into the pockets of capital, the laborer thinks, but this is not the case. As little popular sympathy as it arouses, competition among dollars for jobs is just as keen as among workers. Capital quickly flows into new and profitable enterprises and deserts old ones. If a moving picture theater makes money, a dozen others spring up to cut down the profits of the first. If a foundry or a factory in a certain line is very profitable, there is a rush to get into that business. Money is subject to the laws of supply and demand just as labor is. Everyone wants money, but few demand it so strongly as to pay 100 per cent interest. In fact 6 per cent is about the ordinary wages of money. The more money there is, the lower the rate of interest. Capital thus measures its own return by the amount of it in existence, the more capital the less return, just as labor is measured, the more laborers, the lower the wage.

The worker who is apparently making his employer richer by working twice as hard, is in reality working for himself, for although the employer may temporarily become richer as an individual, it gives him money which he must invest and throw into competition with money invested in other

business or in his own. If he enlarges his plant, the worker is surer o employment. If some other manufacturer from some other field invade the field, the worker has a choice of employers, he is in fact compete for by the very wealth he has created in his own increased efforts. Th enormous mass of fresh capital produced by a new point of view of th worker would in competing with existing capital reduce the cost of neces sities. The wage earner would thus be deriving the benefit, since hi wages though not increased would have an increased purchasing power.

Capital has certain limits of profit, just as labor has. Each takes it natural proportion in accordance with the relative amounts of each i existence. Thus the worker, by more effective efforts, when he increase the amount of money in other peoples' pockets, is improving his own con dition by creating new purchasing power for his products, and is increas ing his wages through reducing the relative returns to capital caused b his own efforts in bringing more capital into existence. He become vastly more valuable to himself, to his employer and to the world tha in his previous condition.

The Folly of Output Restriction

Yet practically throughout the world, especially in English-speakin countries, the worker restricts his output. The new system of "scientifi management" is violently opposed, yet it involves no more fatigue tha present methods while producing much greater results. What it amount to is a study of the bodily movements with a view to eliminating thos which are superfluous or awkward, so that a worker at the end of a da has made no greater number of movements than ordinarily, and ha expanded no more strength, but his strength and his movements have bee productive ones. Indeed, owing to the waste motions being eliminated the amount of work done is often less. Even the housekeeper can intro duce a little "scientific management" in the kitchen by the erection of a new shelf to save steps, by sweeping with a certain motion or by allowin the dishes to remain in hot water for a time before washing them. Scien tific management is merely common sense applied to the daily task. The vast amount of wealth that dies still born in the factories of the world every day is almost incalculable.

In the United States there are 7,017,138 wage earners in factories according to the 1908 governmental report, "Earnings of Wage Earners.'

The census of manufacturers of 1905 reported 216,262 establishments of which 19,679 reported no wage earners in employment, leaving 196,58 to be investigated in connection with the report on weekly earnings. The returns from 72,880 of the establishments were so defective or unsatis factory that they could not be used. Of the remaining 123,703, or 62.9 per cent of the whole number having wage earners, the reports enabled the preparation of most interesting deductions.

The inquiry called for the segregation of wage earners according to groups of actual earnings, and not rates of pay; and therefore the dis tribution gives the actual numbers that earned the specified amounts dur ing the week covered by the report. The terms "wages" and "earnings" are frequently used synonomously. Earnings and not rates of wages, either actual or other, are given in the report. The totals include piece

workers, and cover all branches of employment in the manufacturing industries of the country, exclusive of the office force.

Of the 3,297,819 wage earners covered by the investigation, 2,619,053, or 79 per cent, were men, 588,599, or 17.9 per cent were women; and 90,167, or 2.7 per cent were children.

The pay rolls of the 123,703 establishments for the week covered amounted to $33,185,791, and of this, men received $29,240,287, or 88.1 per cent; women, $3,633,481, or 11 per cent; and children, $312,023 or nine-tenths of 1 per cent.

As each establishment was requested to report the actual number employed during the week and the actual amount paid that number, it should be safe to use the above totals to compute the average earnings for the week. They give $10.06 as the average weekly earnings for all classes of wage earners during the selected week, and $11.16, $6.17 and $3.46 as the averages for men, women and children respectively.

The classification shows the concentration of men at the higher and of women and children at the lower weekly earnings. More than one-half (55.5 per cent) of all the wage earners received $9 and over per week. Two-thirds (66.6 per cent) of the men received $9 and over for the week, while only one-seventh (14.1 per cent) of the women were paid at this rate. The children receiving $9 and over were so few that they are included in the general tabulations with those receiving $8 and over.

The greatest number of wage earners, namely, 464,875, make from $12 to $15 per week, while some 132,064 make less than $3 per week.

Conserving Resources by Increasing Output

From a consideration of other tables given in this report, it is estimated that about 3,000,000 wage earners are so employed that by the adoption of intensive work, they could greatly increase their output. The other wage earners are so employed that their output could either be but slightly increased or not at all. But the output of the 3,000,000 could readily be increased 50 per cent, and at the average wage of all factory workers, approximating $9 a week, this would mean a saving of $2,340,000 a day or the vast total, figuring 300 working days in the year, of $702,000,000. That is, there is that much money wasted in misdirected efforts every year, by far a larger item than any that has been made in any computation in reference to the conservation of the country's resources.

The census of 1900 showed 29,287,070 persons, ten years of age and over, as engaged in gainful occupations, and assuming that the average weekly wage is $6, and omitting the 3,000,000 factory workers already referred to, the application of intensive work to the extent of only 10 per cent, would mean an increase of sixty cents a week for 26,000,000 workers, or $2,704,000 a day.

In whatever employment the worker may be engaged, an increase of 10 per cent efficiency may be obtained, and in most cases very easily obtained without any additional effort at all. In three hundred working days, the 10 per cent increase would mean $811,200,000 which with the factory increase mentioned, makes a total of $1,513,200,000.

This vast sum, that might be added to the wealth of the country annually, would be like quarts of blood transfused into the veins of an anæmic; where there is now financial lassitude, activity and vigor would result; where credits are restricted and capital wanting, there would be energy and prosperity. The attitude of antagonism the fact that someone else will become too prosperous, jealousy of the success of others and particularly of those who are in the position of employers, brings misfortune for all.

The man who devotes himself to schemes for preventing others from making money, will never have the time to make much for himself.

Almost as bad as this grudging of effort in its costliness to humanity, is the time lost in strikes, the most direct expression of the differences between capital and labor.

The waste of grudging effort, or as is often the case, simply the inefficient or "what's-the-use" failure of the worker to put forth his best effort, lies in the feeling that no one else will do so. There is an utter lack of co-operation and concerted effort.

A group of laborers tugging at a timber will not move it unless there is a concerted effort. It is then moved with little trouble.

A method of introducing a concerted effort in intensive work needs to be devised. If all workers knew that on a certain day all other workers were going to put forth extra efforts, it would have the effect of contagious enthusiasm, and even the most indolent would be "on the job" on such a day. What the country needs thus, is a tuning up or period of forcing, a time during which prodigious efforts are to be made; after which the greater effort would become a habit, and the previous method, a remembrance as of the dreaded tasks of childhood.

Perhaps the only time the whole country has engaged in a concerted and prearranged effort, was the cessation of all activity for one minute at the time of the funeral of President McKinley, when all transportation and work was stopped. This had a great psychological effect.

A concerted effort of this kind to initiate a new attitude towards the day's work could not fail to have an enormous effect.

While such concerted action might prove an immediate expedient and a starting point, a more permanent change of the point of view is necessary. There must be systematic training. The right direction must be given and the sense of responsibility to humanity made a part of the technical training of all.

Each one should be taught to do his part for the sake of the rest of the world as well as for himself. The spirit of mutual helpfulness on the part of all concerned should take the place of animosity and jealousy.

Limitation in Practice

(Statement of Mr. Grant Fee, president of the San Francisco Building Trades Employers Association to the Industrial Relations Commission. Pages 5310, 5311 of the record. Limitations in a strong closed shop city.)

Far more serious is that sinister control which is at present being exercised over foremen and members of various unions in the different

crafts, whereby these men are prevented from doing an honest day's work for a reasonable wage. In other words, though a man of ordinary ability in any craft is able to turn out a certain amount of work, this secret agreement or understanding prevents him from turning out that amount of work, and limits him to a lesser amount.

In proportion as this charge is a serious one should there be given to it that grave consideration which it deserves. In our estimation enough to warrant affidavits from the employers whose very business this system tends to undermine. Take, for instance, the employers in the composition roofing, damp and water proofing business.

Exhibit No. 1 shows an attempt to adjust this matter of limitation of output peaceably. This means having failed, a lockout of all the roofing craft was declared by the master roofers and manufacturers' association, under date of July 31, 1913. This matter was referred to the building trades employers' association—the employers controlling body—by the master roofers' association. (Exhibits Nos. 2 and 3.)

Exhibit No. 4 shows a report of the investigating committee sent out by the building trades employers' association. On August 13, 1913, the agreement (Exhibit No. 5) was arrived at by conference between the building trades employers' association and the building trades council. A very short time afterwards it was found, however, that in spite of this agreement the pernicious practice of limiting the output had not been eliminated, and further questions arose between the employers and the union which imposed hardship on the employers. (See Exhibits Nos. 6-14.)

A careful perusal of these exhibits will show that in spite of continued communications the limitation of output still prevails, together with the other questions at issue, namely, the disrating of the foreman (the employer's agent) by the union and unfair competition caused by union men taking contracts which enable them to work below the scale which the employer is forced to pay. Moreover, no employer is allowed to work on the job himself, while the union man taking contracts is granted this privilege.

From the affidavits filed with this brief, referred to herein, made a part hereof, and marked respectively Exhibits Nos. 15-18, it will be seen that since August 14, 1913, the foremen of these affiants have repeatedly advised their employers that they dare not urge their men to do that amount of work each day which could readily be turned out by a workman of ordinary ability in the craft. And why? Because in these affidavits it appears in many instances that, though made foremen by their employers, they are disrated by the union for attempting to get from their men more work than that allowed by the secret understanding. And in each of these affidavits it appears that the foremen advise their employers that they are liable not only to be disrated, but will be fined, and probably suffer, if persistent in their efforts to obtain from their men a fair amount of work, physical violence. To your honorable body the reasons for not setting forth the names of these foremen is obvious. This limitation of output is no new thing, as evidenced by attached affidavit. (Exhibit No. 19.)

Denial of Restriction Met by Facts

We may be met by the statement of our friends, the labor leaders, that this pernicious habit of limitation of output is not sanctioned by the Composition Roofers' Union, No. 25, nor by the building trades council, the governing body in this jurisdiction. And they will point with pride to the fact that when the matter was brought to their attention in the months of July and August, 1913, they went on record as discrediting such a practice. They will further tell you that the composition roofers' union (Local No. 25) denied on the floor of the council that the union had even had such an agreement. And all this may be true. One would hardly expect a union to go on record as limiting the amount of work its members could do. Nevertheless all their denials can not change the fact that in years gone by these same men did more work for a day's wage than is now done, can not change the sworn statements of employers of these foremen, intimately in touch with their employes, who know what is going on, but dare not come into the open for fear of violence at the hands of their fellow members.

The difficulty of obtaining reliable data upon the subject of secret agreements to limit the output must of necessity be our excuse for not presenting concrete instances of such agreements existing in each craft. With this as our excuse we are presenting to you such evidence as we can command relating to the limitations of output, first among carpenters; second, plasterers; and third, upholsterers.

The best obtainable evidence that carpenters are careful not to overwork is found on page 29, in section 53, of the By-Laws and Trade Rules of the Bay Counties District Council of Carpenters and Joiners of America, adopted April 2, 1913, a true copy of which section is annexed hereto, made a part of hereof, and marked "Exhibit No. 20." It reads:

"Any carpenter can prefer charges against pace makers, and any member found guilty of pace setting, or rushing members, with a view of holding his job, and bringing up the other members employed to an excess standard of speed shall be fined as per section 59."

It is submitted that no skilled laborer in San Francisco has even ever been compelled to be a "pacemaker" to hold his job, and we read the section it is but a flimsy cloak, carrying to its members a veiled threat that will if they give the best that is in them for an adequate wage they suffer as therein prescribed.

Further comment upon it would be an insult to the intelligence of your honorable body.

With reference to the limitation of output among plasterers we have but to say that we are creditably informed that plasterers or those engaged in the mixing of lime are not allowed to mix over a specified number of barrels in any one working day, irrespective of whether or not the number allowed is a reasonable one. (Exhibit No. 19.)

(A letter of the National Roofing Company, Oakland, May 22, 1914, to the Master Roofers and Manufacturers' Association. Printed on page 5326 of hearings before the Industrial Relations Commission.

GENTLEMEN: Herewith I submit a question that I think is up to

our association to handle. About three weeks ago one of my foremen and his entire crew were summoned before the union to which they belong on a charge which was supposed to be conduct unbecoming to a union man. The sum and substance of this charge is that the crew put on more work than the secret agreement which the union has calls for.

They were tried and each member of our gang was fined five dollars and the foremanship taken away from my foreman for a period of one year. My foreman, Mr. E. O'Connell, took his case before the building trades council and Mr. P. H. McCarthy informed him that he would not sanction any rule which put a curtailment on work.

Then they called a meeting where our men and the representatives of the union met at the building trades council last Tuesday evening. The union claimed that they did not have any such law allowing so much work to be done in one day, but the charge was that the work was not done according to specifications, whereupon our foreman produced a letter from the contractor on this work accepting the work and saying that he was entirely satisfied in every respect.

Mr. P. H. McCarthy has a letter from our crew, signed by every man that they were fined for exceeding the limit on a day's work. Hence you can see how the matter stands. This matter has been put over and we think it is up to your honorable association and wish you would take action on same at once.

In order to assist you in the details in this matter; on a separate paper I am giving you the names of the men and job, etc., as follows:

Name of job: Stillwell; Contractors: Harris and Hudson; Location: Fruitvale Avenue and Hopkins Street, Oakland. Crew: Foreman, Mr. E. A. O'Connell; laborers, Mr. J. Finlon, Mr. Charles Latimer, Mr. C. De Mussett.

Wages Should Be Based on Production

(From an address by Charles N. Piez, president of the Link-Belt Company, Chicago, before the Industrial Relations Association of America, May 21, 1920. Wages should be based on unhampered production, says M. Piez.)

I think the biggest charge that can be brought against organized labor (and I talk now particularly of my own industry—the metal trades industry) is that for years it has been following methods of monopoly. It has limited apprentices, has gradually reduced output, has attempted to reduce hours, and at the same time limited in every way the rate of production.

I recall some fourteen years ago, when a breach came, in our Chicago plant we were making a six-inch case iron roller. The production on that roller had been gradually dwindling and finally the shop steward said that sixty of those six-inch rollers should constitute a day's work, and so a full grown man, then being paid current rates of wages per day, was turning out sixty pieces a day. He had a tremendously difficult job to appear busy doing that little work, and as we watched him we argued with the shop steward about it. I finally said that we could bring a green man into that place and that he could turn out one hundred

good rollers a day. Afterwards one man turned out one hundre and eighty of those rollers and he is still doing it. This man's work ha been written up by Miss Ida Tarbell. He is a stalwart fine fellow there is no evidence of fatigue; there is no evidence that he is over worked.

I cite this case to indicate that when we get normal productio under the commands of an officer of union organization down to thirty three and one-third per cent of where it belongs, it's time that some body should ask some questions.

I think that a good deal of the present day unrest is due to th fact that we have lost sight wholly of the relationship between produc tion and wages. Personally, I have always felt that production was th only sane basis for wages. And I recognize, too, that piece work, so-called has been badly worked by some employers; worked to the disadvantag of the men for many years, and I can appreciate very much why ther should be strong prejudice against it.

But after all, that does not set aside the fact that paying rates on th basis of production is the only common sense way of rewarding labor I am perfectly willing that both sides should have a hand in deter mining what the rates should be, but to deny absolutely the effort anc right to pay on a production basis, I think is economically unsound anc is bound to lead to trouble in the end.

Typical Opposition to Labor-saving Machinery

(From article "The Stonecutters' Union and the Stone-Planer," by Professor of Economics George E. Barnett, of Johns Hopkins University. Printed in the *Journal of Political Economy* May, 1916. Typical union opposition to the introduction of labor-saving machinery.)

Machines for planing stone have been used for many years. The original machines were simply iron-planers slightly reconstructed, and were worked by a gear-and-rack drive. They were successful in planing flaggings and other paving material for which a smooth surface was not required, but could not be used on building material. About 1880 a new type of planer was designed, in which a screw was substituted for the gear-and-rack drive. A regular motion was thus attained, and the machine became a practicable means of working building stone.

When the planers were first introduced much was said about the injury they did to the stone, and it was asserted that planed stone soon disintegrated. The strong desire of some of the workmen to discredit the machines induced them to exaggerate the injury done. A writer in the *Stone Cutters' Journal* for March, 1893, declared that the surface of planed stone rotted and the projections fell off. It has long been understood in the trade that planer-cut stone is fully as durable as that cut by hand if the planing is properly done, but that the planer may be made to run so deep as to "bruise" the stone.

The amount of labor saved by the use of a planer is difficult to estimate, since the advantage over handwork is largely relative to the class of stone and the kind of cutting. A single-platen planer of im-

proved type when engaged on the work in which the planer is most superior to handwork will do about as much work in an hour as ten stone cutters. The number of planers in use on building stone in the United States in 1915 was about 1,000. Each of these probably does, on an average, an amount of work which would require seven or eight stone cutters. The stone-planers now in operation in the United States on building stone, therefore, do the amount of work which would require seven or eight thousand hand cutters.

Labor-Saving Machinery Reduces Prices

As in the case of all inventions of labor-saving machinery, except where monopolized, the planer has brought substantial reductions in the price of the commodity.

In the period since 1900 the use of other labor-saving devices besides the planer has been extended in the stone trade. Pneumatic tools and diamond pointed saws have taken over much of the stone cutter's work. It may be roughly estimated that in 1900 there were between 20,000 and 25,000 stone cutters in the United States. The labor-saving devices now in the use of the trade, the greater part of which have been introduced since 1900, do an amount of work which, at the lowest estimate, would require the labor of 10,000 hand cutters.

Until 1895 the stone cutters did not concern themselves about the planer. The number of planers in use was small, and they were to be found chiefly at the quarries, where the stone cutters were either unorganized or organized in independent local unions. The first impulse to the formulation of a national policy was given by the attempts first to control and later to prohibit the use of the planer, inaugurated in 1895 by the Chicago local union of stone cutters.

The use of planers in Chicago began about 1892. The local union in 1895 asked unsuccessfully for the insertion in the agreement with the Chicago cut-stone contractors of provisions limiting the hours during which the machines were to be operated, and requiring that the planers should be operated by union men. In January, 1896, the union insisted that the planers should not run more than eight hours a day, and a strike ensued. The strike was settled by an agreement made on April 15. The planers were to be operated only eight hours per day and six days per week, and the laborers employed as planermen were to be replaced, in part immediately, and by degrees entirely, with stonecutters. The union in return agreed not to work on any stone which had been planed outside of Chicago, and to "keep out all stonework not planed or cut in Chicago."

In 1898 the Chicago union demanded that for every planer operated the contractor should employ at least four stonecutters with hammer and chisel. The actual proportion in most of the yards was far below this, and the contractors refused to accede.

After a strike of ten weeks a compromise was effected under which the contractors agreed to employ two stonecutters for every single planer and four stonecutters for every double planer. In January, 1899, the union notified the contractors that they would not work after April 1 in any yard where machinery, except saws and rubbing beds, was used. The

contractors secured an extension of time to June 1, but on that date all the planers in Chicago stopped. The value of the machinery thrown out of use was estimated at over $100,000. Planers were not used in Chicago from June 1, 1899, until after the build-trades strike of 1900.

A number of branches of the General Union followed the example of the Chicago union in imposing restrictions on the operation of the planer.

During the period from 1896 to 1900 a beginning was also made by the local organizations in another form of restriction; the prohibition of the shipment of planer-cut stone into cities where the local union was opposed to its use.

Planer-cut stone has been excluded from some localities on the ground that the working conditions at the shipping-point were inferior to those at the place of erection, but about 1896 a number of branches in which there were no planers began to exclude all planer-cut stone.

The opposition to the planer increased so rapidly that in January, 1900, the executive board of the General Union was called into session. As a result of their deliberations, the members of the board determined to add to the constitution of the General Union two new rules: (1) "Planer work will not be permitted to be shipped into any city where the union has succeeded in abolishing them;" (2) "Branches shall make every effort possible to prevent the introduction of planers in their jurisdiction."

Of the two new rules adopted, the rule restricting the shipment of planer-cut stone was far the more important. It was modified from time to time, but remained in force from 1900 until 1908. It will be convenient, therefore, to neglect the strict chronology of events, and, before taking account of other rules relating to the planer, to trace the operation of this rule through its entire history.

Intolerable Situation Caused by Union Attitude

By 1908 the situation had become intolerable. At a convention held in that year sentiment was strongly against the continuance of the restriction on the shipment of planer-cut stone. The majority of the "committee on the transportation of cut stone" recommended that the branches should be forbidden to restrict the shipment of stone, provided wages and hours at the shipping and the receiving points were equal. Certain branches, however, notably St. Louis, complained bitterly that they had been able to keep out planer-cut stone and that this rule would force them to allow its introduction. Finally, the convention decided to repeal entirely the rule relating to the transportation of stone, leaving it to each branch to decide whether it would attempt to keep out planer-cut stone. Since the rule of the General Union was repealed, a branch which determined on a policy of exclusion could not expect the aid of the shipping branches. The repeal of the rules relating to the shipment of cut stone was ratified by a branch vote of 957 to 521.

The original policy of the General Union toward the planer, as has been already noted, consisted of two parts: first, restriction of the shipment of planer-cut stone, and, second, opposition to the introduction of planers in places where they were not in use. At the session of the

General Union in 1900, when the first rule against the shipment of planer-cut stone was enacted, the branches were urged to "make every effort possible to prevent the introduction of planers in their jurisdiction." If the rule against the shipment of planer-cut stone could have been enforced, many branches would have struggled vigorously against the introduction of planers. But where it was impracticable to keep out planer-cut stone it was distinctly to the advantage of the branch to have the contractors instal planers, since the members of the branch got what the machine left of the home work, and, in many cases, of work for the outside. Under such conditions, therefore, the branches did not oppose the introduction of planers.

Although the national union at first confined its efforts to limiting the extension of the field of the planer, its policy was soon enlarged by rules relating to the operation of the planer. There were two of these rules: (1) the rule restricting the number of hours a planer might be operated: (2) the requirement that planermen should be stonecutters. A third rule—that a shop must employ a certain number of hand cutters for each planer—was also adopted by a number of branches, although it never attained the dignity of a national rule. The first and third rules were designed, like the rule against the shipment of planer-cut stone and the rule against the introduction of planers, to check the displacement of hand cutters, and it will, therefore, be convenient to consider these two first.

In January, 1904, the National Cut Stone Contractors' Association had been formed. One of the purposes of the new organization was to protect its members against the stonecutters and particularly against the restrictions on the use of machinery. In Chicago, and later in New York, its members were closely allied with the dual stonecutters' unions; but in other cities the members of the association employed stonecutters who were members of branches of the General Union. At its second session, in November, 1904, the National Association decided to offer general resistance to all restrictions on the operation of the planers and on the shipment of stone. It adopted the following resolutions, which were to be posted in all the shops of its members: "First, that we shall run our machinery without restrictions as to hours or as to whom we shall employ to operate them; second, we shall cut and ship cut stone without any restrictions as to the place or local conditions." The adoption of these rules did not provoke a general conflict, chiefly because at the time the membership of the association was small. As it extended its influence, however, a series of engagements between the General Union and the association occurred.

The introduction of the planer and other labor-saving devices has led everywhere to considerable changes in the character of stone contracting plants. The contractors have erected substantial buildings, equipped with hoisting and other devices. The sheds are usually larger, and, therefore, freer from dust, than formerly. Also, the seasonal fluctuations in employment have been reduced, because the more substantial sheds heated by steam have made winter work possible. These changes have been due to the necessity of investing large sums in machinery and

the consequent desire to run the machines as nearly continuously as possible.

Business Agents Tell Men to Loaf

(Effort of closed shop unions to increase production costs to contractors and the public are revealed in the following from the *New Sky Line,* Little Rock, March 13, 1920.)

"Killing the goose that laid the golden egg," is an old aphorism, used to characterize the mistakes of people who destroy the foundation upon which their well-beings rests. So it was with the Plumbers' Union last November, when they loaded up their perfectly good contract with working regulations that the Master Plumbers would not accept, and then broke their perfectly good contract and went out on a strike to enforce the perfectly bad regulations. The bad regulations provided for additional time on plumbing work. No additional time was necessary. Nothing had occurred to require increased time in which to do certain tasks. The demand was a capricious one, no tangible reason existing. No material profit or gain could accrue to the plumbers; no advantage to the union. It was apparently an effort to prolong the time and increase the cost to the contractors and the public, and delay the completion of work, in order to make the plumbing work last longer, and thus increase the volume of plumbing work in proportion to the manpower of the plumbers or to coerce the contractors into raising the scale of wages before the expiration of the contract then in existence. The contract had been made June 1, 1919, for one dollar per hour and an eight-hour day, the contract extending to June 1, 1920. The public is familiar with the time regulations the business agent tried to put over on the Master Plumbers. The business agent constituted himself an interpreter of the regulations, and undertook to direct how much time the workmen should devote to the jobs in which they were assigned. His object was not to lower the cost or increase the efficiency, but to lengthen the time and increase the cost to the public. This is evidenced by an affidavit of one of the workmen, a competent mechanic, with a disposition to be fair and honest. He was not a regular attendant upon the union meetings, where the un-American and Bolshevik regulations were born and propagated. He was a worker who did an honest day's work for an honest day's wage; was willing to deliver the goods, and wanted to be fair and just. The work in question was a steam fitting job at the Christian Science Church, on Twentieth and Louisiana Streets. William Peterson was the general contractor, and the Pettit-Galloway Company had the steam fitting contract as sub-contractors. D. B. Clark, a member of Union No. 155 was in their employ, and was assigned to the work. The blueprints were given to him by the foreman on November 17, 1919. After work hours he dropped in at the pool hall on West Capitol, the Union headquarters. There he met Strode, the business agent of Local No. 155, who asked to see them. He kept the blueprints to look them over, returning them later. When Clark called for the blueprints the next morning and went out on the work, he found a card or piece of paper wrapper around them. On the papers was written

"D. B. Clark; thirty-four days. Destroy this. Burn it." To be sure that his directions were followed, he personally appeared on the job a few days later. When Clark protested against putting in unnecessary time on the job, the business agent used his everready weapon, the Union threat, and told him if he did not put in thirty-four days on the job the local would fine him. Clark failed to destroy the card on which the instructions were written. He did not burn it. He worked six days and six hours, and then had to stop on account of sickness. Before he recovered the Union men went out on a strike, and refused to arbitrate, the business agent claiming they were striking for a principle, and not more money, but told the Master Plumbers that if they would agree to more money he would waive the odious regulations. On December 29, Clark went back on the same job, and completed it in workmanlike order, the full time employed being twenty-one days, and says that if he had been a well man he could have completed the work in seventeen days. This discloses the kind of principle the business agent was striving to establish and maintain, and for which the journeymen plumbers, steam and gas fitters of Local Union No. 155 went on a strike. Thus they "blew up," "killed the goose that laid the golden egg," and found themselves out of employment and facing the Open Shop and Square Deal, where no such Bolshevik or un-American conduct is countenanced. (This is supported by an affidavit from D. B. Clark.)

Our Lesson from England's Experience

During the war, trade union output restrictions threatened to defeat England. Lloyd George, whose policy had always been to throw his influence in favor of the unions, found it necessary to personally beg the unions to suspend their rules and practices so that production could be secured. In one of these appeals he said: "If we had a suspension during the war of these customs which keep down the output, we could increase it some places by 30 per cent, in other places by 200 per cent. Between 30 and 200 per cent—well, you know that makes the difference between victory and defeat." Matters in the field of production finally reached an acute crisis which resulted in the celebrated agreement between the government and the unions under which union rules were suspended, non-union men and women were permitted to be employed, and unskilled workers were permitted to be placed upon unskilled work which formerly union men had arrogated to themselves. In other words—and this is the first lesson to be learned from the English experience—England found it necessary to lay aside the closed shop and to adopt the open shop in order to save herself from defeat. In all its chief essentials the agreement between the government and the unions by

which production was brought up to a proper level was an open-shop agreement.

Is it not clear, in the light of England's experience, that domination of our Government and control of our industries by closed-shop unionism is a condition most destructive of national preparedness for the exigencies of war? If the uneconomic and destructive practices of closed-shop unionism are fastened upon our industries, what will be the fate of our national hope for trade expansion and trade supremacy?

Typical Closed Shop Restriction

Testimony before a special investigating committee of the Illinois legislature has revealed deplorable conditions in the union controlled building industry of Chicago. Combinations such as exist in New York City (see ChapterXVII) have been brought to light. The following facts are typical of the testimony still (May 25, 1921) being offered to the commission:

Payment of $100,000 cash in the construction of Chicago's new Union Depot as demanded by labor officials.

Material and labor from outside Chicago can be used only on the payment of "subsidies" or "contributions" to union leaders.

Most theatre seats are made in open shops; the unions collect from $1. to $5. a seat for their installation, under threat of strikes.

Sellers of furniture for new buildings wished to polish the furniture after its installation. They were not allowed to use their own employes, and a strike was threatened unless union painters were employed for the work at $1.25 an hour.

Riveters employed in the construction of the Webster Hotel were reprimanded by their union because they put in more than 250 rivets in one day.

Cincinnati union painters are now attempting to force their employers to accept rules limiting the width of paint brushes to 4½ inches and providing that painters may not carry over 5 pounds of paint at a time.

CHAPTER XI.

Open Shop Efficiency and Production Comparisons

This chapter will explain the manner in which efficiency of open shop operation is greater than that in closed shops. As far as possible it will make comparisons as to actual efficiency.

(From testimony of Mr. Walter Gordon Merritt, then Counsel for the American Anti-Boycott Association, at present counsel for the League for Industrial Rights, before the Industrial Relations Commission, May 25, 1914. Mr. Merritt explains the fundamental causes for increased operating cost in closed shop plants.)

COMMISSIONER GARRETSON: Are union shops less efficiently handled than non-union?

MR. MERRITT: I think so, usually.

COMMISSIONER GARRETSON: In other words, a man that will deal with the unions has his faculties impaired thereby or what?

MR. MERRITT: No, sir. The union is very apt to insist upon a voice in matters of management you have taken from the employer who has become the logical head by a process of selection, and so must be the most capable of running the business, and the divided control results in less efficiency.

COMMISSIONER GARRETSON: Is any human entitled to more voice in his wage and the conditions of his service than the man who accepts the wage and performs the service?

MR. MERRITT: Why absolutely; the employer is entitled to more voice in certain things in the management of his business than the employes who work under him and give the service.

MR. GARRETSON: The owner?

MR. MERRITT: Yes, sir.

(From a monograph "The Closed *vs.* The Open Shop," by Ernest F. Lloyd, published by the National Industrial Conference Board.)

As against the employer, the closed shop practically limits his personal selection of employes to a choice of union workers. These may or may not be in his opinion suitable for the work in hand, or they may be otherwise undesirable. Equally, the disciplinary power of the employer is curtailed or abrogated and his methods of compensation regulated. These limitations may so increase the cost of production and the hazards of operation that the employer may be subjected to unsustainable financial loss.

(From "The Closed Shop in American Trade Unions," by Dr. Frank T. Stockton. Published by Johns Hopkins University, 1911. Pages 174 and 175.)

To sum up the arguments against the closed shop on the ground

that it affects unfavorably the economic conduct of industry, it may be said that the crux of the question is whether or not the "right to hire and discharge" is unduly restricted under the closed shop. The employer may enjoy the use of a valuable label and may be placed on a "fair competitive basis" with other employers. Individually the employer may reap a gain. But in the long run industry will be carried on less efficiently if by waiting lists or other restrictive devices the union interferes with the employer's hiring and discharging his working force in accordance with his best judgment. Similarly, a "closed union" restricts the employer in his choice of workmen. In those unions in which such practices exist the closed shop is to be condemned in that it is only through the device of the closed shop that waiting lists and arbitrary restrictions on membership can be made workable.

Computing Operating Costs

Mr. Harvey A. Patterson, president of the National Association of Merchant Tailors, prepared the following statement for the *Open Shop Bulletin*. This statement answers the claim that closed shop employers benefit by being able to compete because of equal wage and other conditions.

The open shop or American plan permits of greater efficiency in the merchant tailoring industry especially in the fine trade, as the journeymen work on the piece system which enables the merchant to estimate his costs accurately and gives the worker greater opportunity to reap the reward of his labors, particularly if he is competent and ambitious. The weekly wage system imposed upon a small group of merchant tailors in this city by the union, at the same time the trade at large made such a game and successful fight for its industrial freedom and established the open shop, has practically demoralized the entire manufacturing methods of the unionized firms, and they cannot compute costs to any degree of certainty. The amount of production cannot be estimated even, there being no guarantee by the workers as to how much work they shall do, and of course, the number of garments turned out under those conditions, and in accordance with union theories, is kept down to the minimum.

Under the open shop plan, the more prominent and successful merchant tailors see some hope of getting their selling prices down through increased efficiency. Under union control, however, there is no possible chance, and the merchant tailor today who is tied up to a union agreement faces absolute ruin.

Benefit of Scientific Production

(From Pamphlet No. 3, March 1, 1920, of the Associated Industries of Tacoma. This points out the benefits to the employer of scientific output, which closed shop unionism opposes.)

When we say that the price of labor is seventy-five cents we do not know what this means. There are measures or quantities by which to sell goods or real estate, but when it comes to buying labor we have no

measure nor can we estimate its value by personal observations except after the labor is done, which is long after the so-called bargaining took place and long after the price was set. It is true that labor is sold by the hour, but the hour is a measure of time and not of labor. We might just as well sell eggs by the yard and without even specifying whether we lay them lengthwise or crosswise.

With the piecework system, the employer knows exactly what he will get for his money, but the employe makes a guess as to how much he can reasonably do. He has no control over the conditions which will enable him to do or prevent him from doing as much as he is expected to.

There are various kinds of bonus systems. The employe may earn his regular wages and get a bonus at stated intervals if his work exceeds the expectations of his employer. Then there is the task and bonus plan, in which case there is less guessing and more of an attempt at a definite bargain. The success of this plan rests upon the earnestness of the employer with which such a system, and whether or not he sees to it that it is possible for the employe to fulfil his task, in which event this system approaches quite closely to true bargaining.

The premium system is an attempt to gain the interest of the employe to make him invent improvements in the method of working and sharing the profits with him.

This, however, requires careful study of time, conditions of machinery and tools, and may lead to controversies and injustices.

Open Shop Increases Production

Under date of November 2, 1920, the Manufacturers' Bureau, of the Civic and Commercial Association, of Denver, informed us that the street car strike there last summer "was in fact a battle for the open shop." At the present time "the tramway system is being operated efficiently on an open shop basis."

November 15, 1920, the *New York Herald* printed a number of telegrams from various cities as to the success of the open shop. Some of these were shortened. Several extremely interesting sentences were omitted from the telegram of the Associated Industries of Seattle.

Workingmen have seen it to their interest to work on the open shop plan regardless of union affiliation, which they have or have not maintained, each man according to his individual desire * * * industrial relationships were never better here, and sound industrial conditions are offered new industries. In the late election the radicals were snowed under. The Associated Industries, with two thousand firms as members, is not out to smash labor unions, but to bring harmony and industrial peace. Production increased as much as 35 per cent. in case of longshoremen.

The Citizens Alliance of Minneapolis informed us on December 4, 1920:

One of the largest retail furriers who conducts a fairly good sized shop, stated a few days ago that since they had declared for the open shop their efficiency has increased tremendously and that for the first time they are really happy in their work.

The newspapers of Aberdeen, South Dakota, about two months ago established the open shop. Mr. J. H. McKeever, publisher of two daily papers, wrote as follows under date of December 28th, 1920:

We are gaining vastly in increased efficiency. I was told the other day by our superintendent that we were getting at least one-fourth more work than during the old régimé. The wage scale has not been reduced nor is it likely to be, but we are getting for the same amount of money much more work and conditions in the composing and press rooms are more harmonious and pleasant.

The causes leading up to our adoption of the open shop policy was our desire to free ourselves from the unreasonable and unfair, as well as uncertain domination of our business by men controlling the union, though they formed so small a proportion of the employes in our plant.

A letter of January 5, 1921, from the *Buffalo Commercial* states their open shop linotype operators average 52,000 ems in eight hours, as compared with 28,000 in closed shop plants:

The average printer in a unionized office is permitted to deliver only 40 to 50 per cent. of his normal productive capacity. * * * Our experience has been such as to justify us in believing that where operators are employed on a piece-work basis wherein they receive a *pro rata* compensation for such production as they deliver over and above the union maximum, that their weekly wages would easily average 75 per cent. above the basic rate paid.

The Standard Pattern Company of North Tonawanda, New York, informs us in a letter of January 13, 1920, that on March 6, 1920, they abandoned the closed shop.

After a few adjustments we found that the men were more congenial and turned out 20 per cent. more work than under the closed shop conditions.

The 1920 annual report of the Dallas Chamber of Commerce says:

The open shop movement in Dallas has increased labor efficiency, making possible Dallas' present reputation as one of the nation's highest wage cities. The increased labor efficiency, furthermore, more than offsets the increased wages, insofar as the cost of the finished product is concerned.

President Levy, of the Pacific Coast Association of Merchant Tailors, writes in the October, 1920, bulletin of the National Association:

If I were to say that our Open Shop Association is wonderful I would be putting it mildly. It has brought results. First of all, production is far greater than before on the Pacific Coast, and with the same number of men, which naturally reduces the cost of making, giving us a reasonable figure to sell clothes at a fair price.

Comparative Production Figures

These are not easy to obtain, for obvious reasons, but the instances cited are sufficiently numerous to demonstrate beyond any reasonable doubt the superiority of open shop operation.

During the war the Construction Division of the United States Army was employing members of the Philadelphia Bricklayers' Union. They received eighty-seven and one-half cents per hour; they demanded $1.25 an hour, contrary to the Government's agreement with the union, threatening to strike if the demand was not granted. The demand was refused and they were told to leave. The army officials then heard of a Quaker community near Harrisburg, where there was said to be a group of bricklayers under the leadership of a Quaker elder. After four days' search the community was found and the bricklayers brought to Philadelphia. The union men averaged 600 bricks a day each; the Quaker bricklayers, on the same kind of work, laid 1,200 bricks a day. Yet the unions claim to have all the efficient workmen, and that they do not restrict the amount of work a man may do.

(Statement of the Franklin Printing Trades Association, September 1, 1914, to the Industrial Relations Commission. Page 5301 of the record.)

At this date there are employed in the pressooms of the Franklin Printing Trades Association about 280 people, thirty of whom are members of the pressmen's and assistants' unions.

The efficiency of these pressrooms under present conditions rank higher in most instances than it did under union conditions. In some cases the hour cost has been reduced from 25 per cent to 40 per cent, although wages have not been reduced in any case.

This is accounted for by several factors:

Limitation of output, so prevalent under union conditions, is practically unknown at this time.

Unfair and unreasonable shop rules, all tending to reduce output or to cause the employment of unnecessary help have been eliminated.

The hiring and discharging of pressroom help is now vested in

the proprietor. Under union conditions any workman who applied for a position to the proprietor rather than to the foreman was disciplined by the union. This disciplining was done under section 11, article 13, of the Constitution, By-Laws, and Rules of Order of San Francisco Printing Pressmen's Union, No. 24, 1907, which reads as follows:

"Sec. 11. The foreman of the pressroom is the proper person to whom applications should be made for a situation, and any member who shall seek employment either in person or by letter, or through supply houses, from any proprietor who has a union foreman in his pressroom, shall be fined ten dollars on first offense and shall be expelled on second offense."

None but union foremen could be employed.

This custom or rule enabled the union to say absolutely who should or should not work in the pressroom of any plant; it likewise enabled the union officials to discipline any firm against whom they had a grievance, apparent or real, by sending to such firm only inefficient help.

In most plants the greater interest taken by the employes in their work and their greater desire to advance the interests of the proprietor are very manifest.

Output Comparisons

(From a statement to the Industrial Relations Commission by the manager of the *Los Angeles Times*, operating chiefly with independent workers. On page 5888 of the record.)

On the stand, when delivering that part of my statement which relates to linotype machine work, that is to say, composition by the piece and by the hours, respectively—I boldly made the claim that the former system possesses distinct advantages both for the workmen and for the office. I declared that piece operators, working in rivalry with time operators—the one class in the non-union *Times* office and the other class in a leading "closed shop" union office in California—when working under the like conditions in other respects, the results demonstrate conclusively that the *Times* operators are able to show, and do show, distinct gains over the other class in the vital matter of production and earnings. I declared that our linotype piece operators averaged from $5.50 to $7.50 per night of seven hours, as against the union time scale and rate of $5.50 for eight hours. Now, to prove my claim I offer a comparison of figures covering actual results under both systems.

Comparison and results.—Here is a comparison of composition-room costs in the two newspaper offices referred to, operating under the two different systems named, the comparisons being for the week ended August 30, 1914. The totals show these striking results:

Los Angeles *Times* (non-union): Number of columns of matter set, 1,820; number of workmen engaged, 62; total labor cost, $2,281.65 (17 men working on the regular seven-hour basis and 45 men on an eight-hour basis); average labor cost per column, $1.25; average earnings per man, $36.80 for the entire week. Now for the contrast:

Another California newspaper ("closed shop"): Number of columns of matter set, 1,473; number of workmen, 68; the total labor cost, $2,363.25

(all the men working on an eight-hour basis); average labor cost per column, $1.60; average earnings per man, $34.75 for the entire week.

This is a contrast and a demonstration that can not be successfully challenged, nor can the facts be gainsaid. They prove our contention that the piece-rate basis for linotype machine work results in a larger production with a less number of men and machines and in higher wages per man, coupled with lower cost to the office and greater efficiency.

(From a letter of Mr. T. E. Donnelley, president of R. R. Donnelley & Sons Co., with printing establishments in Chicago and Indianapolis, to the Industrial Relations Commission, October 20, 1914. On page 3457 of the record.)

Concerning the comparative costs of product under union and non-union conditions, it is impossible for us to compare present costs when we are running closed shop, as our cost systems are entirely different and the wage scale has been materially increased during the last few years. In comparing our plant in Chicago, which we run under open shop, and our plant in Indianapolis, which is run under union conditions, the costs on one item of composition vary as to 3,850 to 4,050 in favor of the Chicago house.

Also, in regard to hand folding, the efficiency per hour in Chicago is about 25 per cent higher than in the Indianapolis plant.

(From testimony of Mr. J. Bruce Gibson, then president of the Federation of Employers' Associations of the Pacific Coast, before the Industrial Relations Commission, August 13, 1914.

The restriction of output is one of the bad features of union organization, and is illustrated in manufacturing costs. I have here a copy of some items in our plant, showing the difference in cost of operation during the closed shop seven years ago, or eight years ago, when we had a union foundry and an open shop as at present. This is on standard machinery of which we have a number of recurrences, and also as taken from our records.

Shingle machine, 26-inch saw collars, 6 as union; as open shop, 12. I will say to illustrate this that when the molder was on this work and tried to make 7, the steward in the shop stopped him. Shingle mill gears 4 to 10; friction pulleys, 3 to 6; main frames, 1 to 2; track, 1 as union shop and 2 and some small work as open shop; pulleys, 24 x 12, 1 to 2, and some small work as open shop; pulleys, 24 x 12, 1 to 2 and some small work.

In making pulleys, we make them as the orders come in. During closed shop, one man and a helper set up 36 by 10 and 24 by 10—that is, as closed shop. As open shop, the same men, or the same class of labor set up 24 x 10, two 18 by 11, and two 16 x 11, a total of 9 pulleys with practically the same labor, as against two under the closed shop.

Spur-iron frictions, 36 x 6, one under closed shop, and three under open shop.

Those are the records as we have them in our works.

Testimony Before War Labor Board

(The following facts concerning comparative efficiency in open and closed shop plants were brought out in a hearing before the National War Labor Board, just following the signing of the Armistice in 1918, in the case of International Molders' Union, Local No. 11, *vs.* Rochester Founders, Inc. The testimony was not disputed. Mr. Keough and Mr. Drew were the attorneys for the union and founders, respectively.)

In questioning Mr. Willsea regarding the greater output of the Railway Signal Company, an open shop, than that of the Northwest Foundry, a closed shop, the following occurred:

MR. KEOUGH: Q. Then why don't the manager of the Northwest get the same amount of work per man as the manager in the Signal?

A. I could tell you very readily.

MR. DREW: Tell him. He asked you the question.

MR. KEOUGH: Q. I ask you to tell me.

A. He has nobody to tell him how much work he can do. * * *

MR. KEOUGH: That is all. I am through.

MR. DREW: Q. What do you mean by saying that nobody tells him how much work he can do?

A. They have no shop committee to tell him how much he can do.

Q. You mean a union shop committee?

A. Yes. (R. 143.)

Mr. Keough, in cross-examining the employers' witness, Mr. McHenry, a superintendent at the Gleason Works, endeavored to show that poor rigging and lack of equipment was responsible for the comparative low output. The witness is a member of the union. The following occurred:

Q. And you feel if the rigging is given you, and the flasks and equipment, that you can turn out as much work as the ordinary foundry foreman?

A. We have as good rigging in our shop as any other, but we don't get one-third of the work.

Q. I want to bring out the point here if I can that you are a competent foreman.

MR. DREW: Well, we concede that.

MR. KEOUGH: Q. And that, as such, if you are given the same facilities for turning out the work, that you can do as well as an average foreman.

A. I answered that. We have the records in our shop that we have not turned out as much.

MR. DREW: Q. I will ask you if lack of equipment is the reason for the failure of the Gleason Company to turn out as much as the Elyria Foundry?

A. No, sir.

Q. What is the reason?

A. The men are restrained. They are told "This is a day's work." (R. 207, 208.)

The following comparisons in output efficiency between the Elyria Foundry Company of Elyria, Ohio, an open shop concern, and the closed shop establishments in Rochester, were submitted. They are typical of many similar comparisons presented.

(a) Pattern—Head Block (R. 125, 174). Rochester: 3 molders produced 6 pieces in 1 day.

Elyria: 1 molder and 1 helper produced 7 pieces in 1 day.

(b) Pattern—Face Plate (R. 126). Rochester: 1 molder produced 1 in 2 days.

Elyria: 1 molder produced 1 in 1 day.

(c) Pattern—Tooth Rounder Base (R. 126, 127, 200). Rochester: 1 molder and 1 helper produced 1 in 2 days.

Elyria: 1 molder and 1 helper produced 1 in 1 day.

(d) Pattern—Carriage (R. 128). Rochester, 2 molders and 1 helper produced 1 in 1 day.

Elyria: 1 molder produced 1 in 1 day.

(e) Pattern—Carriage No. A-3027 (R. 128). Rochester: 1 molder produced 2 in 1 day.

Elyria 1 molder produced 3 in 1 day.

(f) Pattern—Carriage No. S-128 (R. 129). Rochester: 1 molder produced 2 in 1 day.

Elyria: 1 molder produced 3 in 1 day.

(g) Pattern—Carriage No. S-129 (R. 129). Rochester: 1 molder produced 2 in 1 day.

Elyria: 1 molder produced 3 in 1 day.

Comparison was made as follows, between the Willsea Works, one of the closed-shop employers, and American Woodworking Machinery Co. of Rochester and Swett Iron Works of Medina, N. Y., both open shops.

Pattern—C. and B. No. 6001 (R. 120, 136).

The Willsea Works: 1 molder produced 1 piece in 5 hours; labor cost, $2.92;

American Woodworking Machinery Co.: produced same piece on piece work at cost of seventy-five cents each;

Swett Iron Works: 1 molder produced 4 larger pieces of same type in 1 day.

Low Production Costs in Open Shops

(From the *Los Angeles Sunday Times,* January 23, 1921. Why industries go to Los Angeles on account of open shop conditions and lower production costs.)

The change of Pacific Coast headquarters from San Francisco to Los Angeles on the part of the Austin Company, one of the largest building

and construction concerns in the United States, is one more of the accumulating evidences that the Coast supremacy of this city is based on sound consideration. Enterprise has added the economic stability to the natural resources and climatic attractions.

The Austin Company, with general offices at Cleveland, is one of the country's leading and best-known construction organizations, specializing on and confining its field to the erection of large factory buildings. This specialization has enabled the Austin Company to develop a standardized system of factory construction, which has become popular under the name of "Austin Standard Industrial Buildings."

Superior local conditions largely influenced the determination of the company to make Los Angeles its Pacific Coast base, as related to a representative of *The Times* by John Harnish, Pacific Coast manager.

"The Austin Company, working under conditions of Los Angeles climate, Los Angeles free labor through the open shop, Los Angeles building laws antiquated and unsuited to the demands of so great a city as some declare, but administered and enforced without interference of walking delegates and business agents of restrictive unions; working under these conditions and the accessibility of material either by local production or adequate transportation, the plant of the Rich Steel Products Company was completed and ready for occupancy in seventy-five days from the time it was begun.

"Contrasted with this record is another factory building contracted by the same Austin Company for another industry, for erection in the Bay district and begun before the work on the Rich plant was started and not as large nor as difficult as the Rich plant. Working under Bay district conditions of closed shop, obstructive labor unions and collusive officials, some of whom are now under indictment; Bay district conditions or obstructive pooling among the construction contractors with 'rings' of interference with individual rights, this contract has just been completed after working on it a full year, whereas, there was no natural reason why it should not have been finished in less time than the Rich plant."

Open and Closed Shop in the Building Trades

(Results of inquiry made by the Open Shop Department, National Association of Manufacturers.)

The aim of this inquiry is to determine the relative benefits to employers in the building trades of the plans of industrial operation termed "Open" and "Closed" Shop. The meaning of these terms is too well known to need explaining.

With the exception of the printing trades no industry is more dominated by the closed shop idea and practice. Nevertheless, within the past year there have been many communities, which have broken away from union domination in the building trades.

This move has been caused by (1) A general feeling among employers that it was time to call a halt to the restriction of production, restrictive rules, and jurisdictional disputes which charac-

terized union domination. (2) A realization that public sentiment would support them. (3) And by a knowledge of the existence of such facts, as have been disclosed by the Lockwood committee. List (probably not complete) of towns in which open shop building conditions generally prevail. Detroit, Toledo, Little Rock, Dallas, Buffalo, Indianapolis, Butte, Atlanta, Twin Falls, Salt Lake, Florence, Omaha, Seattle, Miami, Minneapolis.

Comparative Efficiency

The following statements indicate in nearly all cases an improvement in efficiency following open shop operation. They will, it is believed, be found of great interest.

DETROIT

Chester M. Culver, Manager of Detroit Employers' Association:

"Even the building trades are generally open shop. * * *

"The workman is permitted to earn according to his productive capacity. Detroit has established productive records in many lines."

BUTTE

Master Builders' Division, Associated Industries of Butte:

"The year 1920 witnessed building under open shop conditions."

The Manager of the Associated Industries of Montana writes:

"All construction work in Butte since January, 1920, has been under the American Plan. However, we did not obtain statistics as to relative efficiency of workers since January 1. The main advantage to us has been the doing away of some objectional working rules of the unions."

SEATTLE

The Associated Industries of Seattle, says:

"The loss of the building trades and other strikes broke the influence of the radicals.

"Seattle workers are sticking to their jobs, and general efficiency has shown an increase rather than a decrease. Union men are working alongside non-union men in a number of Seattle industries which were one hundred per cent union three months ago."

DALLAS

Dallas Chamber of Commerce. Open Shop Square Deal Association:

"Increased efficiency keeps wages up. Building permits have increased 40 per cent over the same period last year. There have been no strikes in the building industry for one year, something unheard of before the establishment of the open shop association.

"In August of a total of 210 building permits $409,050 was to be under the open shop and $207,400 under the closed shop."

The Southwestern Open Shop Association, with headquarters in Dallas, says:

"We have demonstrated beyond question that construction on an open shop basis is efficient and less costly than when conducted as under closed shop contracts."

ATLANTA

Employers' Association of Atlanta:

"Ninety per cent of $3,500,000 worth of present building construction is on the open shop basis. The largest contracting firm here reported after one month of the open shop 25 per cent increase in production and increase in wages."

LITTLE ROCK

We read in the October 18 bulletin of the American Open Shop Association of Quincy, Illinois:

"The building trades council of Little Rock has gone out of existence, disbanded, given up the ghost and the business agent, Robert Pettifor has departed for other fields where the people are still not 'hep' to 'business agents.' Less than one year of open shop in Little Rock and the strongest union combination in that city, including the painters, plasterers, carpenters, bricklayers, electricians and all allied crafts, now recognize the open shop and work side by side with non-union men. Incidentally, production per man has increased, and Little Rock is putting on a building campaign as a result."

Says *The New Sky Line,* published by the Open Shop Bureau of the Little Rock Board of Commerce, in its issue of October 23:

"The union shops in the building trades brought about their own destruction. They made themselves unbearable, and the business public upon whom they were dependent organized the open shop campaign and said they would have no more of them. That was the beginning of the end."

Under date of December 16, 1920, the Open Shop Bureau of the Little Rock Board of Commerce informs us:

"We have just completed a partial survey of the building conditions in the City of Little Rock, taken from reports of six of our leading contractors who state that the efficiency and output under the open shop plan has increased approximately twenty-five per cent.

"These reports were compiled from actual figures taken from the books of the contractors making reports."

TWIN FALLS

Twin Falls, Idaho, building since the first of 1920 has been open shop. During the first six months of 1919 (closed shop), there were 99 permits, representing, structural cost of $446,950; during the same period for 1920 there were 258 permits representing $799,840 structural cost. The head of the open shop movement in Idaho, informs us that there is in his opinion an average increase of 30 per cent. in the efficiency of workers, a very large part of which, but not all of it, can be attributed to the inauguration of the open shop.

SALT LAKE

The Manager of the Utah Associated Industries writes, concerning the effects of the controversy as a result of which open shop building conditions now prevail throughout the state as follows:

"It is the consensus of opinion among the contractors, that the efficiency of the employes is on the increase." He also refers to "the added efficiency of employes under the American Plan."

NORFOLK

The Builders and Contractors Association of Norfolk, Virginia, writes:

"About 80 per cent of the work in Norfolk in the building industry is operated under the open shop. We have had practically no labor troubles since our declaration for the open shop, and the majority of our members have expressed entire satisfaction with same."

FLORENCE

The Contractors of Florence, Alabama, say that since the establishment of the Open Shop they have more and better workmen than ever before.

OMAHA

We understand that building in Omaha is mostly "Open Shop," we hope soon to have authoritative information as to Omaha conditions which we can give those interested.

BUFFALO

The Builders' Association Exchange of Buffalo, according to their August bulletin, voted 108 to 1 in favor of the open shop in the building industry. The bulletin says the Exchange "has always been consistently open shop in its policy under the only fair definitions of the term."

MINNEAPOLIS

We recently wrote the Citizen's Alliance of Minneapolis, as to efficiency under the open shop. Their reply of December 4th, 1920, reads:

"As to increased efficiency? I wish to say that practically every manufacturer and every contractor reports an increase in efficiency within the last sixty days. I think, perhaps this is due to a certain extent, to the fact that there are five or six men for every job. However, I want to say that contractors now operating on the open shop basis claim that their production costs are much lower, due to increased efficiency."

CHATTANOOGA

The Associated General Contractors of Chattanooga, Tennessee, in June, 1920, refused to grant a 25 per cent advance in wages, and after a strike of nearly three months the men returned to work without any advance. The organization says:

"The Associated General Contractors of Chattanooga stand for the open shop and refuse flatly to deal with union labor to the exclusion of the principle involved in the open shop."

RESULTS OF THE CLOSED SHOP

A special committee of the Cleveland Chamber of Commerce reported that "the existence of the closed union shop throughout the local building industry is the prime cause of the following conditions, which your committee considers detrimental to the public interest as well as to the industry itself.

Among other things the report says: "Underproduction by Cleveland's building labor is a well defined fact. Your committee believes it may be fairly stated that, compared with 1914 the average building craftsman in the summer of 1920 produced two-thirds as much work, and received twice as much pay. Based on this estimate, union building labor costs increased 200 per cent in this interval." They enumerate the causes of the decreased production, nearly all of which was held attributable to restrictive union practices.

CHAPTER XII.

Strikes—General

For purposes of reference this chapter contains certain information and facts in regard to strikes. Strikes cause great delay in industry; harmony and peace are promoted by open shop conditions. In order to properly appreciate the benefits of industrial harmony promoted by the open shop we must clearly realize the conditions from which it will free us.

The following chapter is devoted to two particular forms of industrial disputes which occur almost solely in closed shop plants.

A "strike" involves the following elements: (1) the quitting of work by a group; (2) it is concerted; (3) its purpose is to (a) secure terms they demand; (b) resist terms proposed by the employer, or (c), to enable other workers to win a dispute.

Facts About American Strikes

According to the "Statistical Abstract" official governmental figures for 1881—1905 show that American strikes have been caused as follows. The figures are the percentage of the total number of strikes (certain combinations have been made by the writer). The second column gives these figures for 1915-16. Figures for 1919 are given in the third column.

Wages	51.78	52.40	44.70
Hours	5.43	7.48	12.80
Recognition of union and union rules	18.84	12.50	21.18
Concerning employment of certain persons (for closed shop)	7.33	6.85	5.10
Sympathetic	3.66	1.00	3.27
Working conditions	2.51	4.75	4.50
Miscellaneous	11.45	15.02	8.45
	100.00	100.00	100.00

In the 1919 figures 554 strikes for increase in wages and decrease in hours have been divided equally between the first two classes.

These figures included both small and large strikes. From 1881 to 1905 an average of 183 men were involved in each strike. Sixty-eight and ninety-nine hundredths per cent. of the strikes from 1881 to 1905 were ordered by labor organizations. From 1901 to 1905 about 77 per cent. of the strikes were so ordered. In 1918 of the recorded strikes 83 per cent. were called by unions.

During 1919 there were 3,253 strikes in the United States. Three million nine hundred and five thousand four hundred and twenty-three workers were involved. An analysis of 1,702

strikes revealed an average duration of thirty-four days. Assuming that the same average held for the remainder the total number of days lost was 110,602.

But as each of the 3,905,423 workers average a loss of thirty-four days the total of working days lost was 132,784,382.

The cost to employes of the 1919 strikes was over $800,000,000; the loss to employers is estimated at $1,300,000,000.

The Money Cost of Strikes

To the *American Magazine* for February, 1920, Mr. Roger W. Babson, a widely known statistician, contributed an article entitled "What These Strikes Cost You In Money." He analyzed the strikes occurring in the twelve months following the Armistice. He kept his estimates down, so as to be well within the truth.

> These two strikes alone meant 8,602,000 additional days of idleness in August and September, 1919, making a total, for the two months, of 11,792,000 regular working days lost.
>
> According to my estimate, this idleness caused a loss to the workers of $41,727,000 in wages; and to the employers a loss of $4,127,000 in profits. At that rate, the year's loss to the strikers would be about a quarter of a billion dollars in wages. The loss to the employers would be about a tenth as much.

In summarizing Mr. Babson's article, the *Business Digest* of March 9, 1920, said:

> But this is not the whole story of direct loss from strikes. No strike can take place in modern industry without causing innumerable and widening circles of loss. In August and September, 1919, Babson's had records of strikes involving ninety different trades, among them the following, enough to show that practically every aspect of our daily lives was directly affected.
>
> Shoes, raincoats, typewriters, cigars, fish, canning, furniture, garments, hats, hosiery, jewelry, wire, coal mining, street car lines, laundries, metals, shipbuilding, lumber, paper, rubber, printing, foods, railroads, express, building trades, and so on.
>
> Not only did the strikers lose their wages and the employers their profits, but the country did not get the goods that should have been produced.

Mr. Babson's analysis shows the amount of production lost to be as follows:

1,751,740 tons bituminous.
1,048,740 tons arthracite.
616,300 tons undelivered.
88,000 machine-made women's hats.
1,768,800 pairs men's shoes.
15,886,500 men's shirts.
19,183,800 pairs overalls.
8,294,000 board feet.

The *Business Digest* comments:

This decrease in production affects you in two ways: You have less and you pay more for what you do have. But for the strikes there would have been about 2,000,000 more pairs of men's shoes—an item not to be lightly regarded.

Moreover, there were *threatened* strikes and *partial cessations of work* which, while they did not reach the walkout stage, yet materially reduced output.

All these direct losses, however, form only the smallest of the circles which widen around a strike. Here is another: If a strike takes place in one industry, it reacts on every industry that contributes in any way to it.

The Reaction Caused by Strikes

Mr. Babson said:

For instance, a strike in the garment trade reacts on the textile mills—the makers of silks, velvets, woolens, cotton fabrics may be forced to quit work.

For every day of idleness caused in a plant that is on strike, there is another day of idleness caused by the resulting loss of work to other men and women who would normally be busy making materials to be used in that plant. And their loss is not made up, even though the strikers win.

And a strike involves not only the direct *producers* of these materials but every person concerned in selling them and in transporting them The loss is felt at every step.

The cost of a serious coal strike is almost beyond computation Practically every industry in the country pays part of the price. If plants are shut down for lack of fuel, every worker in those plants can charge the coal strike with so many days' wages, *his* wages. It has cost him a new pair of shoes, or a new suit, or a sack of flour, in addition to making his own winter supply of coal scantier and more expensive.

You may think that a street-car strike would not have their particular reaction, but just think it over. Take a subway strike in New York City, for instance: Hundreds of thousands of workers are unable to reach their shops, or stores, or offices. They may lose only an hour or two, or they may lose a whole day of work. And lost work is lost money! For work means production. And reduced production inevitably means increased cost of living.

For example, here is one of many outside losses caused by the printing strike in New York City: Some of the shops closed had a large business in printing catalogs for commercial firms. It is the custom of these firms to depend almost wholly on these catalogs to sell their goods.

The whole manufacturing program of hundreds of these concerns was held up because they could not get out their catalogs. It is estimated that these firms employ over 500,000 people, and indirectly give work to 1,000,000 others. Thus, the strike of only a few thousands men in one industry affected 1,500,000 in other lines of production. And remember that back of this 1,500,000 are still *more* men and women whose work and earnings suffered.

It is these *indirect* losses which make the cost of strikes so tremendous. They go out in endless ramifications, which finally reach into the pockets of practically every one of us. Everybody has *some* loss to make up because of them. And when everybody starts to make up losses, the level of all costs rises.

Here is just one curious instance of the way strikes affect you in ways you do not suspect: Because of the tie-up of shipping, the supply of quinine ran short, and there was great anxiety over this shortage in case the influenza epidemic broke out again. Many other drugs were scarce for the same reason, and higher prices for them were predicted. Over $3,000,000 worth of essential oils were held up, and many of them became very scarce.

Building materials were delayed, with the result that contractors lost money, workmen were idle, and the construction of new houses, stores and offices—the only solution of the high-rent problem—was held back.

Strikes are Destructive

(An editorial in the New York *Mail* of November 30, 1920.)

The figures given out by the State Industrial Commission on the scope and effect of strikes during the fiscal year ending June 30 last, disclose a situation that is fairly incredible. Here are some of these figures, collected by the Bureau of Mediation and Arbitration:

There were 240 industrial disputes last year, as compared with 168 in the preceding year.

In these strikes 334,168 persons were directly involved, as against 208,952 in the preceding year, and 16,403 persons not directly involved had to quit work because of the tying up of the industrial machinery.

The aggregate loss of working time in these strikes was 10,608,483 days.

These strikes, involving the reduction of the producing power of the state by 10,608,483 days at a time when increased production was the only answer to the question that was pressing for immediate solution, imposed a heavy burden, not only upon the workers who struck, not only upon the industries that had to suspend operations, but also and eminently upon the vast body of consumers who were not at all interested in the issues that were being fought out between employer and employe, but were profoundly affected by the destructive results of the struggle.

It is the great body of consumers who paid the bulk of the cost of these 240 strikes, which caused the loss of 10,608,483 working days.

These figures stagger the imagination and impose a wrench upon the power of comprehension.

They show in terms of facts to what extent our economic and social system is still dominated by the principle of violence which society long has discarded in the relations between individuals and groups of individuals.

We submit to judicial tribunals every form of controversy between man and man. In the relations between employer and employed, we still resort to the weapon of the middle ages and of the barbarous centuries behind them, when force was the only means of settling disputes.

We have dealt a crushing blow, by our manhood, our arms and our money, at the revolting conception embodied in the rule that Might is Right. After having won that war against disorder in the life of the world we still perpetuate that disorder in our industrial life.

Is it not time to stop, think and act in a determined endeavor to end forever the industrial anarchy that is affecting disastrously the life of every individual?

Is it not time for us to relegate the archaic, destructive and singularly unfair and unintelligent weapon of the strike to the museum of savage weapons, condemned by the experience of the race and discarded by the spirit of civilization?

2,000 Strikers Deprive 50,000 Men of Work

(From testimony of Mr. Simon O'Donnell, business agent of the Chicago Journeymen Plumbers' Union, and president of the Chicago Building Trades Council, before the Industrial Relations Commission, July 24, 1914. How a strike of 2,000 men threw 50,000 others out of work for three months.)

MR. THOMPSON: Now, Mr. O'Donnell, lately in Chicago there was a brick strike—strike of the brickmakers—was there not?

MR. O'DONNELL: Yes, sir.

MR. THOMPSON: In which about 2,700 men were out on a strike?

MR. O'DONNELL: I believe they claimed about 2,000.

MR. THOMPSON: What effect did that strike have on the other workers in the building trades in Chicago.

MR. O'DONNELL: It had an immediate effect.

MR. THOMPSON: Did it throw them out of work?

MR. O'DONNELL: Immediately, I might say. Yes; that is, the bricklayers.

MR. THOMPSON: Was there a great loss in wages to the members of the building trades unions in Chicago because of that brick strike?

MR. O'DONNELL: Oh, I believe there were about 50,000 or 60,000 men forced on the street for about three or four months.

MR. THOMPSON: Well, their wages would amount to several hundred thousand dollars a day, would they not?

MR. O'DONNELL: I never stopped to figure them up.

MR. THOMPSON: They would amount to a great deal of money?

MR. O'DONNELL: Yes.

MR. THOMPSON: What was the settlement of that strike, if you know, in what increase in wages did that strike result to the brickmakers?

MR. O'DONNELL: They got a very little increase.

MR. THOMPSON: About a cent an hour, wasn't it?

MR. O'DONNELL: I believe it was; yes.

Irresponsible Leaders Call Strikes

(From opinion of Judge F. M. Wright, November 21st 1911, in case of United States *vs.* Thomas Woods, president of the local boiler makers' union at East St. Louis. Strikes called

by irresponsible leaders. In many unions the officers can call strikes without vote of the rank and file.)

"Now, I say to you men, that there is nobody more friendly to you than the men who are operating this Government from top to bottom, and when you suffer yourselves to be misled as you are being misled by these outside agitators, you are simply surrendering to them the rights you ought now to be enjoying. If you would let proper people be your friends instead of these men who want to break up the country, you would be better off, and you can if you want to. I don't see what good this strike is doing you. We can all appreciate a strike that is brought about for the purpose of good—a little more wages—a little more money. But why break down the laws? You don't appreciate it, but those that see to it understand that is the object of it. Read those publications—the publications that are foisted upon you, and see what they say about it.

"Now, I have said this much in a general way. I probably have said this much before. I would like to see all these men on strike get down to fair, unbiased, unprejudiced consideration of this thing. Go back to work. There is no reason why you are out. You can't tell a private corporation or any private concern to surrender up their business to these outside people away off from here. You don't know them. Why, I am informed, not by the evidence in this—that the largest shops on this railroad, where there are the most men (I am creditably informed this is true), when this strike question came up, voted unanimously against it. Now, think of that for a moment. At the Burnside yards I am informed that there was a unanimous vote against it, unless I am mistaken about it, but certainly a very large majority were against it. But what happened? Somebody away off, I don't know who, some man that your suffrage has elevated and that you have submitted this to in some way or other that you felt yourselves under obligations to obey—these outsiders come in here, control your business, keep you out of your jobs, keep you out of your money. I wouldn't do it. I wouldn't submit to it. It is the most cruel tyranny on earth; men who voluntarily submit to these irresponsible men and carry out their orders to its fullest extent. They have some rules, I don't know what, but some rules and regulations that require you to obey what they say. You are under no legal obligation to obey any such orders. I wouldn't do it. Technically, this defendant is guilty.

"Now, I will tell you what I am going to do in this case. It is the last case as far as I know, of this kind upon this docket, and I hope it will be the last, for it is no pleasure to me to be compelled to pass upon these questions and judge these men guilty of contempt of court and punish them. I am going to do this: I am going to take this case under advisement indefinitely, convene it to the adjourned session of the September term at Danville, and allow this man to go as it were, upon parole. I will put him upon a par with all of these strikers that are out striking. If they behave I will never punish this man; but if they don't and I am compelled to pass upon these cases again, I don't know what I will do. I trust this is the last one that will ever come up."

CHAPTER XIII.

Strikes—Sympathetic and Jurisdictional

Strikes are far more apt to occur, and do occur more often in closed shop establishments than in open shop plants. As pointed out in Chapter VIII, many of the "walking delegates" find it advantageous either to foment, or at least not to discourage strife.

Then there is the sympathetic strike. The employer does not consider it just, for instance, that his employes, who are well satisfied with their conditions, should have to strike because employes in some other establishment have differences with their employer. Why, to imagine a case, should the Pennsylvania Railroad be forced to cease operations because the workers on the Denver and Rio Grande Railway believe they are unjustly treated? Or take a case which comes more immediately home, perhaps. The apartment house janitors in Chicago went on strike a few years ago. Because of "sympathy" the milk wagon drivers and grocery delivery drivers refused to deliver goods themselves or to allow others to deliver goods at these apartment houses. Where none but union men may be employed in a plant the fair employer may, through absolutely no fault of his own, have his establishment shut down for weeks or for months.

Dr. Frank T. Stockton, in his book "The Closed Shop in American Trade Unions," declares on page 171:

"It is equally undeniable that most unions which have opportunity to enforce the extended or the joint closed shop have not hesitated at times to strike even when all their demands in the particular shop have been satisfied. Moreover, the closed shop has involved employers in wasteful jurisdictional disputes with which they have no real concern. Were there no closed shops such disputes would be robbed of all their bitterness."

(From testimony of Mr. Edward Dunn, financial secretary of Bricklayers' Union No. 34, before the Industrial Relations Commission, May 28, 1914. Mr. Dunn shows the harm done to the workers by sympathetic strikes. The bricklayers joined the American Federation in 1916.)

MR. THOMPSON: Is your organization, the International Union, affiliated with the American Federation of Labor?

MR. DUNN: No, sir.

MR. THOMPSON: Do you know why it is not affiliated with the American Federation of Labor?

MR. DUNN: The bricklayers of the country have taken a referendum vote, voted not to affiliate in any way.

MR. THOMPSON: Do you know the principal reason or argument upon which they refused to affiliate?

MR. DUNN: No, sir.

MR. THOMPSON: Have you any idea why they do not affiliate?

MR. DUNN: I suppose they consider there would be too much loss of time to protect themselves.

MR. THOMPSON: In other words, they feel—

MR. DUNN: They would be called upon by every organization to go on sympathetic strikes, and they are able to take care of themselves; that is my personal opinion.

CHAIRMAN WALSH: Mr. Dunn, did I understand you to say that your union was not affiliated with the American Federation of Labor?

MR. DUNN: Yes, sir.

CHAIRMAN WALSH: And your personal opinion of the reason was what?

MR. DUNN: Why, that we would be on the street most of the time.

CHAIRMAN WALSH: On account of sympathetic strikes, etc.?

MR. DUNN: Yes, sir.

(From testimony of Mr. Charles B. Torpy, business agent of the Molders' Union, Philadelphia, before the Industrial Relations Commission, June 26, 1914. Page 2921 of the record. Mr. Torpy's testimony shows that some employers feel forced to discriminate against union men because of the danger of sympathetic strikes.)

COMMISSIONER O'CONNELL: Then those four large concerns employ approximately, in normal times, 1,000 molders?

MR. TORPY: Yes. Well, 800 anyway.

COMMISSIONER O'CONNELL: And, as a rule they do not employ union men?

MR. TORPY: No, sir. They don't employ union men if they can get others to take their places.

COMMISSIONER O'CONNELL: What is the reason for that?

MR. TORPY: Well, the reason, I guess, in the Baldwin plant is they had a strike there along in 1910, and after that strike they decided to not employ any more union men. It was a sort of a sympathetic strike, the molder's strike was, and ever since then they have absolutely refused to employ union men.

A Denial and Its Answer

Writing in *System* of April, 1920, the President of the American Federation of Labor said:

"A sympathetic strike is absolutely against the principles of the American Federation of Labor."

Yet what do the acts of the American Federation reveal? In 1890 (page 42 of the official proceedings) it was declared

that help should be given sister unions in case of sympathetic strikes.

In 1895 (page 82) it was declared that trade unions should not tie themselves up with contracts so that they cannot help each other when able—in other words, no contract should be made preventing men from discontinuing work because of "sympathy."

In 1902 (page 144) a similar resolution was passed.

In 1916 (page 397) unions were advised to enter into no agreements that call for the surrender of any right to strike in support of other workers.

Why should such resolutions be passed if sympathetic strikes are "against the principles of the American Federation of Labor?" Or is the attempt to make the public believe the A. F. of L. opposes sympathetic strikes a recognition of the fact that the public does not approve such strikes? Is the denial based on the true facts?

Jurisdictional Disputes

Of similar nature is the "jurisdictional" strike. As a builder, say, you employ only union men, under a closed shop agreement. Then the plumbers' union says to the steamfitters' union that the latter cannot do a certain kind of work. Or the carpenters, lathers and plasterers may have a dispute as to which union is entitled, according to their own rules (they are the "bosses"), to perform a certain job. The employer's judgment is not consulted, but work is stopped, while the men dispute who shall do the task. Building operations have been stopped for weeks or months in New York, Chicago, and San Francisco because of such disputes. These disputes, bear in mind, are not whether union men shall do the work; the dispute is as to *what* union men shall do it. Many are settled locally; others affect workers all over the nation. In 1908, nineteen such disputes, involving at least thirty-eight different unions, came before the annual convention of the American Federation of Labor for settlement. In 1914, twenty-two jurisdictional disputes came before the annual convention. The individual employer has signed a closed shop agreement and has accepted all the union rules; yet his work may be seriously delayed because of jurisdictional disputes. Employers operating under the Open Shop principle are bothered neither by the sympathetic nor jurisdictional strike.

Splinters and Chips (Evansville, Ind.) for December, 1920,

contains this comment on the jurisdictional strike, an evil often inflicted on closed shop employers.

"An exchange quotes a jurisdictional fight in Cleveland which shows one of the most pernicious dangers confronting contractors and investors when dealing under 'closed shop.'

"The international office of the carpenters has called a strike on a large office building to sandbag the contractors into allowing that craft the privilege of hanging metal doors.

"This is a disputed privilege and to have the matter settled for all time, the international president has ordered the strike, though it will be a couple of months before the building is ready for the doors. Moral: Have all your work done under open shop conditions, thus insuring work done as you contract."

Do you know that during a critical period of our war activity the Army Supply Base in Brooklyn was the most needed piece of work in this country? The work had reached the point where sixty-two automatic electric elevators were to be installed. The unions of electrical workers and elevator constructors then entered upon a dispute between themselves as to which union was entitled to do the work. The construction was tied up for four months at a vital period, when it was necessary to aid the successful prosecution of the war. Such disputes between unions, where no question of the employer's fairness or reasonableness is concerned, tie up yearly vast amounts of work.

(From the November 26, 1920 bulletin of the Sioux City, Iowa, Employers' Association.)

Arthur M. Evans, in the Chicago *Tribune,* cites some of the instances, too long for reproduction, which have caused the shelving of approximately $150,000,000.00 worth of work in Chicago alone.

Among them is the case of electricians in a large apartment striking "because the fixtures were not installed until the tenants could make their individual selections." Carpenters on the Drake Hotel demanded "waiting time" while they were out on a jurisdictional strike; result was 120 carpenters out for six or seven weeks. Other jurisdictional strikes between bricklayers and painters, bricklayers and electricians, carpenters and plasterers, etc. Statisticians have contended that 66 per cent of industrial interruptions are caused directly by jurisdictional disputes among the various *union* crafts. Does this mean anything to you?

Nature and Causes

(From Dr. Frank T. Stockton's book, "The Closed Shop in American Trade Unions," published by Johns Hopkins University in 1911. Pages 65 and 66.)

When the trade or territorial jurisdiction claimed by two unions is identical or overlaps, the members of the two unions ordinarily refuse

to work with each other. In 1898 for instance, the "Baltimore organization" of painters in its struggle with the "Lafayette organization" declared "all painters not affiliated with the Baltimore headquarters to be non-union men." Seceding local unions and the national union have always been especially hostile to one another. When the trade unions from 1881 on began to demand independence from the Knights of Labor, the latter refused to allow members of the unions to be employed in the shops controlled by them. It was recognized very early that the closed shop might be a powerful weapon in many jurisdictional disputes. Among those in which it has been used in recent years are the disputes between the Glass Bottle Blowers and the Flint Glass Workers, between the United Brotherhood of Carpenters and the Wood Workers, between the Plumbers and Steam Fitters, between the Granite Cutters, the Stone Cutters, and the Marble Workers, and between the Bricklayers and Masons and Plasterers.

When the jurisdictions claimed by two unions are identical, members of the one organization refuse to work with those of the other under all circumstances. But if their jurisdictions merely overlap, as in the dispute between the Glass Bottle Blowers and the Flint Glass Workers, the members of one of the unions do not ordinarily refuse to work with members of the other except on the particular class of employment in dispute. Similarly, the Woodworkers would not complain if a member of the Carpenters was hired to make repairs on a shop in which the Woodworkers were employed, but they would strike if a member of the Carpenters was hired to do woodworking.

In commenting upon the constantly recurring jurisdictional disputes between trade unions, the editor of the *Plumbers, Gas Fitters and Steam Fitters' Journal* in 1896 lamented that less courtesy had ordinarily been shown to the holder of an "opposition card" and that life had been made "more bitter" for him than in the case of "one who has always remained outside the pale of united labor and who has always been inimical to its interests." The unions have felt that when a non-unionist secures employment in a shop controlled by them, it will not ordinarily be difficult to induce him to join their ranks. But the union in control is extremely reluctant to allow a member of a rival or hostile union to be employed in a shop. There is always the danger that he may win over the shop to his own union.

Jurisdictional Disputes Damage Industry

(Extracts from, "Jurisdiction in American Building Trades Unions," by Dr. Nathaniel R. Whitney, published by Johns Hopkins University, 1914. Italics ours. Dr. Whitney clearly shows the great harm wrought to workers by jurisdictional disputes. Workers in open shop plants are not bothered to any great extent by them.)

To one who studies the history of trade-union development or observes the present activities of the unions, one of the most obtrusive facts is the *frequent and almost interminable disputes* between different organizations or between different branches of the same organization *over the question*

of jurisdiction in one form or another. An examination of the records for the past twenty years of the American Federation of Labor, into which as a sort of melting pot the contending parties pour their quarrels with the hope, that by the addition of the elements of conference and agreement, peace will result, shows the *great frequency and bitterness of these disputes* as well as the necessity for overcoming them if labor is to attain really effective combination.

The convention proceedings of the American Federation of Labor each year contain extensive references by the president or the executive council to the prevalence of jurisdictional disputes. In his report to the convention in 1903, for instance, President Gompers called attention to the grave dangers which confronted the organization by reason of the many jurisdictional disputes. Many efforts, he said, had been made to settle them by arbitration and agreement, but the unions frequently refused to accept the awards of an arbitrator, and insisted on their own *narrow interpretation of jurisdiction.* He pointed out that during the year there were requests from unions for the revocation of no less than thirty charters of international unions. Some unions which had no jurisdiction troubles had deliberately put themselves in the way of them by extending their claims to jurisdiction for no better reason than that other organizations had extended theirs.

The Labor World Is Disrupted

In spite of the exhortation of President Gompers and the warnings of the executive council, *disputes continued to arise with unabated frequency.* In 1908, during the eleven days in which the convention of the Federation was in session, there were nineteen cases of jurisdictional disputes under consideration. To each of these disputes there were at least two parties. This makes the number of unions involved at least thirty-eight, and when one further thinks of the number of members in these thirty-eight unions some idea will be afforded of the extent to which *the labor world is disrupted and agitated by such disputes.* In addition it should be kept in mind that the jurisdiction disputes which have attained the dignity of national importance—that is, of being discussed by the national officials of the two contending unions—are considered by the Federation. Besides these there are *almost countless controversies over jurisdiction.* Each national union has from a dozen to several hundred local unions under its authority; each one of these thousands of subordinate unions is likely at some time to have its trade infringed upon by a branch of another national union, and these disputes may be and frequently are settled locally and so not become an issue between the national unions. Morover, there are many jurisdictional disputes between branches of the same national union which are settled without recourse to the American Federation of Labor. The national unions also ordinarily dispose of local dual unions without recourse to the Federation.

The American Federation of Labor was relieved of some of the burden involved in the consideration of jurisdictional disputes by the formation in 1908 of the Building Trades Department, to which all matters

affecting particularly the building trades are referred. Since, as has been noted, the building trades offer the most fertile field for jurisdiction difficulties, the establishment of the Department has resulted in the transfer of the greater part of these disputes to it, though the Federation as a kind of appellate court still passes upon many contests in which building trades unions are participants. *The records of the Building Trades Department show no diminution in the number of jurisdictional disputes.* The delegates sent by the Plumbers to the convention of the Department in 1909 reported that the time of the convention was taken up mainly by jurisdictional controversies, and they added, "The situation is getting to be a critical one throughout the entire country and with all the building trades." Some twenty jurisdictional disputes were considered by the convention of 1910, and in 1912 eighteen disputes were referred to committees. In addition, a number of disagreements which had developed from jurisdictional difficulties were discussed.

For instance, the expense must have been very heavy not only to the Steam Fitters, but to other unions as well when the Steam Fitters were on strike during the first six or seven months of 1910 to gain control of the pipe-fitting industry in New York. A consciousness of the heavy cost of jurisdictional difficulties is shown in the following statement of President Short, made at the session of the Building Trades Department in 1911: "The jurisdictional disputes which have become the bane of our lives must end, and the only way this enormous loss of money to our membership can be ended is by loyalty to this Department." The president of the Hod Carriers' and Building Laborers' Union said in 1908 that their local union in Chicago had recently been "drawn into one of those cursed jurisdictional fights between the Carpenters and the Electricians, which put five hundred of our men upon the street for five weeks. * * * Instead of wasting our strength, time and money in fighting one another, we should devote it to organizing the unorganized."

The Elevator Constructors had a serious and costly dispute with the Machinists in Chicago over the installation of pumps connected with hydraulic elevators. A strike which resulted which lasted *for more than two years,* during which *most of the elevator men in the city were out of work,* while members of the Machinists and other unions supplied their places with the Otis Elevator Company. Finally, on May 1, 1911, the Elevator Constructors as the result of an agreement went back to work and the Machinists were displaced. From that time on, the Elevator Constructors were treated as "scabs" by the Machinists; they were beaten and even killed, so that *the union was forced to hire detectives to protect its members* and to convict the "sluggers." This difficulty *alone cost the union thousands of dollars.* The losses in wages due to disputes are not often estimated by trade-union officials, but we occasionally come across such estimates. For instance, in 1910 the secretary of the Bricklayers said: "Our disputes with the Operative Plasterers' Union during the past year have taken thousands of dollars out of our International treasury for the purpose of protecting our interests. The loss in wages to our own members has amounted to at least $300,000. The losses to our employers have been up in the thousands also. * * * In several

instances the writ of injunction has been brought into play for the purpose of restraining unions involved in trade disputes and unless the unions * * * provide some means of eliminating jurisdictional warfare, it is only a question of time when the legislatures of our country will be called upon to pass laws that will penalize labor unionists who indulge in such struggles."

In the examples which have been cited the attempt was made to give some indication of the money cost in each case to only one of the parties engaged in the quarrel. It is obvious that the total cost must be much greater than this, since there is always at least one other union directly connected with the dispute, which must likewise expend a large sum of money to preserve what it regards as its rights. In addition many unions, whose wage loss must be taken into account, may be forced out on strike in sympathy with one or the other of the principals.

If we turn our attention as far west as Denver, we find during 1909 another impressive illustration of the havoc wrought by jurisdictional controversies. Here again the trouble started between the two unions of carpenters. A large part of the Denver local branch of the Amalgamated Society of Carpenters joined the local union of the Brotherhood and the Amalgamated Society was denied representation in the Denver Building Trades Council.

A series of strikes against the Brotherhood men was inaugurated which involved all affiliated organizations and caused great loss and inconvenience to owners and builders.

Result in Violence Between Unions

Chicago also furnished an illustration of *the effect of jurisdictional disputes in leading to violence between unions.* The International Association of Steam Fitters having been suspended from the Building Trades Department, the Chicago Building Trades Council in 1911 decided to aid the Plumbers in establishing a local branch of steam fitters. Trouble began immediately. Two of the trades unaffiliated with the local council took the side of the Steam Fitters, and several included in the Council also aided them in every way possible. If a contractor employed the Steam Fitters to do the steam fitting, the trades loyal to the Council would refuse to work for him: if on the other hand he employed the Plumbers, the organizations friendly to the Steam Fitters would strike. It was thus made impossible to have work done, no matter what the contractor or owner was willing to do, and work on a large number of buildings was at a standstill for many months. The feeling between the hostile unions was intensely bitter. It was openly charged that thugs were hired by union men to assault other union men, and three of the most prominent local officials of the Plumbers were arrested on the charge of conspiracy to kill. A local agreement was finally reached which put an end to this warfare.

We must now note still another item in the cost of this internecine strife, that is, the alienation of public sympathy from the trade unions. One does not ordinarily realize how important an element in the success of organized labor is the sympathy and co-operation of the public but

if he stops to consider merely those cases which have come under his ow observation he will recall that those strikes or other labor movement which have received the moral support of the community have almos uniformly been successful, while those which have lacked this suppo were with few exceptions failures. The efforts made by both employer and unionists to enlist public sympathy in their cause furnish addition evidence that *anything that tends to alienate public sympathy is an extreme ly expensive indulgence.* There can be no doubt that jurisdictional di putes provide one of the prime reasons for much of the widespread publi criticism of trade unionism.

The gravity of the *losses occasioned to contractors* by jurisdiction disputes is *recognized by many unionists.* Secretary Spencer of the Build ing Trades Department said: "Unfortunately there has never been a attempt exerted heretofore to adjust amicably jurisdiction claims, and th policy of tying up the building in order to secure a temporary gain ove one union whose members have seen fit to claim certain work that ma or may not be controlled by the other union, has been recklessly followe In this the contractors and owners involved have complained bitterly an properly that such disputes should be settled among ourselves witho drawing them into them to be abused by one or cursed by the other di putant. * * * It is not properly within the province of organized labor t assume a position that will militate against the progress of the buildin business as an industry." In announcing in November, 1906, that an agre ment had been signed between the Operative Plasterers and the Brick layers, thus bringing to an end a conflict which had begun in 1868, th editor of the *Bricklayers' and Mason's Journal* said: "The agreeme removes from the trade union movement a jurisdictional dispute that ha involved the building industry for over thirty years, and which has n only been a source of great loss to the journeymen, financially, but ha caused most vexatious delays in building operations, and consequent fina cial loss to employers and to the building public, the latter being innoce parties to the trouble and perfectly helpless in providing a remedy f its correction.

A great deal of trouble and loss was caused to the builders of Chica by the Machinery Movers who claimed the exclusive right to deliver a machinery inside of buildings and in many cases also to set it up. Th organization caused considerable delay in the construction of the Harr Trust Building, and in a period of less than a year was responsible f no less than fifty separate strikes during which the work of employe was delayed.

Paying Two Men for One Job

Delay and annoyance are not the only evils suffered by *employe* from interunion disputes. They *are sometimes compelled to tear o work that has been placed by one union* and to allow another union clai ing the work to replace it. An effort of this sort was made in July, 190 when all the brick work on the Wanamaker store building in Philadelph was stopped because certain concrete work was under the direction the Roebling Construction Company and consisted merely in filling concrete as a backing for terra-cotta cornices. The local bricklayers i

sisted that the work which had already been done should be torn out and that the bricklayers be paid for all time they lost while being on strike to enforce their claim. The work of the contractors was delayed for several weeks and a number of conferences were held, one of which was attended by the architects, the various contractors and the local and national representatives of the unions. The local bricklayers were finally ordered by the national officers to return to work, and were not allowed to collect from the Construction Company for their lost time. Occasionally in order to get the work done the employers must pay one group of men for actually performing the work and, at same time pay another group belonging to a different union as if they had done it, thus paying twice for the same piece of work.

We must also take some account of the jurisdictional dispute from the point of view of society as a whole.

Regarded from this point of view, *jurisdictional disputes may be indicted on four counts*: (1) They waste both labor and capital; (2) They make it impracticable in many cases to use improved appliances and cheaper materials; (3) They are responsible for hesitancy in understaking and increased expense in prosecuting building, to the detriment of the building industry; (4) Finally where the disputes are long continued they are responsible for that whole train of evil results which follows upon idleness and poverty.

One of the most tangible results of jurisdictional disputes is that *builders are frequently compelled to forego the use of improved appliances, cheaper materials and more efficient methods* because they cannot get the unions to agree as to which of them is to use the new device or control the new material. Thus, in Chicago automatic stokers were being built and used until the disputes over this work between the Machinists, the Millwrights and the Structural Iron Workers became so frequent and so bitter that the construction was either delayed or abandoned.

On account of these difficulties and uncertainties, the whole building *industry moves more sluggishly and society is compelled to pay for its building construction a price increased* sufficiently to maintain, as it were, an insurance fund against the possible delays and expenses due to jurisdictional controversies. Thus the industry is retarded mainly by those who ought to be its chief friends. That this state of affairs is realized and deprecated by the unions themselves is shown by the following statement in the report of the executive council of the Building Trades Department in 1912: "If we of the building trades were alone involved in the settlement of these disputes, we could afford to continue our discussion of them even though it may sometimes result in conflict, but the cause for most concern lies in the fact that we occupy perhaps the minor position in this embarrassing situation. At all events we have no moral or ethical right to embroil the contractor and owner of the building under construction. * * * In every avenue of trade and commerce the aim is to encourage a greater field of activity, to increase the volume of business year after year. By the same token it should be our purpose to stimulate greater activity in building erection. Our talents and capabilities should be devoted in large measure to attain this end, for such a

termination of our united endeavors would simply mean more continuous employment for the members of our several organizations. That is to say, if we can demonstrate our ability to settle trade grievances among ourselves, without involving the architect, owner and contractor, we will immediately inspire confidence in the mind of the investing public, with a resultant stimulas in building operations."

Jurisdictional Disputes Are Expensive

(From testimony of Mr. John R. Alpine, president of the Plumbers' Union, before the Industrial Relations Commission, May 27, 1914. Italics ours. Mr. Alpine admits that great damage is caused to employers and public by jurisdictional disputes.)

MR. THOMPSON: What was the duration of the jurisdictional dispute between the steamfitters and plumbers, and what extent of country did it cover?

MR. ALPINE: Well, prior to the year 1899 there existed an international labor organization which comprised in its ranks plumbers, steam fitters, and gas fitters, which was known as the International Association; that was the title. In 1889 that association became known as the United Association, which is the association of to-day. And at a convention held in Washington, D. C., in October of 1889 the steam fitters became disassociated with the general organization and instituted an organization of their own; so that you could say that, while prior to 1889 there had always existed differences of opinion with regard to working lines or demarcation lines, that after 1889 those differences became more pronounced because of the fact the two organizations were then in existence. From that time until, well, until a year ago, those jurisdictional strifes existed throughout the country.

MR. THOMPSON: For a great many years?

MR. ALPINE: Since 1889, and, as I say, prior to that, but more pronounced since that time.

MR. THOMPSON: And in our opinion have the jurisdictional contests which have been waged in the years gone been *very costly to the building industry?*

MR. ALPINE: There is no question about it. They have.

MR. THOMPSON: Have you any opinion as to the public cost in round numbers?

MR. ALPINE: I haven't any opinion that would be—I am not qualified to answer that so that it might be regarded as a matter of record. In our controversy *the loss in dollars and cents,* as represented by the cessation of labor, *is of such a magnitude that nobody has yet undertaken the task of computation.*

MR. THOMPSON: Do you think it would run into millions of dollars?

MR. ALPINE: No doubt of it.

MR. THOMPSON: In other words, it has been *a very expensive proposition for the building trades?*

MR. ALPINE: Most assuredly.

MR. THOMPSON: Workers and builders as well?

MR. ALPINE: Most assuredly.

CHAPTER XIV.

Industrial Warfare

In this chapter we will study something of the conduct of strikes and lockouts by both parties. Charges made as to the general activities of employers in non-strike periods will also be referred to.

It would not, of course, be correct to say that all closed shop unions resort to violence or other unfair and illegal practices.

But many of them, in their efforts to enforce the closed shop and other demands, do resort to such tactics. They are sufficiently numerous and of sufficient importance to the public welfare to merit study as to their causes and remedies. They occur to a far larger extent under the closed shop, and in efforts to establish the closed shop, than under open shop operation.

Closed Shop Without Coercion?

There are those who tell us that unions if they "have a fair chance to organize, will win their fight without coercion." Perhaps those persons have had the "wool pulled over their eyes" by their closed shop friends. In Miss Marot's book we read on page 121 (italics ours):

> On grounds, then, of ethical implication, and in the interests of justice and industrial peace, the "free American workingmen" and the non-union employer became fit *subjects for coercion.*

Miss Marot is a very prominent champion of the closed shop, and was for eight years secretary of the Woman's Trade Union League of New York.

How far they will go in the kind of force they are willing to employ against the worker is shown in the official report of Mr. Luke Grant to the United States Commission on Industrial Relations, made in 1915. Mr. Grant is a union carpenter, and both before and after his report was officially connected with labor unions. He said, pages 115-117:

> In recent years there has been a marked change in the nature of the violence committed in the building trades and in the methods used. The ordinary workman who in former days was apt to use his fists on the head of a scab for the sake of the cause, seldom does so now. His place has been taken by the professional thug and gunman. Violence has become commercialized and made more brutal. Assaults on non-union workmen are seldom made openly as in former days when the strikers did the assaulting. The professional slugger lies in wait for his victim, assaults him with a bludgeon or probably shoots him to death * * * . If the destruction of property seems more expedient than the slugging of

non-union men, the professional will attend to that * * * . That such a system of organized thuggery obtains in many of the building trades unions is beyond dispute.

Judicial Decision Recites the Facts of Violence

(From decision of United States Circuit Court of Appeals for the Seventh Circuit, October term and session, 1913, in the case of Ryan *vs.* United States. This was the case resulting in the conviction of leaders of the Structural Iron Workers for dynamiting of property. The portion of the decision here quoted is an epitome of the 25,000 pages of testimony in the case.)

The facts thus recited, as proven by the Government on the trial, may be mentioned in part as follows:

The nature of the contest between the International Association of Bridge and Structural Iron Workers, of which "all of the defendants except two that were convicted were members," and the American Bridge Co., and of the ensuing general strike declared and supported by the association "throughout the United States," extending from 1905 continuously down to "the time of the trial" is described. In the early months it was attended by "numerous acts of violence" in various places, and commencing in 1906 dynamite was brought into use "to blow up and destroy buildings and bridges that were being erected by 'open-shop' concerns," and such explosions started in the eastern part of the country and "extended from the Atlantic to the Pacific" in many places. This course continued "until the arrest of the McNamaras and McManigal in April, 1911." Almost 100 explosions thus occurred, "damaging and destroying buildings and bridges in process of erection where the work was being done by 'open-shop' concerns." And "no explosions took place in connection with work of a similar character that was being done by 'closed-shop' concerns." From February 17, 1908, until April 22, 1911, seventy of such explosions occurred, forty-three of which were in connection with work either of the National Erectors' Association or American Bridge Co. and affiliated concerns, and twenty-seven of the explosions occurred in connection with the work of independent concerns in no way connected with either thereof. Dynamite was first used together with fuse and fulminating caps, the fuse being generally about fifty feet in length, "and when lighted the explosion would occur in about half an hour." Nitroglycerine was next brought into use provided with a clock and battery and attachments to be used together with dynamite and nitroglycerine, constituting what was termed an infernal machine, to be used in connection with the dynamite and nitroglycerine in the destruction of buildings and bridges of "open-shop concerns"; and "from this time forward the clock and battery was used in connection with charges of dynamite and nitroglycerine in the destruction of life and property."

These infernal machines "were so made and arranged that they could be and were set to cause the explosion to take place several hours after it was set, so that the person setting the explosion could be hundreds of miles away when the explosion took place." The headquarters of the

international association was at the outset in Cleveland, Ohio, but was removed to Indianapolis, Ind., early in 1906, and there remained. The various places in which the several defendants were located mentioned in various states. The dynamite and nitroglycerine which were used for the explosions mentioned "were transported in passenger cars on passenger trains of common carriers engaged in the transportation of passengers for hire into and over and across" various states named. Explosions took place "in all of the states named, and a number of times in some of them and were planned to be made in other states named." In connection with this work of destruction, "dynamite and nitroglycerine were purchased and stolen and various storage plans arranged to conveniently store such explosives that were to be used in the destruction of property in the various states" referred to; and "such explosives were carried and taken on passenger trains from such storage places in the various states to various places in the other states where structural iron work was in process of erection," and the various locations are named.

Large quantities of dynamite and nitroglycerine were at various times stored in vaults of the association in Indianapolis and also in the basement of the building. These storage place "were so arranged that dynamite and nitroglycerine could be readily obtained and transported from such place of storage" to other places for this use in destruction of property, also clocks and batteries, as described, and fuse and fulminating caps, as well, in large quantities, "all to be used in connection with the dynamite and nitroglycerine for the destruction of property"; and some thereof were stored in the vaults of the association at Indianapolis, "so that the same would be accessible for immediate use in connection with any explosion desired at any other place in the United States." For the purpose of carrying such explosives "suit cases and carrying bags were obtained and purchased, in which such dynamite and nitroglycerine, clocks, batteries, fuses, caps, and attachments could be conveniently placed and carried by persons going from a place of storage to a place in another state on passenger trains of common carriers, etc." All the explosions mentioned "were accomplished with the materials including nitroglycerine and dynamite so stored, and were transported "from said storage place to the various places throughout the United States where such explosions occurred in suit cases and carrying bags by persons traveling upon the passenger trains of common carriers," etc.

"Four explosions occurred in one night at the same hour in Indianapolis," and "explosions were planned to take place on the same night two hours apart at Omaha, Neb., and Columbus, Ind., and the explosions so planned did occur on the same night at about the same time instead of two hours apart, owing to the fact that one clock was defective. The explosions referred to at Omaho and Columbus were all "open-shop concerns," and the infernal machines used therein were taken from the storage places of said materials above and forth. The "Times Building at Los Angeles was destroyed by the use of dynamite" on October 1, 1910, and twenty-one persons killed, "and immediately after the happening of this event arrangements were made to have an explosion in the eastern part of the United States, as an echo in the East of what had occurred at Los Angeles." Prior to "the arrest of the McNamaras and

McManigal," seven or eight explosions were planned "to take place in different parts of the country widely separated on the same night." All the dynamite and nitroglycerine, "except the dynamite that was stolen, the batteries, clocks, caps, fuse and attachments, suit cases and carrying cases, as well as the expense and work for carrying the explosives and articles to be used in connection therewith, including the expense incident to the stealing of dynamite, were paid out of the funds of the international association, and these funds were drawn from the association upon checks signed by the secretary-treasurer, John J. McNamara, and by the president, Frank M. Ryan," plaintiff in error. * * *

One feature of circumstantial evidence is brought out by the testimony and justly pressed for consideration, as tending to prove the conspiracy in all its phases, namely: That use of explosives for destruction of property as described embraced exclusively "open-shop concerns" and was continuous and systematic from the commencement of such course up to the time of the above-mentioned arrest of the McNamaras and McManigal, and then ceased throughout the country. * * *

We are of opinion, therefore, that the general challenge for insufficiency of evidence must be overruled; that support for the charge of conspiracy, to say the least, by no means rests on the testimony of McManigal; and that no error appears in submission of his testimony for consideration of the jury. * * *

The assignments on behalf of plaintiff in error Ryan are overruled, and the judgment against him must be affirmed.

Use of Gunmen by Unions

(From New York *Sun* of May 14, 1915. The employment of gun-men by New York City unions is revealed.)

The deeper Assistant District Attorney Breckenridge delves into the alliance between union men and gangsters the more startling becomes his discoveries. He has found and expects to prove that the despotic ring which ruled by force in the garment workers' union resolved itself in a secret tribunal and dealt out punishment to non-union men and recalcitrant union members; to be called before that body meant a beating, maiming, and in some cases death.

These mock courts, termed "bloody assizes" by their victims, sat after strike meetings of business sessions in halls that the union leaders hired in many parts of the city and sometimes in local headquarters. After the ordinary business was finished a few officials with some of their strong-arm men would form around a table with one man sitting as judge. They had what was known as a bailiff, and the man accused was addressed as the defendant.

Generally one or two men were tolled off to do the actual slugging. If a man protested that he was not non-union he was knocked down. If he became so infuriated as to call his accuser a liar he was beaten into insensibility. Mr. Breckenridge knows of three men who had ears cut off, and charges at least one murder as the result of one of these trials.

There are no indictments against the employers, Mr. Breckenridge

said yesterday, because there has been nothing brought out in the investigation to show that the employers did more than try to defend themselves against assault.

"We have got the gangsters and the labor men working against each other," he said, "and they are giving each other up. They are running for cover, so deep in the system has the investigation gone, and they are cutting each other's throats in the effort to gain protection for themselves. There has never been such a revelation."

(Testimony of Arthur Woods, Police Commissioner of New York City, before the Industrial Relations Commission, May 12, 1915. Pages 10553-10558 of testimony. Official confirmation of statements made in the New York *Sun*.)

CHAIRMAN WALSH: Has any investigation of the use of these gunmen in connection with industrial disputes ever been made before to your knowledge in New York, Mr. Woods?

MR. WOODS: Well, I cannot give you conclusively information about that, but I should say nothing like so thorough going as this.

CHAIRMAN WALSH: Has any investigation been made to ascertain whether or not they were used in other places than New York City?

MR. WOODS: I can not tell you that; there was a recent disturbance at Roosevelt, N. J., which you remember, and it was alleged that New York gunmen had been brought out there; I think probably they had. But it has been brought out in that investigation that New York gunmen have been taken to other cities; we have definite instances where they have been taken to Chicago, Cincinnati, Baltimore, Philadelphia, and other cities. One of the extraordinary features of the case is that in connection with strikes where women are employed. Women are used as "gunwomen," so to speak.

CHAIRMAN WALSH: What organizations are affected by these indictments? What labor organizations were found to have taken those men, to have used these people?

MR. WOODS: The indictments had not been found when I left the city; all I can tell you would be what is contained in the newspapers.

COMMISSIONER O'CONNELL: The organization known on the east side as the central body of Hebrew organizations in the east side?

MR. WOODS: Yes; I think so.

COMMISSIONER WEINSTOCK: As a result of your investigation, what have you found to be the method of procedure in industrial troubles; do these gangsters offer their services to both sides, and take the highest bidder, or do they confine their operations and offer their services to one side of the labor trouble?

MR. WOODS: I should not say it was "offering their services," but the result of our investigation shows a course of procedure like this; there would be a strike and the strikers would retain some gunmen to do whatever forcible or violent work they needed. The employer, to meet this violence, would, in a comparatively small percentage of cases, and not as many cases as the gunmen were employed on the other side, would hire a private detective agency.

COMMISSIONER WEINSTOCK: Now, when the unions employed these gunmen, what function were the gunmen expected to perform?

MR. WOODS: To intimidate workers that were hired to take the place of the strikers.

COMMISSIONER WEINSTOCK: That is so-called scabs?

MR. WOODS: Yes, sir; so-called scabs.

COMMISSIONER WEINSTOCK: Have there been instances where there has been violence against the so-called scabs?

MR. WOODS: Yes, sir.

COMMISSIONER WEINSTOCK: To what degree?

MR. WOODS: Oh, to a very strong violence.

COMMISSIONER WEINSTOCK: Have they committed murder?

MR. WOODS: Yes, sir; I think that is being brought out now. As I remember it last night in the newspaper article there were three indictments for murder in the first degree.

No Limit to Intimidation

COMMISSIONER WEINSTOCK: There is no limit then to what degree they will go to intimidate the so-called scabs?

MR. WOODS: No. Now, there was a case that was noticed a good deal in the newspapers a while ago of an innocent man by the name of Straus, who was shot and killed on the east side. The Dopey Benny gang was employed by the strikers and some other gangsters were employed by the employers; I can not remember which particular gang it was. One of the Dopey Benny gang had been killed by one of the other gang.

COMMISSIONER WEINSTOCK: Competing gangs?

MR. WOODS: Yes; one gang employed by one side, and one gang by the other side. I may have things a little twisted here, but the gang that killed the member of the other gang was holding a ball, and the other gang came up to get revenge for the killing, and the man that they tried to shoot jumped behind this perfectly innocent citizen, Straus, and Straus was killed.

COMMISSIONER WEINSTOCK: Now, are the so-called gangs of gunmen confined to the east side of New York, or are there other gangs in other parts of the city?

MR. WOODS: There are gangs in other parts of the city.

COMMISSIONER WEINSTOCK: And as a result of your experience you have found that employers are guilty of resorting to the methods you condemn, and likewise the labor unions have resorted to the methods that you condemn?

MR. WOODS: Yes, sir; that there were two points that ought to be considered in connection with that; so far we have not found the direct employment of gunmen except by strikers.

COMMISSIONER WEINSTOCK: The employment by employers has been indirect?

MR. WOODS: The employment by employers has been indirect, through private detective agencies, and we have found far more employment of gunmen by strikers than by employers.

COMMISSIONER WEINSTOCK: In how far have your investigations warranted this statement that appears following:

"Several of the indictments mention assaults upon members of the union, and in this connection District Attorney Perkins said last night that the reign of lawlessness was caused by union leaders who wished to perpetuate themselves in power, who hired assassins to assault contenders in their own union for their places, and who used offices to extort blackmail under threats from employers.

"Seven men are indicted for assault in a riot for control of a union. Four men are indicted for hiring Dopey Benny's band to go to a non-union factory and 'rough house' the employes as they left, and 'wreck' the plant. A dozen workers were wounded in that fight.

"Six union men are accused of extortion and assault in using violence to collect a fine of $100 upon an employer. Four others are accused of hiring the Dopey Benny band to shoot up a non-union factory. Many shots were fired, the factory suffered a damage of $1,000, and several persons were injured. Other indictments mention cases where the band was employed by union leaders to attack non-union workers, to wreck factories, and even to assault men who opposed the leaders."

Does your investigation substantiate those statements here?

MR. WOODS: Yes, sir; that is the general line of things that we found. All that sort of thing.

COMMISSIONER WEINSTOCK: So that this is not mere newspaper exaggeration, to your knowledge?

MR. WOODS: No, sir.

Unions Try to Tell State Governor What To Do

Testimony of Mrs. Mary ("Mother") Jones, before the Industrial Relations Commission, May 14, 1915. Pages 10,643 and 10,644 of testimony. "We simply got our guns and ammunition * * * and the fight began.")

COMMISSIONER WEINSTOCK: From what you have explained, Mother Jones, it is evident that some explanation is needed. There appears in the record of the congressional committee, a copy of which I have here, setting forth a hearing before a sub-committee of the Committee on Mines and Mining of the House of Representatives, a statement attributed to you, which evidently is a mistake, and does you a grave injustice, and I think you should be afforded an opportunity at this hearing for the purposes of our record to correct it.

Among other things you are alleged to have said, speaking, I think, of some labor trouble in West Virginia:

"We told him we lived in America beneath the flag for which our fathers fought; that we lived in the United States, and we had a right and had a ground to fight on; and we asked the governor to abolish the Baldwin guards. That was the chief thing I was after, and I tell you the truth, because I knew when we cleaned them out other things would come with it.

"So I said in the article we will give the governor until eight o'clock to-morrow evening to get rid of the Baldwin guards, and if he don't do business we will do business. I called the committee, and I said, 'Here, take this document and go into the governor's office and present it to him.

Now, don't get on your knees; you don't need to get on your knees; we have no kings in America; stand on both feet, with your heads erect and present that document to the governor.' And they said, 'Will we wait?' I said, 'No, don't wait, and don't say, "Your honor,"' said I, because few of these fellows have any honor and don't know what it is.

"When we adjourned the meeting and saw we were not going to get any help, I said, 'We will protect ourselves and buy every gun in Charleston.' There was not a gun left in Charleston; and we did it openly, no underhanded business about it, for I don't believe in it at all. We simply got our guns and ammunition and walked down to the camps, and the fight began."

Now, as one who believes in law and order and obeying the law, there must be some mistake, or you were misquoted, and this is an opportunity for you to correct it.

MOTHER JONES: I am going to tell you about that. I made that speech, not in Trinidad, but on the steps of the state house in Charleston. The strike was not on very long—three or four months, I think three months—and I did so, and the governor stood there, and the whole state house administration was there. When I said, "We demand of the governor to abolish the Baldwin guards," I did so; I don't deny it.

Former Public Official Describes Violence

(From an article by Joseph M. Brown, former governor of Georgia, reprinted in the La Grange, Georgia, *Reporter,* July 16, 1920).

In 1912, the Amalgamated Association of Street and Electric Railway Employes of America, organized the street car employes of Augusta. On September 23d that year they went on a strike which lasted till October 19th.

During this strike, two loyal employes were murdered one night at the end of their run in the outskirts of the city. Besides these, from fifteen to eighteen men, mostly loyal employes were either shot or brutally beaten and many more people, some of them passengers, were injured by flying missiles.

On call of the Mayor of Augusta, I as Governor, ordered out the local military to protect the city from rioting strikers. Three citizens were killed by the military while trying to ride through the cordon around the car barn despite the command to halt. One of these was a strike sympathizer who fired at the captain and was then instantly shot dead by the sentries. By the strike the street car company suffered considerable property loss, such as damage to cars, to overhead lines, to tracks and switches and to its buildings.

Since I wrote the above words I have received a letter from a prominent citizen who was in Augusta during the entire period of the strike. From him I learn that women and children were attacked; one woman was shot; several non-union men were known to have been killed, and several non-union men disappeared in riots and have never been heard of since. An eight-year-old boy was driven from school and his father's family had to be protected by guards. The Mayor, who asked for the

military for enforcing law and order, found it necessary to have guards placed around his home for protection to himself and family.

Are Employers Responsible for Violence?

(From testimony before the Industrial Relations Commission, July 21 and July 22, 1914, of Mr. Dudley Taylor, general counsel for the Employers Association of Chicago. Picketing and violence are discussed by Mr. Taylor.)

COMMISSIONER WEINSTOCK: You also made the statement that your association furnished guards in labor troubles.

MR. TAYLOR: Yes, sir.

COMMISSIONER WEINSTOCK: Have you read Robert Hunter's work on labor troubles?

MR. TAYLOR: No.

COMMISSIONER WEINSTOCK: He holds employers responsible for violence in labor troubles on the ground that they employ detectives and gunmen, and these detectives go into the labor unions as spotters and incite violence, and compel the employer to increase his force of guards, and that increases business for the detective agencies and that if the employers would cease to employ guards it would wipe out violence in labor troubles; what is your view as to that?

MR. TAYLOR: He certainly greatly overstates or over-exaggerates. Our system is to have the addresses of a number of guards who are available when necessity arises. We send one guard or two guards, or possibly three or four, depending on the number of employes and their routes in going to and from their homes. We send them to the plant, and one guard probably takes a half dozen men under his charge and escorts them from the plant to the street car or the elevator, and some of them in their homes. I can recall only one case in the last ten years of my association where it is claimed or charged that a guard had been guilty of any violence or wrongdoing. My whole experience has been that the guards do not foment any trouble: they are not allowed to do anything of the sort; there has never been anything of that sort. Now, it might be that in mining districts there has been something of that kind; I don't know, but I am speaking of the city of Chicago. You will find that in the strikes here where guards have been sent out, one, two, or three guards as the case may be, that the workmen would not go to and from the plant without guards, and that the guards do not make trouble and there is no trouble so far as they are concerned. There is only one case of trouble being made by a guard that I remember.

(From testimony before the Industrial Relations Commission, July 23, 1914, of Mr. John M. Glenn, secretary of the Illinois Manufacturers' Association. Page 3303 of the record. Mr. Glenn shows the necessity employers are under of having "guards" in time of strike.)

I have seen the question raised here as to whether it ever did participate in violence. I don't know. My experience has been a little broad

as far as this community is concerned. I was in the newspaper business here for a long while. I have been in a great many strikes; I have seen a great deal of violence one way and another; I had more or less to do with the labor troubles that took place in 1886 here, and in 1894, and other times and I don't see how labor organizations the way they are constituted, can maintain their position without force, and I was surprised to see the question raised here that it did not use force. The employer—I don't see any necessity for his guarding his property if there is not violence. The first act of violence is in the strike. They start the strike. I tried to put some men to work and the labor organization tries to stop me. Then there is naturally a conflict, and the kettle calls the pot black and *vice versa,* and there they go.

COMMISSIONER WEINSTOCK: You heard the testimony of Mr. Fitzpatrick?

MR. GLENN: Yes, sir.

COMMISSIONER WEINSTOCK: And he takes the ground that offensive acts of violence were initiated by the employers and of the workers engaged in violence it was defensive. What is your opinion on that score?

MR. GLENN: How could that be? How could I take the initiative? Suppose I am running a plant and my men have struck why should I introduce violence in the situation? What I am trying to do is run the plant. I try to get some other men if the old men won't come back. The first act of violence if the employer is honest and the unions are fair—the first act of violence must come from the men who go out whether organized or not organized.

Why "Guards" Are Employed

(From testimony of Mr. Earl Constantine, then manager of the Employers Association of Washington, before the Industrial Relations Commission, August 6, 1914. Lack of protection by civil authorities, is said to be the chief cause for employment of private detectives during labor troubles.)

MR. THOMPSON: Referring to the question of private detectives during the time of labor trouble, what is your opinion on that subject, if you have one, and what are the reasons back of it?

MR. CONSTANTINE: I believe when a plant, or manufacturer, or employer is facing a condition where there is violence, or destruction of property either actually going on or distinctly promised and approaching, or any danger of life and limb, that the employer is fully entitled to protection, even if it means doubling of the police force. I would not think violence should be countenanced on the part of the individual or on the part of an organization any more than an individual.

MR. THOMPSON: What would you say with reference to the right of an employer to hire private detectives?

MR. CONSTANTINE: I don't think an employer would ever seek or think of suggesting the employment of private detectives if given full protection on the part of the public authorities.

MR. THOMPSON: From your investigation of that subject, do you

believe generally in the United States the employer does hire private detectives in labor disputes like strikes?

MR. CONSTANTINE: I suppose there are places in the country where that is attempted more or less. In the State of Washington it is not countenanced.

MR. THOMPSON: It is not countenanced?

MR. CONSTANTINE: No, sir; it is rather rare, I would put it.

MR. THOMPSON: The mayor, I think, testified this morning it had been done here.

MR. CONSTANTINE: As I gather from the testimony of the mayor, he was referring to the Ballard strike here in the city, where the city is said to have not offered extra protection and the sheriff of the county swore in deputies and sent them out, and in some cases deputized employes of the employer.

MR. THOMPSON: Take that case and the other cases which you say have existed in this country, do you believe in the principle of the employment by the employer of private guards or private detectives, or whatever you may call them, in time of strike and lockout?

MR. CONSTANTINE: I think that basically it is not a good principle, but I think that the fact is that generally the employer is not in position to get the protection he is entitled to and that creates a condition where for the protection of life, as much as for the protection of property, he should have the right to take and deputize employes, or get them deputized, rather, to guard his plant.

MR. THOMPSON: It has been said by some that this is the only country among civilized nations where such a condition is permitted; that in the old countries of Europe—France, Germany, England, and the like—private guards are not permitted at all.

MR. CONSTANTINE: That is probably true, because the enforcement of law is more observed.

MR. THOMPSON: Would that be your reason for the difference?

MR. CONSTANTINE: I believe so. I happen to have lived in Europe and know about something of that.

MR. THOMPSON: Is that all the reason you care to give, or is there anything else?

MR. CONSTANTINE: I think that is sufficient.

Civil Authorities Should Enforce Laws

(From testimony of Mr. J. V. Paterson, president of the Seattle Construction and Drydock Company, before the Industrial Relations Commission, August 13, 1914. Page 4314 of the record. The testimony of Mr. Paterson supports the position taken by Mr. Constantine.)

MR. THOMPSON: How do you personally—that is, apart from your association, how do you personally view the employment of private guards by employers in times of trouble?

MR. PATERSON: As a disgrace to the community.

MR. THOMPSON: That is, you think it should not be necessary?

MR. PATERSON: Yes, sir.

MR. THOMPSON: Do you think it necessary generally?

MR. PATERSON: It isn't necessary if the city authorities act.

MR. THOMPSON: Some people say that this is an institution peculiar to this country; that in the other countries of western civilized lands that that is not done.

MR. PATERSON: I am sorry to say that is true.

MR. THOMPSON: What is your reason for that? What is the cause of that difference?

MR. PATERSON: Well, I have personally given this matter some attention, and every person who gets into office here, I don't say every person, there may be an occasional exception—has hopes of a further office, an office a little higher, and he has been taught by the noise the union creates, that the unions have a tremendous power in the elections, and accordingly he plays to the unions. We have some examples here in town.

CHAPTER XV.

Unlawful Acts Condoned by Unions

In many cases, of course, violence which takes place during strikes is the result of acts by irresponsible individuals. While the closed shop unions may cause disputes which otherwise would not exist, still we cannot hold them responsible for the acts of individuals.

The case is different, however, if, by subsequent acts, they show or express approval of acts of force. Nor is it sufficient to say, as has been said, "Our acts are no different than that of a church in taking back to its breast a repentant sinner." What church takes back a sinner and then elevates him almost at once to high position?

Press dispatches state that the United Mine Workers of America have announced that it will support to the utmost twenty-four men, most of them members of the union, accused of murder in West Virginia. It is recalled, that eleven Arkansas members of the United Mine Workers pleaded guilty to various offenses against state and national laws. The union paid the fines of all these men and rewarded most of them by elections or appointments to union offices.

The Menace to Public Order

We have been informed on the highest possible authority that several times the organized employes in Washington, D. C., have threatened to go on strike and tie up every public utility in the District, even the water supply for the 450,000 people. So far they have simply "threatened," but the issue raised in the Boston Police Strike, as to the right of government employes to strike and subject government business to the demands of any group, is one which must be carefully considered.

(Testimony of Anton Johannsen, formerly business agent for the Almagated Wood Workers and State Organizers of the California Building Trades Council, then General Organizer for the United Brotherhood of Carpenters, before the Industrial Relations Commission, May 14, 1915. Page 10672 of testimony. Mr. Johannsen here says that "every man" that was convicted of the dynamite outrages was re-elected. Of the thirty-eight men convicted at least twenty-one have since held union offices.)

I am glad to say that every union of ironworkers had sufficient socia courage and loyalty to reelect every man that was convicted. Wher they went to prison they took care of the families, and those that are ir prison now, including old lady McNamara. When they went to prisor the first thing we did in our state convention in Los Angeles we sus pended all rules and order of business, and took up the first thing, th reelection of general secretary and treasurer, and executive board mem bers, and elected Tveitmoe and Clancey by acclamation, and it was th first time this proceeding ever took place in our convention.

(From testimony of Mr. James H. Maurer, president o the Pennsylvania Federation of Labor, before the Industrial Rela tions Commission, June 27, 1914. Page 2965 of the record. Th "Brindell" of years ago honored by unions after his release fron prison.)

ACTING CHAIRMAN WEINSTOCK: Then how do you explain the pe culiar phenomenon that when Sam Parks, who was an avowed grafter came out of jail he was made the marshal of a Labor Day parade an greeted as a great hero?

MR. MAURER: Well, the New York movement and the Chicago move ment and the Frisco movement are tailenders, if you will pardon me——

ACTING CHAIRMAN WEINSTOCK: Well, we deserve it all right.

MR. MAURER: Are part of the tail end of the old movement. W have men in this state who are of the old school, and it is not fair t judge the whole labor movement by the shortcomings of some renegade in it. When you speak of Parks, why, he of course, was held up as martyr; just the same as most any other great question; the great mas are poorly informed as a rule. And then again, the fact that he ma have been made marshal, I don't know the details, but it is easy to do i if a committee like himself in control of the demonstration just simpl says so and the rank and file may parade along and won't even know wh is up front. But I would not think for a minute of trying to leave th impression that the rank and file at this age has any sentiment at all fo such people. There are, however, conditions when men we know hav been persecuted and, we believe innocent, and sometimes even though w believe they are guilty, we believe their guilt was justified and we wi fight for them.

ACTING CHAIRMAN WEINSTOCK: *Is this true, Mr. Maurer, that whil on the one hand organized labor in its published statements takes th ground that it stands up for law and order and that it is opposed t violence in labor troubles; that when members of organized labor comm violence, organized labor, as a rule, stands behind them, on the groun that they committed this violence in the interest of labor and, therefor right or wrong, labor must stand behind them?*

MR. MAURER: *Yes; I think that is right, too.*

Facts Set Forth in Supreme Court Decision

(The following sentences from the decision of the Unite States Supreme Court, January 3, 1921, in the case of the Duple Printing Company *vs.* Deering, is an official arraignment of close

shop tactics. The International Association of Machinists resorted to a country-wide boycott to force the Duplex Company to maintain a closed shop. Practically every closed shop paper and leader in the country has denounced the decision of the Court, which said the Clayton Act did not give legal sanction to such performances.)

The acts complained of made up the details of an elaborate program adopted and carried out by defendants and their organizations in and about the City of New York as part of a country-wide program adopted by the International Association, for the purpose of enforcing a boycott of complainant's product. The acts embraced the following, with others: warning customers that it would be better for them not to purchase, or having purchased not to install, presses made by complainant, and threatening them with loss should they do so; threatening customers with sympathetic strikes in other trades; notifying a trucking company usually employed by customers to haul the presses, not to do so, and threatening it with trouble if it should; inciting employes of the trucking company, and other men employed by customers of complainant, to strike against their respective employers in order to interfere with the hauling and installation of presses, and thus bring pressure to bear upon the customers; notifying repair shops not to do repair work on Duplex presses; coercing union men by threatening them with loss of union cards and with being blacklisted as "scabs" if they assisted in installing the presses; threatening an exposition company with a strike if it permitted complainant's presses to be exhibited; and resorting to a variety of other modes of preventing the sale of presses of complainant's manufacture in or about New York City, and delivery of them in interstate commerce, such as injuring and threatening to injure complainant's customers and prospective customers, and persons concerned in hauling, handling, or installing the presses. In some cases the threats were undisguised, in other cases polite in form but none the less sinister in purpose and effect. All the judges of the Circuit Court of Appeals concurred in the view that defendants' conduct consisted essentially of efforts to render it impossible for complainant to carry on any commerce in printing presses between Michigan and New York.

"Fidelity" and "Manslaughter"

(The following is from the Little Rock *New Sky Line* of February 19, 1921.)

Al Shrum, a member of the Electrical Workers' Union No. 59 of Dallas, was convicted of manslaughter in connection with the killing of an employe of the Texas Light & Power Company during their strike and sentenced to three years' imprisonment. He was pardoned by Governor Hobby recently.

In reporting a reception given him by his union, we quote the following paragraph from *The Craftsman,* the Dallas labor paper:

"When it comes to entertaining, we tip our hat to Electrical Workers'

Union No. 59 of Dallas, for we are frank to say that one of the most enjoyable evenings we ever spent was as a guest of these 'boys' Monday night at a 'smoker' given in their hall in Labor Temple IN HONOR of the return home of BRO. AL SHRUM, who has been 'absent' from the city for several months BECAUSE OF HIS LOYALTY TO THE LOCAL AND HIS FIDELITY TO THE PRINCIPLES OF COLLECTIVE BARGAINING."

Who Will Defend These Practices?

Governor Kilby of Alabama was accepted by both operators and United Mine Workers as an arbitrator whose decision they would accept, in the Alabama coal strike. His findings were announced March 19, 1921. Among other things he said:

"This strike, being *called without just cause* or for the purpose of remedying any grievance, and in deliberate violation of an agreement, was 'illegal and immoral'! It proves beyond cavil that *the written contract or obligation of the United Mine Workers of America cannot be relied on* and that recognition would give no assurance of industrial peace.

"The United Mine Workers has counselled and directed the violation of the laws of Alabama."

A news item in the Chicago Tribune of May 11, 1921, reads

"A jury in Judge Thomas Taylor's court yesterday found Edwin F Graves of Boston, international vice-president of the Upholsterers' union and Roy F. Hall, business agent of Chicago local No. 111, guilty in conspiracy charges. * * *

The indictments grew out of violence and destruction of property which marked the upholsterers' strike in Chicago more than a year ago. * * *

"For more than a year Graves fought extradition, taking the case up to the Supreme Court of Massachusetts. He had come from Boston early in the strike and directed its activities.

"Samuel Fisher, principal witness for the state, told a story of having been hired by Graves and Hall to carry on a campaign of terror by slugging employes and employers in the upholstery industry. He quoted his prices for broken noses, arms, and heads as ranging from $10. to $100

CHAPTER XVI.

Monopoly Aspects of Closed Shop Unionism

In the closed shop the union principle is extended to include a monopoly. As Ernest F. Lloyd in his monograph on "The Closed Union Shop, the Open Shop" declares: "In such a shop a worker refusing or refused membership in the union of his trade must by that fact be refused employment or be discharged by an employer. A power to thus exclude is in industry a power to unreasonably restrain trade. Hence it is conceded to be contrary to public policy and agreements to effect it are legally non-enforceable." He further says: "If a group can cause the exclusion of others, or can restrict them or its own members in the exercise of their trade functions, it thereby makes it possible to * * * create, in other words an artificial scarcity." The public itself must decide whether it will sanction by its sympathy and support this effort to establish a monopoly in the labor market.

As pointed out before these monopolistic organizations are not financially responsible for violations of contracts duly made, or for damages caused during labor disputes. They have many times, when suit for damages was brought, simply given the answer that as they have not chosen to incorporate they cannot be held legally responsible for damages arising from their actions.

Such a condition is conducive neither to efficiency nor harmony in industry, two attributes with which the public is vitally concerned. About one hundred years ago corporations, associations of individuals for purposes of business, began to assume prominence. Since 1870 both states and national governments have placed restrictions upon these associations, restrictions designed to benefit the members or stockholders, other associations, and the general public. Their manner of organization and methods of business are carefully regulated by law. Yet the labor organizations which sponsor the closed shop bitterly oppose any and all efforts to regulate *their* monopoly and actions, although they have millions of members and millions of dollars, their acts affecting the general public for good or ill as much certainly as any business aggregation has ever done or has ever threatened to do. If the public has a right to regulate business and make it conform to certain standards, has it not the same right to regulate combinations of labor?

Closed Shop Tactics

The Minnesota Daily Star, Non-Partisan League and unio labor daily, reports that the St. Paul Trades and Labor Assembl is going to take a census of all St. Paul business and professiona men on the open shop issue. The *Star,* which is published b closed shop supporters, says: "By definitely estabishing th position of these firms and organizations, the public can b informed with whom to deal."

According to the *Seattle Union Record* of December 16, 192 the retail clerks of that city want every patron of a store or sho to demand that the clerk waiting on him show his union member ship card.

In order to combat the open shop the Trades and Labo Assembly of St. Paul instructed its members to make absolutel no Christmas purchases in the loop district during the holida season except positive necessities. All of the big retail stores bu two were included.

Candy Workers' Local Union No. 156, Seattle, tried t induce every eater of Christmas candy to insist that the unio label be on every box purchased during the holiday season.

The American Federation of Labor is said to be preparin to start a nation-wide campaign to organize office help. Commer cial stenographers, bookkeepers and clerks are to be organize into the "Labor Defense League."

The Epworth League of Kansas has been officially declare "unfair" to union labor.

How Far Would They Go?

(From testimony of Mr. Edward L. Doyle, secretary-trea urer, United Mine Workers, Denver District, before the Indu trial Relations Commission, December 14, 1914. Page 6971 the record. Italics ours.)

MR. DOYLE: An employer has a right to employ anyone he se fit. Your question being a broad and general one, I would ask t privilege of making a statement in connection therewith. The assumptic that a man should have the right to work, as I understand your questio in any particular industry, simply because he had been so employed the operator of that industry, without being compelled to join a lab organization is considered, talked of as a right. It is only considered up the surface, and they never go below the surface to discuss that and ha it out whether it is a right or a wrong. And I might say here th *anyone that goes into an industry to work,* if there is an organization

that industry, he *should be compelled to become a member of that organization.*

(From testimony of Mr. E. B. Ault, editor of the Seattle Union Record, official organ of the Central Labor Council, before the Industrial Relations Commission. August 12, 1914.)

ACTING CHAIRMAN COMMONS: So that, then, you would have the Government require employers to hire union men?

MR. AULT: Well, that is a hard question. I think that it is a reasonable proposition that *employers should be required to hire union men.*

MR. THOMPSON: Will you be in favor of any form of coercion to compel third parties, not union people, but the public generally, to help in the boycott? Would you have the plumber refuse to repair the plumbing in the house of a man that bought good that were unfair?

MR. AULT: Yes, sir.

Said John Mitchell, president of the United Mine Workers, in 1903:

"With the rapid extension of trade unions, the tendency is toward growth of compulsory membership in them, and the time will doubtless come when this inclusion will become as general and will become as little of a grievance as the compulsory attendance at school."

The Views of Economists

(From "Modern Economic Problem," Volume II, by Dr. Frank A. Fetter, Professor of Economics, Princeton University. Pages 309-312. Dr. Fetter explains the methods by which unions apparently raise wages.)

The action of organized labor is not, however, limited to the competitive field, above discussed. Wages in particular industries may, by the action of trade unions be raised and maintained above a true competitive rate. This of course can be done only in accordance with the principles of the service—value to the consumer and of service—price in the employment-market. The supply of labor is in a variety of ways artificially limited by the efforts of the unions. It may be done temporarily by striking when a failure to fill orders will cause the employer exceptional loss. Violence in strikes and boycotts is often the desperate attempt to create and assert a measure of monopoly power where of itself it does not exist, *i. e.,* where other workers stand ready to take the jobs at the prevailing rates of wages. Monopoly is created if apprentices are limited to fewer than in the long run would be attracted into the trade by the prevailing wages. It is created if the unions artificially limit output to less than is consistent with the health of the worker. Monopoly is created if unions strong enough to keep "scabs" from getting work, fix their dues high or put other obstacles in the way of increasing the membership. Probably the most striking cases of high wages for organized labor are of this kind.

The element of labor-monopoly evidently is mingled in all degrees

from the slightest to a very great amount, in particular economic situations.

Open vs. Closed Shop

The question of labor monopoly is involved in the very crucial question of the closed *versus* the open shop. A closed shop (or union shop) is a shop in which no non-union men may be employed, even at union wages. Its existence is evidence that the union is strong enough to compel the employer to act on this principle and thus virtually to force all his employes into the union. The refusal of a demand for the closed shop is often the ground for a strike. Where this is so unions usually assert that the closed shop is essential to the existence of the union. If union and non-union men work side by side there are many ways in which the employer is able to discriminate so as gradually to break down the union. If business slackens, the union man may be the first to be discharged; if any preference is given it is to the non-union man. While this may be true, it would seem, on the other hand, that an unmodified closed shop, with the conditions of membership in the control of the union, creates a distinct monopoly of labor leaving the employer helpless in any wage dispute and enabling the union to enforce its every demand regardless of the competitive conditions of the labor-market for that class of services.

Political and Economic Considerations

The question here takes on a broad aspect. Is the closed shop, and are the other policies of trade unions, morally right, and ought they to be legally sanctioned? The answer to such questions is not for the economist alone to give. The questions involve other than economic considerations. They involve moral and political considerations—not merely existing formal law, but the fundamental issue of personal liberty and of interference with the liberty of some citizens by another group acting without political authority. For example, if a workman is unable to earn the standard rate and is not permitted to take less, he is forced to move to a place where there is no union, or is forced out of the trade entirely. In the latter case, he probably is compelled to take a lower wage than he could get in his regular occupation. Likewise, this change artificially increases the pressure of competition and reduces the wages of others in the occupation to which he turns. So in the case of persons prevented from becoming apprentices in a trade, or kept from taking work by threats, or by the dread of boycott, or by the fear of violence in any degree, however slight, there is present an element of personal coercion by the organized laborers. This is the price others are made to pay for a favorable effect on the wages of the organized laborers. Now the strictly economic question concerns merely the part as to the effects upon wages, and the economist (as such) is going outside of his special field when he pronounces on the moral rectitude (and the desirability in law) of such acts and policies.

One who fully shares the feelings of the organized workers will believe that the winning of a strike or the general improvement of the strikers' condition is so important that it outweighs the evils to other

individuals and to society as a whole. Indeed, to one in that state of mind the evils appear very small or non-existent. The economist can only issue the warning that the commonest illusion he encounters is the belief of each class—commercial, banking, manufacturing, wage-earning—that which is for its particular interest is, in a peculiar manner, for the general interest, so much as to justify favoring legislation or special exemption from the general law, or even sheer lawlessness.

The Public's View of Unions

We may, however, observe the view of the onlooker striving to be impartial. The attitude of the public in labor disputes, and particularly in regard to the closed shop, is a vacillating one. The general public sympathizes in large measure with the unions in their efforts up to a more or less uncertain point; but the public does not like to see organized labor with the power to dictate terms absolutely to the employers any more than it likes to see employers crush the union. The unions are effective in varying degrees in strengthening the bargaining power of the workers, and accordingly the results vary not merely in degree but in kind. The public wishes to see "fair play," and up to a certain point the union is a device to get fair play. In truth, what is in the public's thought, somewhat vaguely, is approval of unions so far as they go to establish a real equality in competitive bargaining with the employers, but disapproval where the power of the union gets greater and becomes monopolistic.

It is at this point that organized labor loses the sympathy of most of "the general public" outside of unions. When the union tries to force a higher wage than the market will warrant, when it strives not to establish but to defeat competition, the public condemns. It sees, though not quite clearly, that such action makes an unstable equilibrium of wages which tempts to constant friction and discord with employers and with unorganized laborers. It sees also that if the unions force a wage higher than a fair and open market affords, this is rarely done at the expense of the employer; that in the long run it is at the expense of the purchasing public itself, including the unprivileged workmen.

The Consequences of Labor Monopoly

(From "Latter Day Problems," by J. Laurence Laughlin, Emeritus Professor of Economics, University of Chicago. Published by Charles Scribner's Sons. The consequences of labor monopoly as it is attempted are well portrayed by Professor Laughlin.)

Whatever the reasons, the fact is to-day unmistakable that the unions include only a small fraction of the total body of laborers. In spite of the proclaimed intention to include in a union each worker of every occupation, and then to federate all the unions, the unions contain far less than a majority of the working force of the country. To the present time, therefore, the practical policy of the unions has resisted in one of artificial monopoly; that is, not able to control the whole supply, the union attempts to fix a "union scale" and maintain only its members at work.

This situation, consequently means, always and inevitably the existence of non-union men, against whom warfare must be waged. Under this system high wages for some can be obtained only by the sacrifice of others outside the union. The economic means chosen by the unions, then, to gain higher wages are practicable only for a part of the labor body, and then only provided all other competitors can be driven from the field. The policy of artificial monopoly being, thus, the common principle of a great majority of unions, we may next briefly consider the inevitable consequences of such a policy.

1. The immediate corollary of the union policy is a warfare à l'outrance against non-union men. This hostility against brother workers is excused on the ground that it is the only means of keeping up the "union scale" of wages. Although an artificial monopoly is unjust and selfish, and certain to end in failure, the unions have doggedly adhered to it so far as to create a code of ethics which justifies any act which will preserve the monopoly. This is the reason why a non-union man seeking work is regarded as a traitor to his class, when in reality he is a traitor to an insufficient economic principle. As a human being he has the same right to live and work as any other, whether a member of a union or not. The arrogance of unionism in ruling on the fundamentals of human liberty, the assumption of infallibility and superiority to institutions which have been won only by centuries of political sacrifice and effort, is something supernal—something to be resented by every lover of liberty. Unionism, if unjust to other men, cannot stand.

2. Since the "union scale" of an artificial monopoly is clearly not the market rate of wages, the maintenance of the former can be perpetrated only by limiting the supply to the members of the union. The only means of keeping non-union men from competition is force. Consequently, the inevitable outcome of the present policy, of many labor organizations is lawlessness and an array of power against the State. Their policy being what it is, their purposes can be successfully carried out only by force, and by denying to outsiders the privileges of equality and liberty. Some time the means of enforcing their unenacted views is known as "peaceful picketing"; but this is only a mask for threats of violence. In fact, intimidation of all kinds up to actual murder has been employed to drive non-union competitors out of the labor market. Picketing, boycotts, breaking heads, slugging, murder—all outrages against the law and order, against a government of liberty and equality—are the necessary consequences of the existing beliefs of unionists, and they cannot gain their ends without them. So long as the unions adhere to their present principles so long will they be driven to defy the majesty of the law, and work to subvert a proper respect for the orderly conduct of government.

The dictum of a few men in a union has been set above the equality of men before the law. The union lays down an ethical proposition, and by its own agencies sets itself to apply it at any and all cost. This is a method of tyranny and not of liberty. The right of the humblest person to be protected in his life and property is the very corner stone of free government. It means more for the weak than for the strong. There-

fore, the opinions of a loosely constituted body, representing a limited set of interests, should not, and will not, be allowed to assume a power greater than the political liberty for all, rich or poor, which has been a thousand years in the making. By the abuses of unionism there has been set up an *imperium in imperio*—one inconsistent with the other. One or the other must give way. Which one it shall be no one can doubt. The dictum of rioters will never be allowed by modern society to eradicate the beneficent results which have issued from the long evolution of civil liberty. If the platform of the unions is opposed to the fundamentals of law and progress, it must yield to the inevitable and be reconstructed on correct principles of economics and justice.

Unions Resort to Politics

3. The labor leaders, finding themselves opposed by the strong forces of society, have at times made use of politics. They have sought to influence executive action in their favor. Mayors of cities are under pressure not to use the police to maintain order when strikers are intimidating non-union men. More than that, since the presence of soldiers would secure safety from force to non-union workers, union leaders have urged governors, and even the President of the United States, to refrain from sending troops to points where disorderly strikes are in operation. Not only the police and the soldiery, but even the courts, when used solely to enforce the law as created by the majority of voters, have been conspicuously attacked as the enemies of "organized labor." The hostility of these agencies in truth is not toward labor, or its organization, but toward the perverse and misguided policy adopted by the labor leaders.

The entry of unions into politics, in general, is a sign of sound growth. It is, at least, a recognition that the only legitimate way of enforcing their opinions upon others is by getting them incorporated into law by constitutional means. And yet legislation in favor of special interests will be met by the demand of equal treatment for all other interests concerned; and in this arena the battle must be fought out. The unions will not have their own way by any means. So far as concerns the rate of wages, in any event, political agitation and legislation can do little. The forces governing the demand and supply of labor are beyond the control of legislation. But other subjects of labor legislation have been introduced, as is well known, such as eight-hour laws, high wages for State employes, and demands for employment by the Government of only union men. All these efforts would be largely unnecessary were the action of the unions founded on another principle than monopoly.

4. The difficulties arising from this incorrect policy of artificial monopoly of the labor supply have been felt by the unions, but they have not been assigned to their true cause. Believing in this theory, even though incorrect, they have gone on enforcing their demands by methods unrelated to the real causes at work. They have tried to strengthen their position by claiming a share in the ownership of the establishment in which they work, or a right of property in the product they produce, or a part in the business management of the concern which employs them. They have tried to say who shall be hired, who dismissed, where mate-

rials shall be bought, by whom goods shall be carried or sold, and the like. Their purpose is not always clear; but it seems to be a part of a plan to keep the employer at their mercy, and thus under the necessity of submitting to any and all demands as regards wages.

In this matter the unions cannot succeed. The very essence of a defined rate of wages is that the laborer contracts himself out of all risk. If the workman claims to be a partner in the commercial enterprise, asking in addition a part of the gains, he must also be willing to share the losses. This is obviously impossible for the ordinary working man. Hired labor and narrow means go together. Capital can, labor cannot, wait without serious loss. Laborers, therefore, can not take the risks of industry and assume the familiar losses of business. This is the full and conclusive reason why the laborer contracts himself out of risk and accepts a definite rate of wages. If he does this, he is estopped, both morally and legally, from further proprietary claims on the product or on the establishment.

By way of resume, it is to be seen that the attempt to increase the income of labor on the unionist principle of a limitation of competitors had led into an *impasse,* where further progress is blocked by the following evils:

1. The wrong to non-union men.
2. The defiance of the established order of society.
3. A futile resort to legislation.
4. The interference with the employers' management.

Restrictions on Membership Admission

(From "Admission to American Trade Unions" by Dr. F. E. Wolfe, Colby College. Published by Johns Hopkins University in 1912. How the unions try to raise wages by limiting the number of skilled workers through apprenticeship rules.)

The most effective device whereby the union may guard the regular entrance to a trade is the limitation of the number, rather than the requirement of certain qualifications, of persons who may become apprentices. Since the beginning of customary or statutory recognition of the industrial need of an adequate supply of well-trained mechanics a limitation of the number of apprentices has been attempted. The essential purpose of numerical limitation has continued to be the insuring of a supply of workmen according to the needs of each trade. But it may easily serve also one immediate aim of trade unionism—the maintenance of wages—by diminishing the competition of laborers within the trade. Accordingly, all unions attempting apprentice regulation enforce more or less successfully some form of numerical limitation of apprentices.

(From testimony of Mr. F. S. Deibler, professor of Economics at Northwestern University, before the Industrial Relations Commission, July 23, 1914. Page 3335 of the record. The testimony of Mr. Judge, which follows, shows why high initiation fees are charged.)

MR. THOMPSON: What have you to say with reference to the methods used by the unions in time of peace and in time of war?

PROF. DEIBLER: Well, could I ask to have that a little more specific?

MR. THOMPSON: Well, I mean have you any views as to the method used, such a restriction of membership in time of peace; high initiation fee?

PROF. DEIBLER: I think the trade-union that undertakes to limit its membership by high fee tends to establish a monopoly of labor and is unwise from their point of view, and would be just as detrimental to the community as monopoly on the side of the employer.

(From testimony of Mr. Patrick Judge, secretary-treasurer of the Plasters' Helpers' Protective Association, before the Industrial Relations Commission, May 28, 1914. Page 1763 of the record. The union wished to confine work to its own group.)

MR. THOMPSON: At one time did you charge as much as $100 for an initiation fee?

MR. JUDGE: Yes, sir.

MR. THOMPSON: When was that?

MR. JUDGE: In the prosperous years of 1905 and 1906.

MR. THOMPSON: Why did you charge so much for initiation dues?

MR. JUDGE: Because so many applicants appeared to be admitted into the organization that we considered it advisable to protect our members.

MR. THOMPSON: And that was the reason?

MR. JUDGE: Yes.

Fining Employer to Force Monopoly

(How the unions attempt to create and maintain monopoly of the labor market is revealed in the following from the *New Sky Line,* Little Rock, of March 27, 1920. The unions attempted to force employers to sell only to union members.)

As an example of the extremes to which the craft unions went when the closed shop existed in Little Rock, the case of the Electric Construction Company is cited. The Electrical Union signed up an agreement with the contractors July 1, 1916, and in January the Electric Construction Company had to pay fifteen dollars for having sold material to a non-union workman, to be used on what had been declared an unfair job.

When the job was declared unfair, the builder wanted the work continued, and as the Electric Construction Company could not do it, the manager, when asked as to who was obtainable, gave the builder the name of a non-union workman, and later sold him material with which to complete the building. The business agent and the committee of the union investigated the matter, declared it was a violation of the agreement, and required the Electric Construction Company to pay them for their time in making the investigation; or, in other words, fined the firm fifteen dollars for giving an employer the name of a non-union workman and selling material to go on a job declared by the union to be unfair. (The affidavit of Mr. Fred C. Bragg is then quoted by the "New Sky Line.")

(Views of the New York Chapter of the American Institute of Architects on New York building conditions, in a memorandum

presented May 26, 1914, to the Industrial Relations Commission, with additional comment by Mr. D. Everett Waid, who presented the memorandum to the Commission. Pages 1658-1660 of the record.)

Recently there has been a new attempt looking to the spread of union control in the building industry, thus far not very successful. It is an attempt on the part of the building trades unions to force the employment of union workmen for any work that is done in a building after the building is completed. While the unions have almost completely controlled the construction work of this city, it was assumed that once a building was completed the owner could thereafter employ anyone he pleased and do anything he pleased thereafter either with his own employes or others. An attempt has been made, sometimes successfully, within recent years to force such owners and their tenants after occupying their buildings to employ union house carpenters, union machinists, union fitters, etc. In some cases it is even attempted to prevent an owner from employing union workmen even if he is willing to do so unless he employs them through the association's contractor. The attempt has been made to enforce this condition through a threatened strike on the part of all union labor before the building is completed unless the owner agrees before such completion to unionize his shop or factory after the building is completed. Although this has not always been successful the plan threatens to be very serious if nothing is done to stop it.

Steel and the Open Shop

In their attempts to divert attention from their restrictive and destructive policies the closed shop leaders are endeavoring to make the public believe that the big employers of the nation, headed by the steel interests, are in a "conspiracy" to deprive all union workers of their employment. They have also charged the railways with attempting to "disrupt" labor organizations.

The closed shop advocates have made much of the testimony of Mr. Grace and other steel men. It has been alleged that they have combined to refuse to furnish steel to those using any union labor in its erection. There is no claim that their purpose has been to raise prices to the public.

Employers in the steel industry have not discriminated against union labor; they have insisted that their products be erected under open-shop conditions, where union labor may be employed if it is willing, and where non-union or independent labor is not discriminated against or refused employment. They refused in New York to enter the unlawful combine between employers and the Brindell group, the effect of which has been to raise prices and deprive independent labor of work. The attempted compulsion by both the Building Trades Employers' Association and the

Brindell group to force the structural iron industry into the combination was successfully resisted.

The December 30, 1920 Bulletin of the National Founders' Association states the matter squarely and concisely, quite properly saying:

> Much is made of the statement that the Bethlehem Company did not want to sell fabricated steel unless it was put up under open shop conditions. Nobody appears to remember the fact that the unions will not permit their men to use steel made in open shops, that strikes would be called where such steel was used by contractors, and that every effort from dynamite to dissuasion would be used to prevent the erection of a building in which an open shop product was a part.

After Mr. Grace, president of the Bethlehem Steel Company, had testified on December 15, 1920, that it was the policy of his company to sell structural steel only to those who would erect it on an open shop basis, the following occurred:

> QUESTION (Senator Kaplan): Don't you believe that when you direct him, in the purchase of your steel, that he must see to it that other than union men, or at least in addition to union men shall erect it, you are discriminating?
>
> ANSWER: I think we are asking him not to discriminate; that is my interpretation. He is discriminating because he rules out the non-union man.

The conditions which created organizations of employers to resist the closed shop in the steel industry are clearly pointed out in a pamphlet written by Luke Grant and published by the United States Industrial Relations Commission in 1915. Employers who refused to deal with the Structural Iron Workers' Union, directly or indirectly, were forced to do so by reason of the conditions which prevailed in New York City, as well as elsewhere, while the Structural Iron Workers were able to enforce them. Dynamite and violence of all kinds were used to establish the closed shop. Thirty-eight of the leaders of the uinon were sentenced a few years ago to the penitentiary as a result. Did the members disavow the actions of these leaders, who used union funds to terrorize the building industry? The answer is that they have since elected twenty-one of these convicted men to local and international offices in the organization which is still affiliated with the American Federation of Labor. Their action indicates no change of sentiment. Employers who refuse to deal with unions which practice and endorse such restrictive and destructive practices deserve the encouragement of industry and the public.

The real evil of the closed shop and its great menace to business and to the public are the weak-kneed employers who yield to the closed shop demands and the employers who attempt through the weapon of the closed shop to monopolize business and raise prices without limit.

Refusing to Encourage Discrimination Against Non-Union Men

The Buffalo Commercial of December 16, 1920, commented editorially on the testimony of Mr. Grace before the Lockwood Committee:

The Bethlehem Steel Company itself employs union labor. What Mr. Grace did say was that his firm refused to sell steel to building firms in New York and Philadelphia districts that employed union labor exclusively, or in other words, his firm declined to sell to closed shop builders in these districts.

Mr. Grace stated quite frankly the reason that impelled his firm to decline to have business relations with firms that refused to hire men unless they took out a card of membership in a labor union. It was in defense of the open shop principle. That is quite sufficient. Every manufacturer in the country is justified in doing everything legitimate that lies within his power to preserve a principle so fundamental and so vital to the welfare of the nation as this one is.

It is just as unfair to condemn the Government of the United States for refusing to sell goods to the Russian Soviet Republic as to condemn the United States Steel Corporation and the Bethlehem Steel Company for declining to sell fabricated steel to closed shop builders. The reasons for refusing to enter into relations with the Bolsheviki are exactly the same as exist in the steel business. The Russian reds have been trying to spread their propaganda throughout this country. They have been instigating revolutionary movements wherever possible with the intention of undermining and blowing up our democracy.

A year ago last September union labor under the leadership of Foster, the Syndicalist, and Fitzpatrick, the Chicago radical, aided and abetted by the American Federation of Labor, sought to get control of the steel industry in America with the view of ultimately extending their power over every industry that uses some form of fabricated steel in its business. The strike that was then organized failed through the active and intelligent opposition of the very men who are today refusing to give organized labor a chance to engineer another strike for power.

When one American city can have tied up on account of labor rows about $100,000,000 worth of building construction during the first seven months of the year it would seem to be about time that those who supply dealers with building material got down to some plan to put an end to such enormous economic waste. And if that plan embraces the refusal to sell supplies to such builders the sooner will it spell the end of a labor condition that is ruinous factors entering into the business.

But certainly the New York contractors who entered into those infamous contracts with Brindell and other labor leaders to gouge the city, builders and workers alike should be the last persons in the world to protest against the refusal of the steel companies to be parties to their crooked deals.

The following analytical review of the testimony of Mr. Grace by the *Independent*, January 1, 1921, gives a far different idea of that testimony than one would gather from the usual press headlines:

One of the most interesting chapters in American industrial history was the cross examination of Eugene G. Grace, president of the Bethlehem Steel Corporation, by Samuel Untermyer, counsel for the Lockwood Committee, investigating the building scandals in New York. Mr. Grace defined the open shop as a place where any man can work, "where there is no discrimination against employment of any man to do any kind of work which he might have to do." He denied that it was equivalent to discrimination against union labor. He said that members of trades unions were welcome in the steel plants, but that they would not be recognized or dealt with as such; they could keep their union membership if they liked, but they would be considered simply as individual employes.

Mr. Luke Grant, in the official report referred to, analyzed in 1915 the histories and methods of the National Erectors' Association and the Structural Iron Workers. The National Erectors' Association has been accused of discriminating against union workers, particularly in New York City.

Mr. Grant states that after the National Erectors' Association adopted its open shop policy in 1906,

"Its members did not deviate from that policy to the extent of holding any formal conferences with union representatives, or entering into any agreements with them. But they had no objections to employing union men if they could find any willing to work for them. Neither did they hesitate to sublet contracts to firms employing union men, if that plan appeared to offer any advantage." (page 72.)

A large percentage of the iron workers on "open shop" jobs in New York City are union men. Statements such as many periodicals make to the effect that steel interests wish to bring about conditions where union men cannot get work are not true.

The Railroad Boomerang

Friday, January 7, 1921, the International Association of Machinists filed with the Interstate Commerce Commission a petition requesting "that an immediate inquiry be instituted into the present practices of a large number of railways in entering into contracts to have their locomotive and car repair work performed in outside establishments." This practice, it was alleged,

"has recently become so extensive as to affect seriously the general public interest."

It was charged (1) That locomotive repairing by private equipment companies is "on an average" four times as expensive as in the railways' own shops and (2) That freight car repair work costs are increased $250,000,000 yearly. $750,000,000 is the minimum of which it is alleged the railways are being "milked." "As the public pays the bill ultimately for the transportation industry, this means that the public is being required to pay indefensible overcharges."

The reasons for the adoption of this policy are several, it is claimed: (1) To make profitable "the operations of certain private equipment companies in which the railroads are frequently interested." (2) The aim is "to disrupt railroad labor organizations which have developed during the war." This is said to be a phase of the nation-wide open shop movement.

The Interstate Commerce Commission is asked to compel, except where necessity prevents it, the railways to have their locomotive and car repair work done in their own shops, since "the law contemplates that revenues derived from transportation services must be economically, efficiently and honestly accounted for or expended."

This attack is the forerunner of a gigantic publicity campaign in defense of the closed shop which will be undertaken by the American Federation of Labor.

Many attacks and charges will be made which will obtain, because of their seriousness, wide publicity. Probably no attempt will be made to substantiate in any conclusive way most of these; they will endeavor by inference and innunendo to cast discredit on all the leading advocates of the open shop. The closed shoppers are on the defensive; they cannot successfully deny the industrial inefficiency and discord for which they are responsible. They realize that the public is steadily turning towards the open door in industry; they hope to offset this by making the public forget the great issues involved. "Why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that in is thine own eye?"

The petition declared that the Lockwood Committee investigations revealed that "the Bethlehem Steel Company refused to furnish fabricated steel to construction companies in New York

City who employed members of labor unions." Are all their "facts" like this one? The testimony revealed no such thing; the steel interests *would* sell to those employing "members of labor unions;" they *would not* sell to firms which employed *only* union labor and *refused* to employ any independent workers.

Union Charges Inaccurate

But what are the real facts regarding this railway charge? The closed shoppers desire to establish the closed shop in all the branches of railway transportation, thus giving enormous power over the economic life of the nation to a comparatively small group. Have the railways, as the *Wall Street Journal* asks, "gambled away hundreds of millions of corporate funds upon a chance of 'breaking' the labor unions"?

What do the railways themselves say?

Thomas DeWitt Cuyler, Chairman of the Association of Railway Executives, is quoted as follows in the New York *Herald* of January 12, 1921:

> When the railroads were returned to private operation there was an abnormal percentage of cars and locomotives in bad order, requiring repairs. The excess of bad order equipment was beyond the capacity of the railway shops and the railway labor engaged in the repair of cars had declined in efficiency and output. These abnormal conditions required abnormal remedies to meet them.

Mr. Cuyler is also quoted in the New York *Times* of January 24, 1921, as saying that "the effect of the rules and working conditions still controlling the repair of equipment in railway labor shops has been disastrous to efficiency and output."

The President of the Chicago, Burlington and Quincy Railroad is quoted as saying that one reason for sending work to outside shops was the "limitations as to employing machinists provided by schedules with labor organizations."

President Kurn, of the St. Louis-San Francisco Railway, is quoted in the *Wall Street Journal,* of January 21, 1921, as saying that the outside repair of equipment was imperative and that the cost was less than home work:

> The work done in the contract shops has cost and is costing less than similar work in our own shops which in itself is a complete justification for doing the work in outside shops leaving out of consideration entirely the country's need to have the repairs of this class of equipment speeded up to the limit.

Commenting on the charges of the Machinists, the New York *Times* of January 11, 1921, said editorially:

Chairman Clark of the Interstate Commerce Commission has testified that the points raised have been under investigation, and that the excess costs have been found to be due to the fact that the repairs in the railway shops were stated without the items of interest, overhead and depreciation charges. These costs are not avoided by not being entered in the accounts, and private companies must include them to maintain their credit.

We see that the claims of the machinists have been promptly refuted. Their sincerity may well be doubted; the desire to perpetuate the national agreements and insure the closed shop makes them not over-cautious as to the truth of their allegations.

But the attempt to hide by a smokescreen, the real object, has failed. In the words of the *Wall Street Journal:* "It now appears likely that by concentrating public attention upon the matter, the machinists will have powerfully assisted the carriers to get rid of the oppressive and indefensible 'shop crafts agreement,' which has been perhaps the chief obstacle to restoration of adequate transportation service and railroad credit."

CHAPTER XVII.

Competition and the Closed Shop
How the Closed Shop Raises Prices

There is yet another way in which the closed shop affects the public; it either raises prices directly or prevents them from going as low as they otherwise would. This is the inevitable result of all restrictions placed upon output, for it is a fundamental law of economics that as the cost of production rises the price paid by the consumer must rise, and that a smaller supply of a commodity means a higher price.

Here too, the closed shopper may believe that he has a conclusive answer, in pointing out the various combines of building trades employers disclosed by the Lockwood Committee in New York City, which are alleged by monopolistic methods to have exorbitantly raised prices. The "wicked employer" is responsible for price increases, and not the closed shop union, he will say.

Closed Shop Used by Some Employers to Fleece Public

It is only necessary in this connection to recall the real facts. These combines of employers were able to either force other employers into their organization, make them pay tribute, or drive them out of business. How was this done? Quotations from the daily papers of the testimony given will answer:

Says the *New York Times,* of November 25, 1920: "Sidney H. Sonn, a builder, testified that two plumbing contractors had to give up work on a contract 'because of pressure,' brought by the Master Plumbers' Association *through walking delegates* of the Building Trades Council" (the Brindell organization. Italics ours.) Further: "The Master Plumbers' Association, *acting in concert with the council,* called strikes on the work because it was not being done by one of the inner group of plumbing contractors, associated with Hettrick. * * * A job that was to cost him $37,500 actually cost $107,779 before he was finished, because of these difficulties."

In the *Times* of December 3, we find this: "Anthony Brescia, a mason contractor of 681 Ellerton Avenue, the Bronx * * described how he was forced out of business after he had refused to tolerate the exorbitant increases of prices made by the Stone

Masons Contractors' Association. He was compelled to join after threats had been made to ruin him. * * * *The contractors who failed to join* the organization *were expelled,* and Louis Mazzola, walking delegate of *the Stone Masons' Union* Local No. 74, *called the employes out on strike."*

According to the *Times* of December 4, "it was also revealed that delegates of the Hoisting Engineers' Union appeared before the contractors (Contractors' Protective Association) with a plan *to call off their men on all firms not affiliated with the organization."*

Driving Employers Out of Business

On December 11, 1920, the *Times* said: "A sensational story of how two associations of *marble contractors, working* in conjunction with labor unions, kept the entire marble industry of the country in a tight grip was spread upon the records of the Lockwood Committee yesterday: * * * The two employers' associations *had agreements with local and international unions in the machine trade.* * * * The agreements between the unions and employers bound the employers to take none but union men, and the *unions bound themselves to work for none but members of the employers' associations.* * * * The unions acted as an enforcement agency for the employers, *driving out of business* those contractors who were not permitted to become members of the employers' associations."

Says the *Times Review* of the situation two days later: "In some cases, as brought out before the Lockwood Committee, the agreement was used as a *club to force employers* outside the association *to join* it *under pain of having their workingmen withdrawn by the union."*

And we find this in the *Times* of December 31:

"It was brought out that by means of exclusive agreements made between constituent members of the association (Building Trades Employers), and the unions in Brindell's council, no employer could hope to do business unless he became a member of the employers' association. * * * Eidlitz was asked whether such exclusive agreements as to the employment of only union men who agreed to work for none but members of the association were illegal: He did not know they were illegal, but said they were 'against public policy.'" Shall we condemn employers who, singly or collectively, refuse to join such alliances 'against public

policy?' Or shall we admire their independence and nerve in their refusal to submit to the terrorism possible only because of the closed shop?

The reason some of the builders and general contractors of New York City endorse the closed shop, and that many Buffalo general contractors and labor leaders do not wish (*Buffalo Commercial,* December 27, 1920), an investigation there, may be made clear by the following quotation (page 174) from Dr. Frank Stockton's book, "The Closed Shop In American Trade Unions," published by Johns Hopkins University:

Neither employers nor unions have had much to say concerning the advantage of "exclusive agreements." This is explained by the fact that such agreements are generally condemned as being in restraint of trade and therefore against public policy. Employers who are parties to them obtain a great advantage over competitors in localities where the unions are strong, since they secure a virtual monopoly of the labor supply. * * * But while the closed shop under such conditions may be an advantage to those employers with whom a union agrees to deal exclusively, the public interest suffers inasmuch as competition is effectively stifled.

In other words, the closed shop, by which employers agree to employ only union men, is used to raise prices to the general public. The closed shop, by which workers can be refused to employers (even where they are willing to hire union men), is a powerful weapon. The union's ability to prevent any outsider from getting labor in a particular market is a misuse of the closed shop power of the union against the rights of the general public. If it were not for the closed shop and this power to prevent outsiders from getting labor the employers combinations disclosed by the Lockwood investigation would never have been able to force a practical monopoly in their various trades. The logical development of the closed shop idea is the bargain between unions and employers to exclude workers from jobs and employers from business.

(From testimony before the Industrial Relations Commission, April 8, 1914, of Mr. W. J. Spencer, representing the building trades department of the American Federation of Labor. Page 663 of the record.)

COMMISSIONER BALLARD: One other question about the plumbers. It has been suggested that perhaps union men only would work for plumbers who employed union men exclusively, and those plumbing establishments would be the only ones that could be allowed to buy plumbing materials from certain of these large manufacturing establishments. Is there an arrangement of that character?

MR. SPENCER: When I was organizer of the plumbing association—the national association—I found that to be quite general—that is, I found it quite frequently, not generally. I found it where a number of unions would organize, that those unions would organize with the employers' associations, and they would agree that they would not hire non-union men on the one hand, or they would not work for a non-union employer on the other hand.

(From testimony of Mr. Walter Gordon Merritt, then counsel for the American Anti-Boycott Association, at present counsel for the League for Industrial Rights, before the Industrial Relations Commission, May 25, 1914.)

Then the manufacturers—the woodworkers' association—who also employ members of the United Brotherhood of Carpenters, and also members of the Building Trades Employers' Association, entered into an agreement with the carpenters that they would run union shops subject to union scale, provided the union men would not put up the non-union material, and they could thereby be protected from open shop competition. That is the condition we were confronted with in Manhattan and the Bronx at the time our litigation commenced. The manufacturers, the woodworkers' association, employed spies to go around and secure information as to where non-union men were being used, and furnished that information to the union, who would strike the job if it were the material of any of the open shops.

There are, therefore, two suits pending in Brooklyn at the present time now awaiting decision before the Appellate Division of the Supreme Court. One is the suit brought by Albro J. Newton and the other by Louis Bossert against the carpenters' union. The Bossert Co. formerly did a business of half a million dollars across the river here; but to-day the open shops in Brooklyn who manufacture this trim do not know what interborough trade is. They can not sell it across the river, although they can produce it at prices 25 to 50 per cent under the union shops.

Now, this condition in the building trades, which, of course, is for the mutual benefit of the employers and employes, is satisfactory to a large extent to those parties mutually engaged in the business, is being utilized in a great many ways to the detriment of the outsider who is not a party to it. One of the favorite schemes is for the employers to instigate strikes against a competing employer who does not conform to their standards as to the way in which the business should be conducted. I am not now referring to the wage scale, or the question of the union or the open shop, but I am referring to things which the employer thinks are detrimental to his business and wants eradicated. And he finds this union an instrument, by which they have a complete grip on the trades of New York, useful to him in eliminating what he thinks is competition that he does not want to meet.

MR. THOMPSON: In other words, it is the workingman that is used as the battering ram?

MR. MERRITT: In a great many of these cases that is true. In the wood-trim cases it is the master carpenters that are being used as a

battering ram. But all these agreements are give and take. One gives one thing and one gives another, and it makes it desirable for them to come together for mutual protection in that way, regardless of what happens to the public or the outsider.

Early History of "Exclusive Agreements"

(From "History of Labor in the United States" by Commons and Associates. Pages 32 and 33. Written by John B. Andrews, of the American Association for Labor Legislation.)

The relatively high state of organization, among both workmen and employers, demonstrated to each element the advantages of united action. And it naturally suggested the next step. If individual workmen, by submerging their little differences in union agreements, secured exclusive privileges in bargaining; and if individual employers by uniting in turn relieved competition among themselves, what could be more natural than a desire to unite the two organized elements for the purpose of securing still greater benefits? The associated employers might agree to hire none but union men, providing the union men would agree to work exclusively for the associated employers.

This would tend to force outsiders of both elements into the organizations with a practical monopoly of the trade, the employers could raise wages and at the same time increase profits by exacting higher prices from the public. And this form of understanding, now notable in the building trades of several cities under the name, "exclusive agreement," was attempted as early as 1865. One of our earliest examples, too, is among the building trades. This interesting over-development of the trade agreement beyond its legitimate scope of protecting labor and equalizing the competitive labor conditions of employers, occurred among the bricklayers of Baltimore. The journeymen bricklayers of this city had been organized nearly a year, when, in spring of 1865, their employers had the first serious trouble in arranging satisfactory terms. About the first of February the employers received official information of an intended demand for an increase in wages. This increase was to take effect April 1. They were invited by the journeymen to attend a special meeting or conference for the purpose of arranging matters to the satisfaction of both parties. At this meeting the Master Bricklayers' Association agreed to continue their policy of employing strictly union men. After the journeymen had withdrawn from the conference the employers revised their old scale of prices, and at a later meeting took measures to secure its general enforcement upon the building public. This plan was reflected in a resolution requesting the journeymen not to work for any employer that failed to join the employers' association. But the journeymen refused to do this on the ground that such an agreement would force all small contractors to abide by the advanced list. They felt that the blame for an exorbitant book of prices would be thrown upon the journeymen's union by the Baltimore public. In order to punish them for this refusal the employers reduced the wages fifty cents per day, whereupon the journeymen struck. The disclosure of the employers' association plan for an "exclusive agreement" came to light during the strike.

Increasing Living Costs

Mr. William Green, vice-president of the American Federation of Labor, and secretary-treasurer of the United Mine Workers of America, in a letter of December 10 to the *National Labor Digest;* published in the December, 1920, issue, says:

> In accordance with unchangeable economic law, labor costs become a fixed charge upon industry. It naturally follows that the labor costs of manufactured articles are passed on to the consumer. The public at large, therefore, pays the labor cost of everything manufactured.

The closed shop, which the American Federation of Labor is back of, increases these "labor costs" which are "passed on to the consumer." The public pays the closed shop bill.

Costs are increased by (a) union laws which restrict the amount of work a man may do in a day; (b) rules which limit the number of apprentices, thus reducing the number of skilled workers available, which means that unskilled workers must be used to a larger extent, thereby increasing the cost of production; (c) jurisdictional and sympathetic disputes and strikes, which cause delays and interruptions, increasing the manufacturing costs; (d) where the closed shop unions are strong we find agreements with small groups of employers by which other employers are to be refused workers, thus stifling competition and permitting prices to be raised.

The public should bear in mind this statement of one of the vice-presidents of the American Federation of Labor that, "the labor costs of manufactured articles are passed on to the consumer."

Mr. Edward A. Keeler, of Albany, secretary of the New York State Association of Builders, is quoted in the *Rochester Democrat-Chronicle,* of February 2, 1921, as saying:

> So long as organized labor in the building trades * * * maintains its present rules in limitations of production, I do not see how the cost of production, I do not see how the cost of building houses, or any form of construction in fact, can become lower.

Thus are rents increased and kept high.

(Testimony of Mr. James Duncan, president of the Granite Cutters' International Association of America and first vice-president of the American Federation of Labor, before the Industrial Relations Commission, April 16, 1914. The product has been cheapened by machinery, the introduction of which was formerly

opposed by the unions. They now oppose the introduction of scientific production methods.)

THE ACTING CHAIRMAN: Has the laborer gotten any of the advantage from the introduction of machinery?

MR. DUNCAN: Well, individually, perhaps not; only this, if it might be so-called, more constant employment. It has helped cheapen the finished product, and the finished product has been produced more perfectly, which has given them additional employment.

(From testimony of Mr. Frank C. Caldwell, president of a large engineering company in Chicago, before the Industrial Relations Commission, July 25, 1914. Page 3438 of the record. Would be easier for employers to adopt the closed shop and increase prices to the public.)

Now, I say that the opposition and the antagonism on the part of the employer is, I think, directed not at the union as such, but at the evils and errors that are in such organizations as we know them.

And I want to say this also on behalf of the employer: I think that his attitude in seeking to maintain what he considers right economic conditions is by no means a selfish opposition. I wish to make the point that if the employer were simply seeking to follow his own selfish ends, to endeavor to earn the greatest amount of money with the least possible friction and the least possible annoyance on his part, he might very well acquiesce in everything that a union should demand of him and pass on the cost to the consuming public.

CHAPTER XVIII.

Community Benefits of the Open Shop

Community Benefits Summarized

(1) The merchants, tradesmen and professional men benefit by the increased total wages under the open shop caused by (a) greater continuity of operations with less unemployment; and (b) more skilled workers.

(2) Lower prices are made possible by decreased manufacturing costs. Increased industrial output and wages based on ability make a higher standard of living.

(3) Competition is increased, which also tends to decrease prices. Agreements by closed shop leaders to supply workers only to members of certain employers' associations, thus preventing other employers from getting business, are impossible. Such agreements make it possible for the members of these employers associations to drive other employers from the field and increase their prices.

(4) Facts and figures prove that open shop communities prosper and grow. San Francisco is a "union" town, and Detroit is an "open shop" town. In ten years Detroit's wage earners increased from 39,373 to 81,011; in ten years San Francisco's wage earners decreased from 32,555 to 28,244.

Taking the twenty principal cities of the United States open shop Indianapolis has the lowest "gross debt" and the second lowest tax rate per $1000. Open shop Los Angeles has the lowest tax rate per $1000 assessed valuation of property. Closed shop San Francisco was tenth.

The three towns with the largest population percentage increases from 1910 to 1920—Akron, Detroit, and Los Angeles—are all strong "open shop" towns.

(5) Communities prosper as industries come. The Employers Association of Indianapolis reports that in 1920 thirty-one new industries, largely due to open shop conditions, located there. Many industries have left San Francisco because of the restrictive union domination. The Buffalo Chamber of Commerce reports that open shop conditions are now bringing many new industries, which will employ over 20,000 workers.

(6) The lessening of friction between employers and walking delegates, and the decrease of sympathetic strikes and juris-

dictional disputes, mean less injury and suffering for the innocent bystanders, the public.

Peace and Efficiency Result

The closed shop means interference with production. Strikes are far more apt to occur, and do occur more often, in closed shop establishments than in open shop plants. As pointed out in a previous chapter, many of the "walking delegates" find it advantageous either to foment, or at least not to discourage, strife.

Such a condition is conducive neither to efficiency or harmony in industry, two attributes with which the public is vitally concerned.

Both the employers and the employes should work to bring these about, and are responsible to the public for their failure to do so.

Harmony Follows Open Shop

Christy Thomas, writing in the *Review of Reviews* for November, 1920, had this to say about the open shop policy in Seattle:

> A practical result of the new condition in Seattle is that thousands of union men and non-union men have buried their differences and are working side by side in peace in the city's manufacturing plants. I am convinced from recent talks by both employers and the workers there that the labor situation as a whole is constantly improving. In a number of large industries where only union men are employed no hint of trouble between the men and their employers is being found. Labor, in these cases, is showing not only a desire to keep at work, but is coöperating toward the common goal—increased production. It is because of this that capital has become more lenient toward labor, which is now rapidly regaining much of its old-time efficiency.

The Associated Industries of Tacoma has been in existence for a year. Its bulletin of October, 1920, declares that between January 1 and November 1, 1919, Tacoma's industries suffered from twelve strikes, resulting in wage losses of $3,470,000 and losses to employers estimated at $361,000. Since the formation of the Associated Industries, which supports the open shop, there have been four strikes. "The year which has passed since the formation of the Association has been one of almost complete industrial harmony compared with the preceding twelve months."

Farmers Favor Open Shop

Except in a few sections of the country where the I. W. W. is especially pernicious the farmers are not directly concerned with the closed shop. But the strikes of the past few years, and

the revelations of the immense hold over industrial life, in our cities, that rapacious and corrupt labor leaders possess has made all true American citizens aware of the menace involved to American ideals and institutions.

The National Grange, at its Fifty-fourth Annual Convention in Boston, November 18, 1920, adopted the following open shop resolution:

We disapprove of any system which denies to any individual the right to work in any place where there is need of his industry at any time and at any wage which is satisfactory to him, or to quit his employment wherever and for whatever reason may be to him controlling, subject only to such contract obligations as he may willingly enter into and as may be imposed in an American court of justice.

Let Americans Consider

The unemployment problem is a serious one to-day in England. The Builders' Union has refused to coöperate with non-unionists in the construction of buildings. The Government proposed that the building trade unions should absorb 50,000 unemployed ex-service men. The unions refused, and, according to the *New York Times,* of December 21, 1920, the Government consented to pay the unions a grant for every ex-service man accepted. The unions refused. Think of it! Closed shop unions so strong that the Government offers to pay them for taking ex-service into their ranks. Do we want this in America?

The *Christian Science Monitor* of January 20, 1921, carried a dispatch from Cape Town, Cape Colony, which is interesting. The Minister of Labor urged employers to reduce the number of unemployed as far as they are able, and then, the report says:

The Minister directed a special appeal to trade unions earnestly to consider whether some slight relaxation of the rules or customs could be adopted whereby some of those men might be employed on rough or less skilled work pertaining to their particular trade. He said he did not propose to suggest what class of work those men should specifically perform, but would be pleased to have suggestions from the unions if they were prepared to consider some relaxation. That there is a shortage of skilled labor in certain trades is well known, and not only would this scheme provide for unskilled workers, but in some instances would improve the position of other skilled tradesmen.

The Minister of Labor was then quoted directly as saying:

For example, if more boiler workers were available, or if the boiler makers would agree to rougher work being done by unskilled or semi-skilled men, an immediate demand would be created for fitters and other

tradesmen who are not so fully employed. If carpenters and bricklayers could suggest some relaxation, then many painters and masons would be provided for.

Let America take a lesson from such examples. The nation-wide success of the closed shop would bring about just such conditions in the United States. It would be a disgrace to the memories of the men who have given their lives for American freedom to see an American public official begging the leaders of a labor organization to let unemployed workers earn their living.

The *Iron Trade Review* of December 23, 1920, quotes the following from a letter of September 1, 1920, from the Secretary of War to the Chief of Ordnance.

No government arsenal can be a closed union shop. The government of the United States is the creature and representative of all the people in the United States. Its public institutions are for the use of the whole people; its operatives and employes must be freely drawn from those who are qualified by skill and character without reference to their membership in unofficial trade organizations, membership in which is voluntary, so far as the government is concerned, and should not be made compulsory either by law or by exclusion from opportunity, which would have the effect of law.

Would that other government departments adopted the same attitude! The printing trades unions have enforced the closed shop in the United States Government Printing Office. During the war the railway brotherhoods received official recognition from the Federal Government. In several states the union label is required on all state printing.

At least one state legislature does not always bend the knee. The Minnesota State Senate on January 14, 1921, voted 46 to 16 against requiring the union label on state printing.

(From an address of James A. Emery, general counsel of the National Association of Manufacturers, before the Chicago Association of Commerce, February 2, 1921. Open shop plants were capable of providing war supplies.)

The greatest demonstration of the value of the principle I assert can be found in the comparison with the conditions under which another nation entered the war, because nothing so surely overtakes antebellum theories as postbellum facts. When we entered this great struggle, the naval consulting board of the United States had made a survey which was placed at the disposition of the Council of National Defense for the purpose of ascertaining the capacity of the United States for munition production.

The report back on its first survey, made substantially four months

before we entered the war, was that of the 18,654 industrial establishments capable of munition production, substantially ten per cent operated under union conditions and in the great fundamental industries upon which the construction of ships, of great guns and of the more fundamental requirements of military defense rested, that less than four per cent operated under union conditions.

Won't Drive Away Business

Dudley Taylor, president of the Employers' Association of Chicago, said on December 19th, 1920:

Next to New York, this city is the worst dominated of any in the country. Many manufacturers refuse to operate plants here because of labor conditions. One of our large manufacturers recently moved to another city because of the intolerable conditions here.

One local manufacturer has plans all drawn for an addition to cost $1,000,000, as soon as he is assured that he may operate his business as he sees fit.

To cite one case: Recently a corporation, using union teamsters exclusively, received some machinery. One of their union teamsters hauled it from the freight station.

It so happened that there is a special union for the hauling of this particular kind of machinery. Because one of the members of this union did not convey the goods, the corporation was fined $1,500, and paid it after threats were made.

The Gains of a Year

The recently issued annual report of the Dallas Chamber of Commerce describes as follows the progress of Dallas since the inauguration of the open shop policies in the industries of the city:

In its efforts to promote the industrial growth and welfare of Dallas, a year of practical operation shows conclusively that one of the most important accomplishments of the Chamber of Commerce was in the organization of the Dallas Open Shop (Square Deal) Association in November, 1919, and later in placing this body on a firm and permanent working basis with the full backing and support of the Chamber.

Developments here and throughout the nation prove that the greatest inducement any city can offer for the location of new industries is stable open shop working conditions. When the membership of the Chamber voted to form an open shop organization, Dallas had for a long time been under the domination of radical labor unionism; practically all building operations were conducted on the closed shop basis and had been at a standstill on account of sympathetic strikes for some three months. Employers of labor were absolutely subject to the rules and regulations of the labor unions and were compelled to yield every point to the whims and arrogance of the "walking delegate."

To-day the Dallas Open Shop Association has a sustaining membership

of nearly 700, including most of our leading financial, industrial and commercial establishments, and an annual budget of over $25,000. Dallas building permits during the first nine months of 1920 showed an increase of 40 per cent over a corresponding period last year as compared with a sharp decrease in practically all other important cities of the nation.

Our official records show that the great majority of all building permits taken out during the past year are for construction on the open shop basis. Our Free Employment Bureau has placed 4,748 people in paying positions from January 20, 1920, to December 7, 1920. As many of these men moved here from other cities with their families, this means an addition of several thousand to our population.

There has been no strike in the building industry here since the inauguration of the open shop, a condition unheard of before the organization of this body. During 1919 there was 3,232 strikes of record in the United States, affecting 3,950,000 workers. With an average of thirty-four days to a strike this meant a loss of 134,300,000 working days, with a wage loss of more than $800,000,000, to say nothing of the loss to industry and inconvenience to the people of the nation as a whole. These strikes made possible the very thing which workers are crying out against, profiteering. Strikes will diminish and practically disappear throughout the nation when our open shop plan of business operation becomes the universal reality which is its destiny.

The New Sky Line of January 1, 1921, describes the progress Little Rock has made since the open shop declaration of December, 1919:

At that time this city was a galvanized union labor town, especially in the building trades, the building trades council having a strangle hold on practically all building operations. More than 2,000 business men, firms and individuals, endorsed and supported the open shop movement. Since that time building permits have increased, building operations have gone on undisturbed by strikes, more than 90 per cent of the building permits have been followed by open shop construction; the building trades council has dissembled and gone out of business, and the open shop has been absolutely established in the building trades in Little Rock. The local building trades unions are giving no trouble, and you would hardly know they were in existence. The union members are working on open shop work, on the same jobs with non-union men, and labor disturbances are a thing of the past. The free employment bureau has obtained profitable employment for a greater number of men in proportion to the population than was shown in Dallas, and the character of work shows marked efficiency in contrast with the inefficiency and low output prior to the open shop declaration. The wage scales have been maintained and the production cost has materially decreased. A little more than a year ago the bricklayers' union in negotiating a contract, held that 800 bricks laid in the wall was a fair day's work. Under open shop operations bricklayers have laid over 2,000 bricks per day. This is an evidence of the increased production obtained under the open shop plan.

The most creditable part of the open shop movement in Little Rock

is that there has never been any discrimination between union and non-union labor, nor a disposition among the contractors to lessen the wage scales or impose any changes in the working conditions to the disadvantage of the workers. The open shop plan has offered better opportunities to the workmen than the closed shop, and the men have been paid upon a basis of what they were able and willing to do the result being highly satisfactory to all parties concerned, and resulting in more and better work at a less cost to the contractors and builders. Within six months after the open shop declaration the open shop was virtually established in Little Rock, and a report made as early as last June showed over 90 per cent of the work under construction to be under the open shop. These things are not recounted to show by contrast that Dallas has not done well in the open shop movement, or in a spirit of boastfulness over what has been accomplished in this city, but rather to show that the movement in general is founded on a solid basis, and that there is solidarity in the public sentiment behind the movement in Little Rock. The real reason for the success of the movement both in Dallas and Little Rock, and elsewhere as well, is because the open shop movement is American in spirit, and is fundamentally sound in principle.

A recent survey of open shop conditions in 761 Seattle firms, with 26,210 employes, shows that 91 per cent are open shops, and 9 per cent are closed shops. A little over a year ago Seattle was over 75 per cent closed shop.

Facts and Figures

Indianapolis was the twenty-second city in 1910. In 1920 it is the twenty-first. Its population is now 314,794, an increase of 80,544 or thirty-five per cent since 1910. The Employers' Association of Indianapolis reports: "Thirty-one new industries have actually located here since January 1, 1920, due largely to open shop conditions."

Of twenty principal cities of the United States, according to figures prepared by the *Daily Bond Buyer* of New York (an authority on municipal statistics), Indianapolis has the lowest "gross debt," the second lowest tax rate per $1,000; stands fourth with respect to the "gross debt per capita."

Los Angeles, another open shop town, has the lowest tax rate per $1,000 assessed valuation of property.

The New York Tribune on June 6, 1920, said: "In the ten years that have elapsed since the last census Los Angeles has seized the crown from San Francisco and become the leading city of the Pacific Coast.

"What is the answer to this upset in the relative positions of the two cities in the last ten years. Why has Los Angeles so far outstripped her northern rival? The answer lies in the labor problem. Los Angeles has

embraced the open shop principle, while San Francisco has placed herself under the dictation of organized labor, and Los Angeles has grown and prospered while San Francisco has stood still when she has not gone backward."

"The open shop principle has worked so successfully in Los Angeles that it has been adopted in Santa Barbara, San Pedro, Phoenix, and other important cities; Phoenix having but recently declared herself for the open shop after borrowing the fundamentals of the plan from Los Angeles."

While Los Angeles had the lowest tax rate per $1,000 of assessed valuation, San Francisco was tenth.

Even San Francisco papers recognize the benefit the open shop has been to Los Angeles. Thus, the *Journal of Commerce* on September 7th, 1920, said:

"The announced determination of a large shipbuilding company to remove its works to Los Angeles, chiefly on account of unsatisfactory labor conditions in the bay region is only another illustration of killing the goose that lays the golden egg. This is by no means the only case of large industries forsaking San Francisco to locate in the southern city, for the same cause. Los Angeles is building up a manufacturing center which has made it the most popular city of the Pacific Coast. This is in the face of the fact that all natural conditions appear to be in favor of San Francisco.

"This is one of the fruits of Union Labor domination carried to extremes. With cheaper living conditions, and more continuous employment, Los Angeles offers the worker more inducement than he can find in San Francisco. * * * No one can truthfully say that Los Angeles is prospering at our expense by robbing the worker. It is not true. In Los Angeles the condition of the worker probably averages better than it does in this city. That is not because wages are more in dollars, but because prices being lower, the wage dollars will buy more of the comforts of life. Stability in labor conditions is more to be desired by the employer than anything else. He wants to know that he can depend upon getting a dollar's worth of work done for each dollar he pays in wages, and that he will not be put to inconvenience and loss by frequent and unjustifiable strikes. The employer requires a condition where he knows that he is in command of his own shop and does not have to bow to the dictation of hostile outside and sometimes rival forces.

"These conditions must be brought about in San Francisco, if the place is to prosper as it should. They can only be won through the open shop. To that policy the efforts of the entire business community should be directed. The *Journal of Commerce* stands firmly for the open shop as the only just and legal relationship that can flourish."

From 1899 to 1914, before the war, the number of Los Angeles wage-earners increased 26,179; in San Francisco the increase was 797.

I. H. Rice, president of the Merchants' and Manufacturers' Association of Los Angeles says (in *Manufacturers Record,* July 29, 1920):

"The census figures of this city unquestionably have an eloquent story to tell the closed shop towns of this country. We have the advantage of the open shop exemplified in the fact that many industries have come here from San Francisco in recent years because we are able to offer them freedom from industrial unrest."

Current Opinion for August says: "One indication of what the open shop has done for the Southern California city is that in a circumference of five square blocks, ten class A office buildings are now in the course of construction or are shortly to be started."

The Goodyear Tire and Rubber Company just completed a few months ago a $10,000,000 plant in Los Angeles which will employ several thousand workers. The president of the company declares that Los Angeles was selected because it is an open-shop city.

Los Angeles had the third greatest population percentage increase in the last decade of the large cities—80.3 per cent. Akron, Ohio, which increased 201.8 per cent and Detroit, which increased 113.4 per cent, ranking first and second, are both strong "open shop" centers. The increase in "closed shop" San Francisco was 21.9 per cent.

In Dallas, Texas, which had the fifth largest increase, an Open Shop Association was organized a little over a year ago. Before its organization $8,000,000 worth of building construction was being tied up by labor troubles; such difficulties have ceased under the new open shop policy.

With regard to Akron the *Manufacturers Record* of July 29, 1920, says:

"There are now nearly 30 tire and rubber factories; all of them on an open-shop basis. The triumph of the open shop in Akron came only after a long and bitter struggle, chiefly between the years 1913 and 1915. At the present time the rubber workers are not unionized; the workmen are paid on a liberal basic wage under the piecework system, which offers a genuine stimulus to individual effort. And these workmen are declared to be both contented and decidedly prosperous."

The Open Shop Review for October, 1920 quotes the *Oklahoma Employer:*

"The population of Danbury, Connecticut, has decreased 6.6 per cent since 1910, according to the United States Census figures, and impartial observers there, according to the newspapers, assert that Danbury's population would have increased at least 10 per cent had it not been for the

disastrous hatters' strike. The effects of that strike, they say, are still felt by every industry in the community. This appears to be the result of long strikes everywhere."

Open Shop Detroit, which had the second largest increase in population, has the fifth smallest gross debt in the United States; has the third lowest tax rate per $1,000 of assessed valuation (the three lowest cities are all "open shop" towns); only four towns have a lower per capita gross debt or net debt.

In the New York *Daily News Record* of November 9, 1920, appears the story of the success of the open shop in Buffalo. The movement has progressed until now over fifty per cent of the chief industries of the city are operating on the open shop plan; these include the clothing manufacturers, merchant tailors, silk and knitting mills, neckwear manufacturers, corset manufacturers, and many others.

According to prominent employers, production in the garment and textile industries has greatly increased since the open shop was established.

The Chamber of Commerce says that largely as a result of the establishment of the open shop, many new industries have come to Buffalo. They are spending $100,000,000 and will employ over 20,000 workers in the Buffalo district.

Industrial Paterson, the official bulletin of the Associated Industries of Paterson, says in its issue of December 24, 1920, that from 1910 to 1920 the population of Paterson increased only 8.2 per cent. This is ascribed to the fact that Paterson has been a "Closed Shop" city.

The Los Angeles Times of December 12, 1920, says that Los Angeles is now the tenth American city in industrial importance. It was the twenty-sixth city in 1914. Los Angeles is now "the greatest clothing producer west of Chicago," and "the greatest fishing port in the United States." Los Angeles has been an open shop city for years.

The Survey, a strong closed shop supporter, in its November 6, 1920 issue reviewed the record of Grand Rapids, Michigan, an open shop city, since the local establishment of Prohibition April 30, 1918. "Grand Rapids has *never* had a large class of desperately poor families." It is stated on Page 184 that Grand Rapids is the "second American city in per cent of home ownership" and that there has been "no serious labor disturbance since 1912." Wages, it is stated on Page 186, have "advanced faster than prices" and freedom from serious strikes or lockouts * * * has reinforced the result of higher wages."

CHAPTER XIX.

The Rights of Independent Labor

The National Association of Manufacturers is confident that when the public understands the true nature of the closed shop with its restrictive rules, limitations upon efficiency and inherent creation of distrust and discord that the public will fully support the open shop, which means that "the doors of no industry be closed against American workmen because of their membership or non-membership in any labor organization." We will force no American workman and citizen to join with and accept the principles of labor organizations which for any reason he does not subscribe to or believe in.

(From an article on "The Extent of Trade Unionism," by Dr. Leo Wolman, of the University of Michigan; in the American Labor Year Book, 1917-1918. Dr. Wolman's estimates as to the extent of trade unionism in "organizable" trades are the most liberal, probably, which have been made. They may be said to represent the extreme claims of the closed-shop advocates, and show that 81.6 per cent of workers are not members of trade unions . Shall the great majority be coerced?)

Accordingly, the most conservative survey of the situation would indicate that in the United States in 1910, 92.3 per cent of the wage-earners were unorganized; whereas the most liberal estimates would show that 81.6 per cent of those persons who are susceptible of organization were without the trade unions.

(From a decision of Judge Webster Thayer, of the Massachusetts Superior Criminal Court, November 16, 1920.)

* * * This is a very important case for disposition. This case becomes important, not because of the injuries inflicted, but rather on account of the great principle involved; a principle that affects the rights and liberties of every individual in the Commonwealth as well as society itself. It was a serious blow inflicted by this defendant which tended in its effect to undermine and uproot that cardinal principle of the Constitution that guarantees to every individual protection in his rights of liberty and property.

No state, excepting under its police power can enact a law that will deprive a person of his life, liberty or property. If the state cannot do it, how foolish to think that an individual or a group of individuals can. No question of human life is involved in the case at bar, but the rights of liberty and property have been seriously assaulted. By liberty we mean liberty of contract as well as the liberty of person; a liberty of going where one sees fit to go and the liberty of contracting with whomsoever one desires to contract, and to contract concerning any subject matter he wishes to contract, providing ones going is lawful and his con-

tracting is not unlawful or in contravention of public policy. PROPERTY INCLUDES NOT ONLY THINGS TANGIBLE, BUT ALSO THE RIGHT TO WORK. Therefore the right to work wheresoever and for whomsoever a person sees fit should be respected and cherished as sacredly as property as the house in which one resides. * * *

Plea of Independent Workers

We submit to any interested parties the report of the Anthracite Coal Strike Commission of 1902, the publication of which, through the efforts of the American Federation of Labor, was limited, and to the testimony given before the President's Commission by the non-union mine workers. These men demanded increased wages rather than decrease of hours of labor and insisted on the right to work as many hours as they choose and for an opportunity to better their condition and increase their earning capacity. From their plea before the Commission we quote as follows:

"We believe it to be an inalienable and undoubted right to work when we can obtain it, and to receive as compensation for it the best price we can obtain. And we further believe that the laws of the land vouchsafe to us protection from insult, outrage, violence, molestation or interference in the performance of our labors, and in order that we shall not be disturbed in the free and full exercise of these rights, we most respectfully urge that the assertion of them be made a part of the finding in this proceeding.

"In our effort to earn a livelihood for ourselves, our families and those dependent upon us, we have been most outrageously interfered with. Our homes have been assulted, and the lives of ourselves and those dear to us threatened. On our way to and from work we have been stoned, clubbed, beaten, insulted, jeered at, and the same course of outrageous treatment has attended us at our places of employment.

"And this serious and outrageous course of conduct toward us was by no means confined to our homes and places of employment. It followed us everywhere. We have been hung in effigy in public places. The vicious and unlawful boycott has been practiced to such an extent upon us, that merchants dealing in the necessaries of life have been forbidden to furnish us, even with food and clothing. In church where we worship, the service has been interrupted by members of the union because of our presence there. Our names have been published in conspicuous places as being 'unfair' and enemies to labor. In very many instances we have been obliged to stop work on account of fear, and we have been in constant terror. All kinds of crimes, even murder of our comrades and fellow-workmen, have been committed, for no other reason than that we insisted upon our right to work, and against this course of conduct we emphatically protest."

The above is taken from pages 95 and 96 of the official report.

(From "Labor in Politics," by Charles Norman Fay. Pages 152-154.)

Many thousands of laboring men prefer their independence and refuse to be held up for union dues. Many hundreds of employers, though the majority are indifferent, refuse to contract for the closed shop; some as a mere matter of business policy, but many more, in my observation, because they refuse to betray the constitutional right of every man, employer or laborer to hire or work without the dictation of any other man or group of men. One of the largest employers in Boston, lately said to me, that he would lose every dollar he had invested, and if necessary would die for the "open shop," as a true American. He employs thousands of men without regard to union or non-union membership. My own feeling was just the same when I was an employer, that I would never be party to taking advantage of the necessity of a workingman, to compel him to pay tribute to a union, in order to qualify for employment in my shop. I have shown elsewhere how in the course of a strike in my own factory we discovered a strong preference among workers in Chicago for the strictly non-union shop. The sentiment for liberty prevailed.

Nevertheless, it is after all a matter of business interest to close his shop to non-union labor, or to union labor, or to maintain an open shop to both. He has an absolute right to do so, and to put sentiment aside. I cannot believe, however, that any intelligent and conscientious clergyman, who ought by virtue of his profession to put sentiment ahead of business considerations, would, if he understood the matter, favor forcing the free workman against his will to wear the collar or pay the tribute decreed for him by the local union. Our courts of highest resort have uniformly restrained the attempt to monopolize labor by virtue of "collective bargaining" and the "closed shop," as an invasion of constitutional right. I am glad to accept Judge Gary's maintenance of the open shop in the great steel industry, as dictated by love of American freedom as well as sound business judgment. I would urge the pulpit not ignorantly to condemn the law and the bench, but to study with open mind as well as open heart the intent and the result of bringing all industry within the grasp of a labor autocracy, the dream of Organized Labor.

No Tolerance of Tyranny

(From Report of Anthracite Coal Strike Commission, appointed by President Roosevelt, in 1903.)

To say this is not to deny the legal right of any man or set of men voluntarily to refrain from social intercourse or business relations with any persons who he or they, with or without good reason, dislike. This may sometimes be un-Christian, but it is not illegal. But when it is a concerted purpose of a number of persons, not only to abstain themselves from such intercourse, but to render the life of their victim miserable by persuading and intimidating others so to refrain, such purpose is a malicious one, and the concerted attempt to accomplish it is a con-

spiracy at common law and should receive the punishment due to such a crime.

Examples of such "secondary boycotts" are not wanting in the record of the case before the commission. A young school mistress of intelligence, character, and attainments was so boycotted and her dismissal from employment compelled for no other reason than that a brother, not living in her immediate family, chose to work contrary to the wishes and will of the striking miners. A lad about 15 years old, employed in a drug store, was discharged owing to threats made to his employer by a delegation of the strikers, on behalf of their organization, for the reason that his father had chosen to return to work before the strike was ended. In several instances tradesmen were threatened with a boycott—that is, that all connected with the strikers would withhold from them their custom and persuade others to do so if they continued to furnish the necessaries of life to the families of certain workmen who had come under the ban of displeasure of the striking organizations. This was carrying the boycott to an extent which was condemned by Mr. Mitchell, president of the United Mine Workers of America, in his testimony before the commission, and which certainly deserves the reprobation of all thoughtful and law-abiding citizens. Many other instances of boycott are disclosed in the record of this case.

In social disturbances of this kind with which we are dealing the temptation to resort to this weapon oftentimes becomes strong, but is none the less to be resisted. It is an attempt of many, by concerted action, to work their will upon another who has exercised his legal right to differ with them in opinion and in conduct. It is tyranny pure and simple, and as such is hateful, no matter whether attempted to be exercised by few or many, by operators or by workmen, and no society that tolerates or condones it can justly call itself free.

(From testimony before the Industrial Relations Committee, June 29, 1914, of Mr. John Breen, grievance officer of the Tapestry Carpet Workers of Philadelphia. Page 3049 of the record. Union Official says men refuse to join the unions, whose restrictive rules they would have to obey, because they are ambitious.)

MR. BUSIEK: Mr. Breen, to what do you attribute the fact that you do not, since these people are enjoying the union benefits and more could be enjoyed perhaps by a stronger organization, that you do not unionize the trade more thoroughly in Philadelphia?

MR. BREEN: Well, I will state one of the great reasons is the ambition on the part of some of the men to become bosses, even though they receive salaries much below that the position they fill would require.

Workers Attracted by Open Shop Conditions

(From testimony of Mr. C. R. Gore, business agent of the Los Angeles carpenters district council, before the Industrial Relations Commission, September 10, 1914. Page 5635 of the record. Mr. Gore admits that many workers go to Los Angeles

because they are told it is an open shop town where they can work without belonging to a union.)

MR. GORE: Why, I have seen different circulars and seen the advertisements in the papers and magazines, and they were going on to state the conditions, and that as far as the climate was concerned and wages, that men were in demand, and that there was a high rate of wages.

COMMISSIONER COMMONS: They put that up as one of the talking points for wage earners?

MR. GORE: Yes, sir; and also that it was an open shop town and a man was free to do as he felt like.

COMMISSIONER COMMONS: Any workman that came here, whether he belonged to the union or not, he could find work?

MR. GORE: Yes, sir.

COMMISSIONER COMMONS: That would tend to bring in non-union men here?

MR. GORE: Why, I should contend so. In fact, I know this to be true, absolutely to be true. If I am permitted to put it that way, men that have dropped out of the organization, and particularly in the city of St. Louis, Chicago, Cincinnati, and other places, they have come to the city of Los Angeles. There was no room for them there. Also the same thing applies to certain contractors. They had conditions that didn't just exactly suit them back in those cities, and they came here, where they were free to do as they felt like.

(From testimony of Mr. Earl Constantine, then manager of the Employers' Association of Washington, before the Industrial Relations Commission, August 6, 1914. Mr. Constantine shows that open shop employers are able because of improved efficiency to pay high wages.)

COMMISSIONER O'CONNELL: You say your association is not opposed to collective bargaining. Under this idea of the so-called open shop; how could collective bargaining be successful if 30 per cent or 20 per cent of the people were organized and 70 per cent or 80 per cent were not organized?

MR. CONSTANTINE: If, as I said a few minutes ago, in order to belong to the organized 30 per cent, a man would have to have a certain degree of efficiency as a prerequisite to membership in that 30 per cent, then he commands the labor market and I have to employ him because I must have efficiency in my plant, and in that you would find the strength of organized labor.

COMMISSIONER O'CONNELL: Do you believe it is possible for a workingman, as an individual to increase his wages, to reduce his hours and to improve his condition of employment to-day?

MR. CONSTANTINE: We have a large number of plants—a number of plants right here in the city of Seattle, open-shop plants, where the wages are higher by the way than the prevailing scale in the same line of work gotten by unions.

COMMISSIONER O'CONNELL: How was that brought about—by the organized men?

MR. CONSTANTINE: No, sir.

COMMISSIONER O'CONNELL: How was that brought about?

MR. CONSTANTINE: It was brought about because the modern manufacturer believes in efficient labor, and he is willing to pay for it.

The "Scab"

(Extracts from the "Philosophy of Trade Unions," by Dyer D. Lum, first printed and published by the American Federation of Labor in 1892; reprinted in 1914; still circulated from their national headquarters January, 1921. This gives the view of the closed shopper on the rights of the "scab" or independent worker who is willing to take a job without asking if all his fellow workers carry the union card.)

The non-unionist is but an indirect enemy; in withholding his aid he by so much weakens the common line of defense. Though often his acts may directly, without conscious effort, aid the enemy, he need not be a traitor to his fellow toilers. Every great movement has some object of superlative loathing; its Judas Iscariots, its Benedict Arnolds, its Pigotts, its paid spies and informers, its Pinkerton thugs—men dead to all honor, blind to mutual interest, dead to all but the miserable cravings of their shriveled souls. In the industrial conflict the instinct of workers has significantly termed its type of this species—"scab"! Loud have been the appeals for sympathy with the workman who falls out from the line to better his condition, or relieve the distress of a starving wife and family. But to prevent just such contingencies is the mission of the Union. One who is forced to the necessity of wage labor and refuses to share the common danger, but either openly or steathily goes over to the enemy to accept his terms, is a deserter. By his act he has sundered the social bonds of mutual interest which united him to us, has served notice that he asks no aid, expects no sympathy, seeks no quarter. At his acted word we take him.

The time has passed for circumlocution in handling this subject. If trade unionism has a logical ground for existence, if organized resistance is preferable to slavish submission, if the social ties which unite us in mutual alliance are of higher validity than the selfish cravings of an unsocial nature, the relation between the trade union and its sycophantic enemy—the "scab" is that existing between the patriot and the paid reformer. No sentimentalism will attenuate; no olive branch will be extended; no tears will be shed over whatever misfortune befalls him, nor aught but utter loathing be felt for him. He stands forth by his own act recreant to duty. Bankrupt in honor, infidel to faith, destitute of social sympathy, and a self-elected target. We here but express clearly what workingmen feel in every industrial crisis, and we deliberately express it that at all times such men be regarded as possible "informers" and traitors.

To sum up, to assert egoism against mutual interests is unsocial and hence a denial of the mutual basis upon which equitable relation alone can exist. Thus the "scab" is not merely unsocial, but by his acted word virtually places himself with the industrial invaders and becomes

an enemy. Equal freedom cannot be strained to mean a denial of mutual interests. Social evolution is not a mere theory, but a record of facts, and no fact is more strongly brought out than that progress has resulted only in so far as mutual interests have been recognized. We do not institute them, they compel us.

Therefore, primarily as human beings, become so by social evolution, and by the social environment in which the present struggle is conditioned, and recognizing as the goal of industrial advance the mutuality of interests involved in the assertion of equal freedom, in strict accord with all sociological deductions, and with the utmost submission to the higher law permeating social growth, we reverently raise our hats to say prayerfully: "To hell with the scab!"

Both before and during a strike a union door should always swing inward to all applicants whom reason or self-interest may convince. But whoever deliberately refuses alliance with organized labor, who from cowardice or selfishness stays without to skulk back over the field, like a ghoul for personal gain, by his or her act becomes an enemy. Your duty toward them will be determined by the exigencies of the situation. As in our civil war the timid Union men in the South and the blatant Copperhead in the North, received but little respect from either side, so in the industrial conflict they are despised by those who urge them on, and disowned by their more resolute fellows. "He who is not with us, is against us."

(An article entitled "A Scab is a Hero," by F. W. Phelps, editor of the *Pacific Coast Mechanic.*)

I love the word scab. Time was when I shunned and shirked it. It seemed to have about it an unwelcome ring and an odium which offended. It seems to suggest something for which I did not stand. It seemed to be the name and habit of an economic leper, or a social outcast, or something of frightful and devilish form. But labor agitators have made me love the word. It has sloughed all its old meaning. All its hideous trappings have fallen away from it. It shines in a new, fresh sitting, and, in our time, has assumed a new, grand meaning.

Scab! What good American, in love with liberty of speech, of action and of conscience, is not a scab?

Who and what is a scab, anyway?

If I work or worship untrammeled, if I scorn industrial despotism; if I hate individual or collective dictation or coercion; if I refuse to lick the hands of parasitic puppets; if I refuse homage and obedience to men, or aggregations of men, who presume, unasked, to do my thinking and my deciding for me, if I refuse "to bend the pregnant hinges of the new," and kotow, and salaam, to men for whom I have scant respect or no respect at all, with thrift and a good job as a reward for my fawning—then, in such circumstances, for these reasons am I a scab!

Any man who loves and values his own liberty, and who elects to paddle his own boat is a scab.

Put me in that class, for I belong there! Born in America, and drawing whatever of civic and political inspiration I am fit to draw from the free atmosphere of my native heath, I was born to the cherished rights

and unquestioned inclinations of a freeman; and if you want to call my rose a scab, it will not smell less sweet to me on that account. Go to; and

"Lay on MacDuff;

And damned be he who first cries hold, enough!"

I will take my place in the long line of men who have refused to be haltered and harnessed by their inferiors; in the line with Jefferson and Paine, with Washington and Franklin, with Henry and Otis, and in the line, too, with the school children of this city, and of other children in this city, and of other cities, and in defense of them, who are taunted, and snubbed and jeered because their daddies are scabs!

Good God! When the swollen and impudent tyrannies of irresponsible labor agitators reach our school yards, to wring the hearts of our children, and to attempt to torture them into shame, and a disrespect for their fathers, is not it a challenge to the manhood and womanhood of the nation?

Surely it is time for somebody to cry out against these infamies.

In heaven's name what good can come of the school-yard taunt:

"Your papa is a scab"?

Are we still to be put in the pillory and burnt at the stake because of our opinions?

Are we freemen or slaves?

For my own part I will take the scab's heritage, I love the scab's freedom, and the courageous independence which impels him to do his little do in his own way. Whatever else may be said of the scab, he has no boss in the offensive meaning of the word. There are no shackles on him; no debasing blinders; no tags, and no parasitic overlordship to make a mere manikin out of him. He is free to come and go, to join or not to join, to work or to play, to do or not to do, as his own inclinations, his own interests, his own conscience may suggest, and, in the sum of it, that is liberty, personal liberty in one of its best and most essential meanings.

I am that kind of a scab; that is all any man means when he calls me a scab, and as most Americans are scabs of this same brand I do not feel at all lonesome.

Hypocrisy and the Constitution

John E. Edgerton, president of the National Association of Manufacturers, said recently:

"We could not profess without arrant hypocrisy our fervid attachment to the concepts and immortal pronouncements of the great Constitution of the greatest government on earth, nor confess our faith in its righteous intent, if at the same time we preached or practiced the doctrine that a man should be denied the right to work unless he holds a membership in any organization subordinate to our government."

CHAPTER XX.

Some Ethical Aspects of the Open Shop

Systems and organizations are justified only as long as they advance the welfare of society as a whole. There are principles of social justice, of justice to all parties concerned, which should prevail. They will prevail when and because the public takes enough interest to act.

Views of Pope Leo XIII

(Pope Leo in his famous "Encyclical on the Condition of Labor," said—italics ours):

"Associations of every kind and especially those of workingmen, are now far more common than formerly. In regard to many of these there is no need at present to inquire whence they spring, what are their objects or what means they use. But there is a good deal of evidence which goes to prove that many of these societies are in the hands of invisible leaders, and are managed on principles *far from compatible with Christianity* and the public well-being; and *that they* do their best to get into their hands the whole field of labor and to *force workmen either to join them or to starve.*"

Both Unjust and Wicked

(From a sermon on the "Closed Shop," by Rev. Dr. David James Burrell, pastor of the Marble Collegiate Presbyterian Church, New York City, the oldest church on the continent. Printed in pamphlet No. 26 of the National Association of Manufacturers.)

"Bear ye one another's burdens and so fulfill the Law of Christ."—Galatians 6:2.

I have nothing to say against the labor unions as such; but I am opposed to their revolutionary schemes.

The right of organization for lawful ends is universally conceded. Let us go a step further and say that it is not only right but expedient. First, for benevolent purposes, such as mutual insurance and sick benefits, the relief of the unemployed and the care of widows and dependent children. Second, it is wise and prudent to combine for mutual protection and defense against all encroachments. The good Book says, "Two are better than one; for if one fall the other will lift him up." Our Dutch forefathers used to say, *Een dracht maakt,* this is, "In union there is strength." Even the strike, when rightly understood and fairly conducted, is quite justifiable. Third, organization is both wise and necessary for the betterment of conditions, particularly as to suitable hours and equitable wages, and safety and sanitary conditions for workingmen.

But in the process of industrial evolution some strange and unwarrantable things have come to pass. The labor unions have, in my judg-

ment, made three frightful mistakes. First, they have practically signed away their freedom to unwise and incompetent leaders. It is bad enough when a self-respecting artisan, at work with others in a well-conducted shop, is constrained to throw down his saw or hammer at the dictation of a walking delegate who suddenly appears and cries "Knock off!" It is still worse when the same workman is under bonds to sacrifice both reason and conscience at the direction of unprincipled leaders who have recently been forced to call a halt at the very foot of the gallows-tree. Second, the resort to violence is a fatal mistake. The reference is not merely to mobs and dynamite, but to all lawless methods whatsoever. Not long ago I saw a line of "sandwichmen" at the corner of Broadway and Thirty-fourth Street, carrying placards with this device, "Do not patronize thus and so: They employ non-union men." If you follow that to its logical conclusion, you will arrive at Los Angeles. But the third mistake made by the labor unions is most lamentable of all. I mean the adoption of the proposition known as the "closed shop." This has been approved by the foremost leaders of organized labor and has been openly defended in one of our magazines by Mr. Darrow, the attorney of the McNamara brothers at Los Angeles, who took a retainer of $50,000, for their defense, and kept his retainer with the perquisites after he confessedly knew that his clients were guilty.

What is this proposition? The closed shop means that a man who declines to join the union shall not be permitted to work; the shop is closed against him.

This is one of the most unjust, unreasonable, unrighteous and desperately wicked and suicidal principles ever formulated by any association of civilized men. I make that statement advisedly and in sustaining it I propose to make an appeal to the calm reasoning of laboring men.

First, let us approach the question from the industrial point of view. The closed shop involves a denial of the freedom of labor, and so far forth it is an attack on the individual rights of every man. It is a singular thing when one stops to reflect upon it that laboring men should question the right to work for one's living.

But the industrial folly of the closed shop is seen most clearly in the fact that it reacts disastrously on organized labor. It is a suicidal policy. It demoralizes the unions and puts them obliviously in the wrong. It provokes the antagonism and, not infrequently, the retaliation of those who would sincerely befriend them. It raises the cost of living and forfeits the sympathy of all right-thinking men. And the laborer himself must pay for it.

It is estimated that the strike of 1894 in Chicago involved a loss of eighty millions of dollars. Who paid the bill? Did capital pay it? Or, the employers? Oh, no! The moment the wheels of industry began to move again the employers set about recouping themselves for this loss and closed their teeth with a new determination to crowd labor to the wall. The common people, in the long run, paid every penny of it!

Secondly, let us consider the matter from *the patriotic point of view.* In the preamble of the Declaration of Independence, in which are laid down the rudimental principles of our constitutional fabric, we have

the statement that "all men are created free and equal and with certain inalienable rights; among which are life, liberty and the pursuit of happiness." What does that mean?

It does not mean that all men are equal in weight or stature, in natural gifts, or endowment, in acquired culture, in character, in education or in accomplishment. It does mean that all men are equal before the law.

And this is the principle which differentiates our republic from all other governments on earth. There are other countries where civil and ecclesiastical freedom are valued as highly and guarded as jealously as among us; but ours is the only country in which there are no titled orders, no privileged classes, no aristocracy except that which is measured by the moral stature of a man. All men are equal, Jew and Greek, Barbarian and Cythian, rich and poor, employer and employe, striker and strike-breaker, unionist and "scab," all are equal before the law. The closed shop is a clear and flagrant violation of that principle; and, for a true American, that should be enough to say against it.

But further, it is a violation of the American doctrine of human rights. How reads the preamble? All men have "certain inalienable rights; among which are life, liberty and the pursuit of happiness." To think of the pursuit of happiness without the privilege of earning an honest livelihood is impossible. The primal law, "Thou shalt eat thy bread by the sweat of thy face," is at the very basis of a comfortable life. A man has no business to live and certainly he cannot enjoy life without it.

When you say, "A man has no right to labor, except on my terms," you reduce the toiling freeman to the level of a bondman. There was a time in our country when some millions of negroes were in chains. The position taken by their owners was, "These men must work, but only as we say." They were thus held as prisoners of poverty. And because slavery was at odds with the vital principles of our national life, it was a foregone conclusion that slavery must go. But wherein did the position of the slave-owners of the South differ from that of our labor unions to-day? Do they not say, "You may labor; but only on condition that you join us; and then only on such conditions as we are pleased to lay down for you?"

We are fond of saying that the glory of America is in the third estate; that is in our workingmen. The ideal American is not a multi-millionaire; and certainly not a mendicant; he is the Village Blacksmith, of whom Longfellow sings:

> His brow is wet with honest sweat;
> He earns whate'er he can;
> And he looks the whole world in the face,
> For he owes not any man.

But in the philosophy of organized labor that is not so. The unions say, "Hold on! This blacksmith shall not earn 'whate'er he can,' he shall not earn anything until he joins the Blacksmiths' Union; and after that he shall earn only what we say." Here, truly is a new order of things in America.

Patriotism and the Closed Shop

But, further still, *the closed shop is a violation of civic loyalty.* The terms of our franchise require that no man shall be a citizen who does not yield an undivided fealty to the republic. The labor unions have undertaken to set up an *imperium in imperio;* that is, a government within a government; claiming the right to make laws and prescribe rules without reference to higher authority. And the trust thus organized is unincorporated; in other words, it refuses to be responsible for its acts. It formulates a system of laws which, whether so intended or not, do practically supersede the national law of non-interference with the rights of other men. By committing themselves to this policy the unionized workmen of our country, who ought to be foremost in supporting its principles of justice, have arrayed themselves against them. Is that a hard saying? Witness the mob violence, the dynamite plots and their indorsement by some of the foremost leaders of organized labor, and the contributions of the members of the unions to the defense of the McNamaras without this slightest knowledge as to the guilt or innocence of the prisoners at the bar.

There is something to be said for the foreigners; for the Huns and Slovaks and Bohemians who have come so recently to our country that they are ignorant of its right and privileges; but what shall be said for skilled workingmen of American birth and lineage, who lend their countenance to these things? It is not to be wondered at that an assassin, a foreigner just released from a twenty-year sentence, should go about the country arm in arm with a female anarchist advocating the closed shop; but it is a source of immeasurable wonder that men of American birth should sell their birthright for a mess of pottage in this way.

The Closed Shop and Religion

It remains, thirdly, to look at this matter from the *religious point of view.*

Ours is a Christian nation. This is questioned in certain quarters by foreigners who have recently settled among us; but inasmuch as our Supreme Courts have repeatedly affirmed the fact, no true American questions it.

Our Government rests on the brotherhood of man, which is a corollary of the fatherhood of God. The preamble of the Declaration of Independence, to which reference has been made, is merely a transcript of Paul's manifesto on Mars' Hill, "God hath made of one blood all nations of men, for to dwell upon the face of the earth."

Then follows the correlative proposition laid down in the Golden Rule of Jesus, "Do unto others as ye would be done by." This is only another way of saying what Jacob said to his sons, "Ye be brethren; see that ye fall out not along the way." The controlling factor in the solution of the industrial problem is the social duty of unselfishness. The sentiment of organized labor as laid down in the closed shop is, "Look out for number one," while the policy of a Republican government, in which all men are free and equal, is, "Look out for number two." The only way to secure and preserve our personal rights is to yield the same rights to other men.

"The square deal" is the enemy of the closed shop. If a man be out of a "job," the thing for workmen to do is to lend him a hand; not a closed hand to strike him down, but a "glad hand" to lift him up.

Another of the great principles to which our republic stands committed is known as "the voluntary principle in religion," that is, a man may worship or refuse to worship, as he pleases and in his own way. This involves the separation of church and state. It is accordingly provided, in the First Amendment to our Constitution, that there shall never be an establishment of religion; that is, a state church. This does not mean that we are not committed to religion. Our theory is that church and state are co-ordinate powers, both alike ordained of God; that the church has to do with religion and the state with civil government. Each supports the other and each to the other says, "Hands off."

Now suppose that a church were to take this position: "You shall not worship unless you come into our fellowship; and if you worship at all you must do so according to the rites and ceremonies which we prescribe for you." That is precisely what the pagan church did in Nero's day. It required all Christians to bow before the gods of the Pantheon; he who would not cast a wreath into the lap of Cybele was doomed to die. What dreadful days those were! The Anglican Church in the time of the Stuarts did the same thing, so that non-conformists must whisper their prayers in conventicles among the hills. This was the sort of persecution that drove the Pilgrim Fathers to the New World. "What sought they thus afar? Freedom to worship God!" We recognize at once the violation of common right and justice in this case. It is, however, no more flagrant than that of the labor unions in refusing to their fellow workmen the common right to earn a livelihood unless they will consent to labor as the unions say.

For these reasons I affirm that *the closed shop* has no ground to stand on. It savors of barbarism. It is hostile to industry. It is unpatriotic to the last degree. It *contravenes the genius of true religion* and particularly of the religion of Christ. It is, far and away, behind the spirit of the age.

The Issue

There are many well-meaning people in this country as in other countries, who think that a remedy for labor unrest fostered and inflamed by men who would rather agitate than work, will be found in making concessions to elements that are of evil tendency. They must learn the lesson that no concession that society can reasonably make will satisfy the forces of disorder.

The issue is plain. It is a struggle between law and lawlessness. It is an issue which has now reached its culmination in this country. To-day the American people—each man, woman and child of whom is directly interested in our common industrial welfare—must face the question whether rampant and criminal unionism or law and order and common justice shall prevail.

Consider the Public

(From "The Open Door," by Rev. S. Parkes Cadman, of Brooklyn, one of the most noted clergymen of the United States. Pamphlet No. 8 of the National Association of Manufacturers.)

I am glad that I can stand upon a completely non partisan and unembarrassed platform. There is only one way in which our difficulties in connection with the labor issue can be solved, and that is the way indicated by the title of this address. "The Open Door." By that I mean, the right of every workingman and of every professional man and of every type of man to sell his labor and any other product he has for sale, in a free and unrestricted market. Notwithstanding the advices you may hear from high or low quarters in favor of an opposite policy, you may depend upon it that the greatness and prosperity of this country at large depend upon its adherence to this simple principle of liberty and justice. If by mutual consent and arrangement free contracting parties can provide schemes that will ameliorate some harsh features of competition, so much the better, but they must be free in making their contracts, and this seems to me to be a matter for personal initiative rather than for legislation.

Indeed these things cannot be accomplished by legislation, and any interference of such with employers and employes will not only contravene the legal rights in the case—it will defer the reforms for which we hope. In other words, however well meant such an interference may be, it will end by defeating itself.

The interference of the union with the transaction of business is an offense. Sometimes it is a minor offense, subjecting the citizen to nothing worse than discourtesy and inconvenience. Sometimes the offense passes the limits of petty annoyance and becomes an obstacle in the way of private prosperity. I refer to that type of union which keeps men back from doing their honest best, which makes idleness a precept, restricts the output, resists the introduction of improved appliances, limits the number of apprentices, and watches for opportunities to take advantage of an employer's necessities.

Let me say that this is an intolerable tyranny which stops transportation, empties the market, shuts the mine and puts the public in peril of cold and hunger. That third party, the public, must be reckoned with, and unless unions can learn the lessons of experience, desist from violence and act within legal limits, the public will be against them. Nothing will finally succeed in this country which is not based upon foundations of law and reason. Not even for the sake of a righteous cause will a man yield to tyranny, much less for an unrighteous one.

Could anything be more ridiculous if it were not wrong, than the attitude of many unions toward the amount of labor a man shall do in a day? I talked with a plumber concerning this matter, and he said, "We have got to work by the rule of the poorest plumber as well as the best; he must have an opportunity. If we did much more than he does, we would be discharged." Well, after admitting whatever there is in this plea, I contend that if a doctor worked on this principle, or a lawyer pleaded

for his client on such a basis, the first to complain would be those who now adopt it as a working plan. As little as you can do for as much as you can get leads to disintegration, violates our commercial honor, reduces our trade and makes our artisans incapable of competition with other countries.

Justice, Charity and the Open Shop

(From an article "The Closed or the Open Shop?" by Rev. Paul L. Blakeley, a Jesuit priest.)

So much for the *abstract.* But a fairly common practical case, the source of much dissension, may be thus stated. John Jones, a union man, is a worker in an open shop. He does his work well. But the owner, Richard Smith, a bitter opponent of all unions, discovers that John Jones holds a card. May he rightly discharge John Jones because of his membership in a union?

It may be answered that, considering the question on the ground of *justice* alone, he may. The shop is his own. If he is *not* obliged even to hire John Jones, *a fortiori,* he is not obliged, in the absence of definite contract, to retain him. He may, if he wishes, discharge all his red-headed employes, or his men who smoke cigarettes or drink soda-pop, without violating justice. For as he is *not obliged in justice* to bring any particular worker to his shop, so no obligation in justice arises (except again in the case of contract) to keep any particular worker in his shop, and he may discharge any at will. True, John Jones has a *right* to his union affiliations. But these affiliations *do not* and cannot constitute a claim in justice upon Richard Smith for employment, or for retention in employment. *If they did, every employer would be at the complete mercy of the union.*

The union would really *control* the shop, investing Richard Smith with this right alone: to secure the money wherewith to pay workers whom he has not chosen and whom he does not wish to retain.

Thus may the question be solved on the principles of justice.

But on the grounds of charity, Richard Smith may easily offend by discharging John Jones summarily, on the *sole* indictment that he belongs to a union, and, in ordinary cases, he will so offend. But he will not offend against justice, because John Jones has *no* claim in justice which is violated by his discharge. Yet another aspect of the question must not be omitted. To-day, a general practice discountenances *summary* discharge, except for grave offenses, which offenses do not exist in the case we are discussing. The reason is clear. Dismissal without notice entails additional hardship on the worker and his family, because to obtain new work at an equal salary is often difficult. But this general practice or understanding, unless in a given case it amounts to a contract, not valid in the eyes of the law, perhaps, but none the less binding in conscience, cannot make the employer's act an offense against *charity. And these offenses against charity are one of the most powerful factors in stirring up labor dissensions.* A worker thus discharged does not stop to weigh nice ethical distinctions, but, very naturally, considers himself the victim of gross injustice.

Let us change the case somewhat. If the owner, Richard Smith, should determine to *force* every man in his shop to *join the union,* might he, without violating any canon of justice, discharge John Jones who insisted upon remaining non-union?

He might, and for the reasons already given. Except in the case of contract, John Jones has *no* claim, binding in justice, for retention in Richard Smith's shop.

Similarly, Richard Smith, on attaining possession of an absolutely *unionized* shop, might discharge every worker who refused to leave the union. He would *not* offend against justice although he would have a beautiful case of boycott on his shop, but it is difficult to see how he could escape an offense against *charity.* For it is admitted, first, that the worker needs some form of union for his protection, and next, that with all their faults, the American labor unions have had a beneficent influence in protecting the worker against the excesses of employers.

Hence, Richard Smith's action in dismissing his workers, simply and solely because they refuse to set aside their right to belong to a union, must be regarded as a defiance of common-sense, and probably as a violation of charity.

The long and short of all this prosing is that what is sauce for the goose must also be sauce for the gander. The worker cannot insist upon *his* own right to organize and then *denounce employers* as tyrants when employers themselves proceed to organize. Nor can he praise an employer for maintaining a strictly union shop, as is the employer's right, and then, with any consistency, anathematize him for exercising his right either to reject union men altogether or to conduct an open shop.

It is understood, of course, that if John Jones, a union worker in an open shop, proceeds *to disorganize the policy* of that shop by inducing the other workers, through threats or legitimate argument, to join the union, thus making the concern a "closed shop," the employer may forthwith dismiss him without fear of violating either justice or charity. Charity does *not* compel an employer to retain an employe who works against his wishes, and justice is here not in question. Labor has suffered much from capital, and that may often excuse the tendency of the worker, once he feels the strength of the union at his back, to go to excesses that quite equal in gravity, if not in frequency, the excesses of capital.

But past injustice does not create for the laborer a right to retain employment on terms dictated solely by himself or by his union.

CHAPTER XXI.

Views of Prominent Americans

Abraham Lincoln

"Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built."

"If you have been taught doctrines conflicting with the great landmarks of the Declaration of Independence; if you have listened to suggestions which would take away from its grandeur and mutilate the fair symmetry of its proportions; if you have been inclined to believe that all men are not created equal in those inalienable rights enumerated in our chart of liberty, let me entreat you to come back!"

The Christian Science Monitor of February 14, 1921, contained the following Jersey City dispatch:

That Abraham Lincoln would have believed in collective bargaining, but not in the closed shop, was declared by John Hays Hammond, speaking before the Lincoln Memorial Association here on Saturday.

"Lincoln would have tolerated no class legislation in a democracy," said Mr. Hammond. "He refused to admit a class distinction between Capital and Labor. He regarded Capital and Labor as a mixed, not a distinct class, and he said, 'No principle is disturbed by existence of this mixed class.'"

Citing a speech by Lincoln at New Haven, in March, 1860, Mr. Hammond said the Lincoln industrial faith was the "square deal" of Theodore Roosevelt, "and while in one speech he would sound a note of warning to greedy capitalists, in the next he would admonish communistic tendencies on the part of Labor."

Charles W. Eliot

The distinguished ex-president of Harvard is quoted in "The Square Deal" of April, 1910, as saying "The closed shop, the joint agreement including the closed shop, the boycott, and the union label, are restrictions on individual liberty too great to be endured by a democratic people."

James R. Day

The Chancellor of Syracuse University, writing in the New York *Times* of January 2, 1921, says:

"The workingman should abandon the strike, whether the law commands it or not. It is uncivilized and barbarous. It works against higher wages. The menace of it is figured into the cost of every contract. That figures it out of wages."

"True Americans will work together for good citizenship, good business, good wages and good fellowship."

"One of the great crimes of this country is to create classes among

the quiet working people by setting up conditions each against the other as an arbitrary plan out of which one prospers and the other suffers."

Cardinal Gibbons

James Cardinal Gibbons is quoted in Pamphlet No. 1, the National Association of Manufacturers, as follows:

"The right of a non-union laborer to make his own contract freely, and perform it without hindrance, is so essential to civil liberty that it must be defended by the whole power of the government."

Dr. Lyman Abbott

The editor of *The Outlook* is quoted in Pamphlet No. 1 of the National Association of Manufacturers as saying:

"If any section of society endeavors to prevent any man from working and enjoying the product of his work, that section of society is unjust. If any organization undertakes to prevent any man from working, when he will, where he will, and at what wages he will, that organization violates the essential rights of labor."

Bishop McCabe

Bishop McCabe (Methodist) is quoted in Pamphlet No. 1 of the National Association of Manufacturers as saying:

"I want to state the attitude of the Church, and this statement is official. We are opposed to having a small percentage of laboring men run the entire laboring class in a high-handed and authoritative manner. * * *

"It is an imposition for a few men to say 'join our union or you cannot work!' It is an imposition to refuse to allow men to work as thy will if they work honestly and earn their livelihood by honest sweat. As now constituted, labor unions cannot long stand. Either they must reform themselves or they will cease to exist."

Archbishop Ireland

The late Archbishop Ireland is quoted as follows in Pamphlet No. 1 of the National Association of Manufacturers:

"They who cease to work must in no way interfere with the liberty of others who may wish to work. The personal freedom of the individual citizen is the most sacred and precious inheritance of America.

"Labor unions must be on their guard against serious evils threatening them. They cannot be tolerated if they interfere with the general liberty of non-union men who have a right to work in or outside of unions as they please. Public opinion and public law will and must protect this liberty.

"It is wrong in the labor unions to limit the output of work on the part of its members. The members themselves are injured. They are reduced to a dead level of inferiority."

Bishop Quayle

In these days when prominent men in the church and school are speaking and writing on industrial subjects, often without close acquaintance with them, it is good to read the following extract from a letter Bishop Wm. A. Quayle of the Centenary Conservation Committee of the Methodist Church wrote to the President of the American Federation of Labor. Quoted in the Omaha *Open Shop*):

"I believe that under the Declaration of Independence and under the Constitution of the United States, it is absolutely illegitimate for any man or group of men to call any other American citizen a scab because he does not belong to their group or organization. I hold that that must cease in America is to remain a republic. I hold that the laboring man constitutes all who labor, and that the words 'laboring class' to which all honorable Americans belong, must not be applied to a very small minority of the laboring people, to the exclusion of the great multitude of laboring people *There must be in America an absolutely open door to any man who want to work to get it without being anything more than an American citizen*

* * *

"I am acquainted with the declarations that organized labor has made and have kept posted in them all these years, but am more concerned in what organized labor does than what organized labor says, for in this business *deeds speak louder than words.*"

Governor Parker

Governor John W. Parker, of Louisiana, is quoted as follows in the La Grange, Georgia, *Reporter,* July 16, 1920:

"I am absolutely the Governor of all the people; I don't recogniz under the law, the right of union labor or any other labor to dictate who shall be and who shall not be employed on public works."

Governor Goodrich

Governor Goodrich, of Indiana, is quoted as follows in the Omaha *Open Shop,* of October 15, 1920:

"The man who would subject the national life and all of its interests to the will of his group is an unrighteous and disloyal citizen."

Miles Poindexter

United States Senator Poindexter writes as follows in the *Outlook:*

Labor cannot be free "if a laboring man can be compelled, by being denied work, to submit himself to the control of the unions."

Herbert Hoover

Before the Labor Committee of the United States Senate Mr. Hoover said:

"The principle of individual freedom requires the open shop."

Calvin Coolidge

Vice-President Calvin Coolidge in his 1920 speech of accepting the nomination said:

"The Government of the United States * * * has been and intends to be a nation devoted to the acts of peace. Fundamentally considered, its abiding purpose has been the recognition of the rights and the development of the individual.

"Conscious that our resources have now reached a point where there is an abundance for all, we are determined that no imposition shall hereafter restrain the worthy from their heritage."

Warren G. Harding

"The human element comes first, and I want the employers in industry to understand the aspirations, the convictions, the yearnings of the millions of American wage-earners, and I want the wage-earners to understand the problems, the anxieties, the obligations of management and capital, and all of them must understand their relationship to the people and their obligation to the republic. Out of this understanding will come the unanimous committal to economic justice, and in economic justice lies that social justice which is the highest essential to human happiness."

William Howard Taft

Mr. Taft writes as follows in the *Philadelphia Ledger* of January 22, 1921:

"There are many cities and towns whose progress and welfare have been retarded and injured by the tyranny of local trades unions who have been strong enough to stop building and other improvements by their exorbitant demands, not only as to wages, but also as to hours and other terms. They have been able to defeat any attempt to bring in non-union men, either to take the place of or to supplement union labor. * * * The outrage perpetrated upon the entire community by Brindell and his associates in which some employers seem to have connived, cannot be too strongly condemned. Its direct effect has been so to decrease the construction as to keep up the rents everywhere and, indeed, to make it well nigh impossible to furnish decent shelter for the poor.

"With a movement which has for its object the abolition of such a perversion of the labor union every disinterested person must deeply sympathize. * * * (The closed shop is lawful) but it is unsocial and should be resisted, if possible, by employers. When the latter unite to fight, they should have the sympathy of all good men, and the public will sustain them in the struggle. A closed non-union shop is just as unsocial as the closed shop of the labor union and deserves no more support or sympathy from good men or from the public than the other.

"Extremists among employers are very unwise and do not help the public weal. The principle of the combination among workmen is indispensable to their welfare and their protection against the tyranny of employers. That they often abuse the power will not lead to depriving them of it. * * * Now, in that field the closed shop on each side is lawful; the courts will not restrain it, but it is hard, selfish, unsocial and in the end reacts upon the users. Employers and employes should shun it, and come together in the open shop."

Theodore Roosevelt

In a message to Congress in 1902, Mr. Roosevelt said:

"Every employer, every wage-earner, must be guaranteed his liberty and his right to do as he likes with his property or his labor so long as he does not infringe upon the rights of others. It is of highest importance that employer and employe alike should endeavor to appreciate each the viewpoint of the other and the sure disaster that will come upon both in the long run if either grows to take as habitual an attitude of sour hostility and distrust toward the other."

The Anthracite Coal Strike Commission appointed by President Roosevelt in its award said:

"No person shall be refused employment, or in any way discriminated against, on account of membership or non-membership in any labor organization, and there shall be no discrimination against, or interference with any employe who is not a member of a labor organization by members of such organization."

In a letter of June 14, 1903, Mr. Roosevelt commented on this as follows:

"I heartily approve of this award and judgment by the Commission appointed by me, which itself included a member of a labor union. This Commission was dealing with labor organizations working for private employers. It is, of course, mere elementary decency to require that all the Government departments shall be handled in accordance with the principle thus clearly and fearlessly enunciated."

CHAPTER XXII.

Legal Aspects; Public Regulation

(From "Organized Labor in America," by Professor G. H. Groat, of the University of Vermont. Pages 286-290.)

What shall be said of the legality of the closed shop? If a contract is entered into between an employer and his men agreeing that no one but union labor shall be employed, is that contract valid? There is some basis for a conclusion on this question, though not sufficient to make such conclusion final.

In a closed-shop contract that led to a trial in the Massachusetts court (Berry *vs.* Donovan, 74 N. E., 603), it had been definitely agreed that the employer would hire only members of the union in good standing and further that he would not retain in his employ any worker after receiving notice from the union that such worker was objectionable to the union, whether such objection was based on the worker's being in arrears for dues, disobedient to the rules or laws of the union or for any other cause.

In accordance with this agreement a workman was discharged who had been in his employ for nearly four years. He brought suit for damages on the ground that the agreement had injured him by bringing about his discharge when it would not have occurred otherwise. While the term of employment was not for a fixed time, yet it appeared to the court that the agreement authorized the union "to interfere and deprive any workman of his employment for no reason whatever, in the arbitrary exercise of its power." With these two points in mind the court was of the opinion that "whatever the contracting parties may do if no one but themselves is concerned, it is evident that, as against the workman, a contract of this kind does not of itself justify interference with his employment by a third person who made the contract with his employer." It seemed that the motive was one to injure and so damages were awarded. The decision rested solely upon the fact that the injured person had been in the employment for about four years. What would have been the law of the case if it had been brought by one seeking employment and unable to secure it because of the agreement is a point that is not discussed.

In the New York courts the question came up in a different form, somewhat more satisfactory for the discussion of the general principles involved. The parties had agreed that no employe should be allowed to work for longer than four weeks without becoming a member of the union. The court argued that public policy and the interests of society favor the utmost freedom in the citizen to pursue his lawful calling or trade. If a combination of working men interfered with the fulfillment of this purpose through contracts with employers, coercing other working men to become members of the organization, such action militates against the principle of public policy which prohibits monopoly and special privileges. "It would tend to deprive the public of the services of men in useful employments and capacities. It would impoverish and crush a citizen for no reason connected in the slightest degree with the advancement

of wages or the maintenance of the rate." Concluding, the court says: "While it may be true that the contract was entered into, on the part of the (employers), with the object of avoiding disputes and conflicts with the workingmen's organization that feature and such an intention cannot aid the defense, nor legalize a plan of compelling workingmen not in affiliation with the organization to join it, at the peril of being deprived of their employment and of the means of making a livelihood." (Curran *vs.* Galen, 46 N. E., 297.)

Later another case came to the same court. The agreement was a very elaborate one, as will be seen from the following abstract from the opinion of the court (Jacob *vs.* Cohen, 76 N. E., 6): "The contract is in substance as follows: The defendants were the party of the first part; their own employers, 'By Barnard Kaplan, their representative and attorney in fact,' party of the second part; and the Protective Coat Tailors' and Pressers' Union, Local No. 66, of the United Garment Workers of America a voluntary association organized by the parties of the second part, acting 'through Barnard Kaplan, its secretary,' party of the third part. It consists chiefly of restrictive stipulations against the employers, who agree to employ the persons already in their employment * * * each in his own capacity and for no other work than he was engaged for, during the period of one year. After fixing the number of working hours per week, it was agreed that 'under no circumstances shall work be carried on by the parties of the first and second part at any other hours than herein specified without a written consent of the party of the third part, executed by its duly authorized officer.' It was further agreed 'that the party of the first part shall not employ any help whatsoever other than those belonging to and who are members of the party of the third part and in good standing and who conform to the rules and regulations of the said party of the third part; and the said party of the first part shall cease to employ any one and all those employes who are not in good standing and who do not conform to and comply with the rules and regulations of said party of the third part, upon being notified to that effect by its duly credentialed representatives. The party of the first part hereby agrees to abide by the rules and regulations of the party of the third part, as known in the trade, and to permit and allow representatives of said party of the third part to enter their shop or shops at any and all hours of the day and night for the purpose of inspection and enforcement of the terms of this contract, as well as all the rules and regulations herein referred to. The party of the first part shall not engage any help whatsoever, even those who are members of the party of the third part, without their first having produced a pass card duly executed and signed by the authorized business agent of the party of the third part, said card to show that the bearer thereof is a member in good standing of the party of the third part and that he has complied with the rules and regulations thereof in force at that time. The party of the first part shall not employ more than one helper to every two operators, or one helper to two basters and under no consideration to employ any apprentices.' The parties of the second part also agreed not to employ apprentices and to abide by the rules and regulations of the party of the third part. 'In the event o

any one of the parties of the second part not remaining and continuing during the entire period of this contract in good standing, or does not in all respects conform with the rules and regulations of the party of the third part, then the party of the first part shall cease to employ such employe whoever he may be * * * That the parties of the second part may quit work during a so-called 'sympathetic strike,' provided no new demands are made by them. Such quitting of work on their part shall in no way affect the validity of this agreement or suspend its operation.' A minimum scale of wages was agreed upon, and finally the party of the first part agreed to deposit and hereby does deposit with the party of the third part a promissory note in the sum of two hundred dollars * * * as security for the faithful performance by the party of the first part of all the covenants and conditions herein contained * * * as liquidated and ascertained damages upon the commission of any breach or violation of any of the covenants herein above set forth on the part of the party of the first part * * * ' The only stipulation on the part of the union was that it would 'furnish any help it may have on its application books' which it was to keep for the benefit of the other parties without charge of any kind to any person."

In this instance the court held that the agreement was not unlawful. It was voluntarily entered into by the employers. If the employers chose to enter into such an agreement they were free to do so. It seemed to the court that the employers had come to be released with the expectation of profit to themselves. If they regarded it as beneficial to themselves "does it lie in their mouths now to urge its illegality?" The view of public policy seems to have changed. "That, incidentally, it might result in the discharge of some of those employed, for failure to come into affiliation with their fellow workmen's organization, or that it might prevent others from being engaged upon the work, is neither something of which the employers may complain, nor something with which public policy is concerned."

Other cases have been brought to the courts but these do not set forth so clearly the principles involved. In an Illinois case (O'Brien *vs.* People, 75 N. E., 108), the employers had refused to sign a closed-shop agreement and the employes had gone on strike to compel them to sign. Such an act the courts would not uphold. It was coercive and unlawful, violative of the legal right of the employer, and it was "unjust and oppressive as to those who did not belong to the labor organizations." In Massachusetts an employer had posted a set of open shop rules that were to go into effect at a stated time. (Reynolds *vs.* Davis, 84 N. E., 457). A strike was called to prevent the rules being put into effect. The legality of such a strike was questioned before the court. To the court the purpose seemed to be to close the shop arbitrarily to all workmen not members of the union, "not because such workmen were personally objectionable in any particular, nor because there was not work enough for all the members of the union if non-union men were employed, but to compel all workmen to join the union for the purpose of creating a monopoly in the labor market, whereby to be able to contend successfully with employers whenever a controversy should arise." A strike for such a purpose "would

not be justifiable on principles of competition, either as against non-union workmen or as against the employer, but would be unlawful."

For reasons other than the principles involved in the closed-shop contract, it may be unlawful to form an agreement that will result in the discharge of workmen already employed at the time of the making of the agreement. It may be the basis for damages. Also it appears that a strike to compel the adoption of a closed-shop agreement may be unlawful. That involves the more general question of the legality of strikes, whatever may be their purpose. That topic has been discussed in the chapter on Strikes. In the last case referred to, it appears further that the question of competition and monopoly are not foreign to this discussion.

The judicial attitude, then, is not settled into agreement. Of course, violence and intimidation will, if used by one of the parties to secure the agreement, free the other from the binding force of the contract. There is uniformity on that point worked out through channels and applicable in all cases. But coercion aside, there remains the uncertainty as to how the courts will view a contract of this kind. It may come within the right of the contracting parties so long as the agreement is entered into voluntarily. It may, on the other hand, be viewed as a monopoly against which even the freedom of contract will not stand.

Public Closed Shop Contracts

Such contracts are held void by the courts generally on several grounds. The chief ground is that such contracts are in the nature of class legislation; that a public body representing all the people has no right to discriminate between different classes in the bestowal of public benefits or patronage.

A few of the cases supporting this contention are:

Lewis *vs.* Board of Education, 11 Detroit Legal News, 840.
Adams, *vs.* Brenan, 177 Illinois, 194.
Holden *vs.* City of Alton, 179 Illinois, 318.
City of Atlanta *vs.* Stein, 111 Georgia, 789.
Marshall and Bruce Co. *vs.* City of Nashville, 71 S. W., 815.

The Supreme Court of Michigan in the first case listed quoted with approval the following utterances of the Supreme Court of Illinois:

The question is whether the Board of Education has a right to enter into a combination with such an organization for the expenditure of taxpayers' money for the benefits of members of the organization and to exclude any portion of the citizens following lawful trades and occupations from the right to labor. It has no such rights.

The authorities are unanimous to the effect that the Government in awarding public contracts has no right to discriminate against any section of workers, since such discrimination is against public policy and unlawful.

Some Illegal Strikes

(Testimony of Mr. Gilbert E. Roe, prominent New York attorney who has represented strikers in many cases, before the Industrial Relations Commission, May 10, 1915. See pages 10484 and 10485 of testimony.)

COMMISSIONER WEINSTOCK: I see. Well, that is a new point of view to me. I was under the impression that a strike was not illegal anywhere; that what became illegal was an attempt to keep other men from taking the strikers' places; and that every man either individually or collectively has a right to quit work either collectively or individually, but has no right to prevent other men from taking the jobs if other men wanted to take their places.

MR. ROE: No; a strike—the courts declare that strikes may be unlawful for two reasons. One is the object sought to be accomplished, and the other is the method. Now, let me give you, if you please, a list of the instances in which strikes have been held to be unlawful. I will not burden you with the cases, but there are scores of cases on each of these propositions.

A sympathetic strike where the strikers do not seek direct benefits for themselves is illegal. That is the doctrine applicable particularly to Massachusetts.

A strike to interrupt interstate commerce is illegal.

A combination of railway employes to tie up interstate commerce by a strike offended the Sherman anti-trust law.

A strike to compel an employer to operate a closed shop is illegal.

A strike to prevent the employment of certain workmen is illegal. That is the very point you mention.

A strike to bring about the employment of union men exclusively throughout any considerable industry in any community is illegal.

A strike to prevent a railway from hauling Pullman cars is illegal.

A strike to prevent a railway from handling the cars of a connecting railroad is illegal.

A strike against a manufacturer because he does work for a fellow manufacturer who is tied up with a strike is illegal.

A strike to extort money is illegal.

Where a strike is illegal the payment of strike benefits may be enjoined.

Of course in case of an injunction issued against a strike to prevent the hauling of cars striking is illegal.

Strikes to compel an employer to give up his business relations with another employer or to cease patronizing another employer are illegal.

Now, these are specific instances in which the courts have held that strikes are illegal.

COMMISSIONER LENNON: Well, are there not other, perhaps more numerous, instances in which the courts have held strikes were not illegal?

MR. ROE: Well, there are many instances in which the courts have held that a strike was not illegal.

Responsibility of Unions for Contract Breaking

As pointed out before, these monopolistic organizations are not financially responsible for violations of contracts duly made, or for damages caused during labor disputes. They have many times, when suit for damages was brought, simply given the answer that as they have not chosen to incorporate they cannot be held legally responsible for damages arising from their actions.

Such a condition is conducive neither to efficiency nor harmony in industry, two attributes with which the public is vitally concerned. About one hundred years ago corporations, associations of individuals for purposes of business, began to assume prominence. Since 1870 both states and national governments have placed restrictions upon these associations, restrictions designed to benefit the members or stockholders, other associations, and the general public. Their manner of organization and methods of business are carefully regulated by law. Yet the labor organizations which sponsor the closed shop bitterly oppose any and all efforts to regulate their monopoly and actions, although they have millions of members and millions of dollars, their acts affecting the general public for good or ill as much certainly as any business aggregation has ever done or has ever threatened to do. If the public has a right to regulate business and make it conform to certain standards, has it not the same right to regulate combinations of labor?

Should Unions Be Made Responsible?

(Testimony of James A. Emery, General Counsel for the National Association of Manufacturers, before the Industrial Relations Commission, May 18, 1915. Page 10820.)

CHAIRMAN WALSH: What is your attitude toward the existing legal liability of trades unions, for acts committed as organizations? First, should they be liable; and if they should, then how can it thus be enforced—that liability? That would involve the question as to whether or not they should be incorporated, and all that you have heard?

MR. EMERY: Yes. I believe that every organization should be liable for its acts. It is axiomatic to say that there should be no power without corresponding responsibility, no matter who exercises it or what class in society exercises it.

The present state of the law is of course that voluntary associations cannot be sued in state courts where they have not been given legal personality for the purpose of suit. Neither can they sue. On the other hand, the individual members of the labor organization become liable for the acts of their members within the scope of their employment. That state of the law of course results in this that a few individuals who have been

fortunate enough or provident or frugal enough to get some of this world's goods and make a saving, become responsible, as a matter of law, for the more reckless or criminal of their fellow members—the condition of course which they recognize in associating themselves with them. Perhaps, socially speaking, it may have the effect of causing the more responsible in the material sense of the word of an organization to exert their influence more in the conduct of affairs in the organization; but it has never seemed to me an entirely just matter, but one thing that is difficult to avoid because of the lack of pecuniary responsibility of those here composing the labor organizations.

The incorporation of trades unions is a matter upon which I must confess I have had a divided opinion because of the naked difficulty of the incorporation—the difficulty of limiting the liability with due regard for the rights of those who may be injured by the acts of the combination. It is easy to incorporate them to such a point that, not having of course capital stock or share capital they might dispose of their funds in such a manner that a suit is vain. And predicting my conclusion on the proposition that no organization should be permitted to exert power that will not be responsible for the injury that it may do others when the exertion of that power is injurious, it seems to me that an incorporation in the ordinary acceptance of the term "incorporate" is not sufficient; but that the state should probably give labor organizations a legal status—I am speaking of the organization as such irrespective of its members—so that it can sue and be sued as voluntary associations may be and assume such control or provide for such control of its funds as will make it responsible within its limit for such injuries as it does. I say this with respect to labor organizations, but it has reference also to organizations of employers, or to any organization that can be party to labor disputes resulting in injury to others. I do not care whether it is the immediate parties to the dispute, or the innocent bystander that gets shot in the course of the conflict, he is entitled to reparation for that injury.

(Excerpts from testimony before the Industrial Relations Commission, May 17, 1915, of Mr. Walter Drew, Counsel for the National Erectors' Association.)

Much has been said about the obsolete doctrines of the common law in their relation to the labor movement, and also about the failure of our courts to keep pace with the progressive development of modern social and industrial thought. Yet what principle of our industrial law can be considered as so unfitted to our present industrial system, so obsolete from every standpoint of social and industrial ethics at the present time, as this same ancient rule that a voluntary association, no matter what its power or its resources or its aims and purposes, or its actual invasion of the rights of society, shall be permitted to do what injury it pleases, lawfully or unlawfully, without any legal responsibility? In the old days the principles of the law of conspiracy were so strict and so rigidly enforced that any combination for trade purposes of either masters or workmen was held illegal and even criminal. No necessity, therefore, existed for the possession by third parties of any right of action against industrial associations. Now, with the old common law of conspiracy so modified

as to permit the widest latitude in combination, and with the great increase in the power of industrial organizations, with consequent greater ability to inflict injury, distinctly new conditions have come about and a need has been created on the part of the rest of society for protection which did not before exist in such character or degree.

The establishment of the trade-union upon a proper basis of legal responsibility is a simple matter. It could be accomplished either by incorporation of the union through its own initiative under the Federal or State Acts permitting such incorporation, or it could be accomplished by the passage of laws permitting actions for damages for either tort or breach of contract to be brought against trade organizations in their own names, and making any judgment secured collectible out of the funds of the association. In a few states statutes permitting voluntary associations to sue and be sued in the association name have been enacted, but it is very questionable if under such statutes any action is possible except against an association domiciled in a particular state. Whether a national organization extending over many states could be held under such a local statute is exceedingly doubtful, and it is interesting to note that the headquarters of different national unions are located in states where no such statutes exist.

Union Objections to Responsibility Analyzed

MR. DREW: So far as present statute law is concerned, therefore, it remains the general fact that trade-unions are practically immune from legal responsibility in this country.

Of such suggestions, Mr. Gompers, in his report as president to the convention of the American Federation of Labor in November, 1904, says: "We still frequently hear the proposition urged for the incorporation of trade-unions, the evident purpose of many advocates being honorable and sympathetic, notwithstanding how unwise and injurious the results would unquestionably be to labor. Others, again, who advocate and insist upon the incorporation of the trade-unions know full well the purpose they have in view and the schemes they could then hatch to harass organized labor still more with suits at law, regardless of the flimsiness of the cause or the pretext for civil suits. They would not only divert our attention from the effort at economic improvement to a defense against every species of civil suits brought by our opponents against any officers of organized labor, but they would make every effort 'under the forms of law' to mulct our unions in damages for supposed injurious results from trade-union action."

Mr. Gompers then points out that the chief argument for union incorporation is that it would bring about equality of responsibility between the union and the employers in cases of breach of contract, and he insists that such a claim has no foundation, because, as a matter of fact, employers, in spite of their many violations of trade agreements, have not been held in damages for such violations. In the hearing before this commission at New York, Mr. Gompers reaffirmed his opposition to any incorporation of the unions, his reason there being that legal responsibility on the part of the union would be made use of by the employer to harass and to oppress with unfounded suits.

Such reasons for preserving a condition of legal irresponsibility are, of course, no reasons at all. Equally well might it be said that no action for damages should exist against any of us because, forsooth, our enemies may subject us to unwarranted litigation. Neither is it true that the chief reason for trade-union responsibility is to secure equality with the employer in making of contracts. That of course is one reason and a most important one, and it would seem that no one more than the unions themselves should be interested in taking every step possible to put organized labor in the position of being able to make a business contract to which there should be two responsible contracting parties and the basis of which should be mutual interest, mutual respect, and mutual responsibility. Such condition would do more than any other one thing I can think of to extend collective bargaining and to place it upon an employer in the making of contracts. That, of course, is one reason, and stable and firm foundation.

But aside from all questions of contract, why, in all fairness, should not a labor organization be responsible in damages to others whose rights it unlawfully invades? It has been suggested during the hearing of this Commission that civil responsibility on the part of unions would interfere with their democratic development, the inference being that the working out of the democratic principle in a trade-union is too important to be jeopardized by any such harsh principle as legal responsibility to the other members of society. The application of such a principle to an industrial organization, the basic essentials of which should be economic and not political, is scarcely deserving discussion; yet even from the standpoint and in the spirit such suggestion is advanced it falls before the first commonplace observation. Our cities are organized and administered on a democratic basis. In them society at large is working out the experiment of democracy, yet for that reason no immunity is granted the city from liability on its bond or its contracts; and if a city unlawfully infringes your rights or mine, we can maintain an action at law and recover damages therefor. Why, then, should not a labor organization, which is organized for the primary purpose of promoting the interests of its members as opposed to the interests of other classes of society, be legally responsible for its conduct, and is not such absence of responsibility one of the most retarding influences in the growth and development of the union towards its true and proper place as a permanent industrial institution?

The Unions and the Law

(Statements made by closed shop "labor" leaders as to their attitude towards obeying state and national laws, and judicial decisions based upon these laws. No comment is needed.)

Said Mr. John Mitchell, vice-president of the American Federation of Labor, at an annual meeting of the National Civic Federation:

I wish to say for myself, and I yield to no one living in loyalty to this country, that if a judge were to enjoin me from doing something that I had a legal, a Constitutional, and a moral right to do, that I would violate the injunction. I shall, as one American, preserve my liberty

and the liberties of my people, even against the usurpation of the Federal judiciary.

The President of the American Federation of Labor, in connection with the injunction sought in the Bucks Stove and Range case, in a Labor Day speech at the Jamestown Exposition, said:

I desire to be clearly understood that when any court undertakes without warrant of law by the injunction process to deprive me of my personal rights and my personal liberty guaranteed by the Constitution, I shall have no hesitancy in asserting and exercising those rights.

After the injunction was issued, Mr. Gompers, writing in the *Federationist,* said as to the rights of laboring men:

They have a lawful right to do as they wish, all the Van Cleaves, all the injunctions, all the fool or vicious opponents to the contrary notwithstanding. * * * Go to —— with your injunctions.

After the injunction was issued against the strike of the coal miners in the fall of 1919, the Executive Committee of the Federation of Labor issued a bitter statement in criticism of the action of the Government, which concluded:

By all the facts in the case the miners' strike is justifiable. We endorse it. We pledge to the miners the full support of the American Federation of Labor and appeal to the workers and the citizenship of our country to give like endorsement to the men engaged in this momentous struggle.

The President of the American Federation of Labor, in the leading editorial in the February, 1921, *American Federationist,* declares:

We cannot admit that the (United States Supreme) Court has a right to define those rights (of a labor union).

Representatives of 109 national and international unions affiliated with the American Federation of Labor, made public in Washington, February 23, 1921, a "Bill of Rights." This demanded:

Removal by Congress of the usurped power of courts to declare unconstitutional laws enacted by Congress.

It was declared that labor unions must refuse to recognize or abide by the terms of injunctions which in their opinion seek to prohibit the doing of acts which they have a lawful and guaranteed right to do or compel acts they have the same right to refuse to do.

This is the only immediate course through which labor can find relief and this course it proposes to pursue * * * be the consequences what they may.

Attitude of Courts Towards Labor

(Views of Mr. Daniel Davenport, Counsel for the American Anti-Boycott Association, expressed before the Industrial Relations Commission, May 15, 1915. Pages 10704-10706 of the testimony.)

Now, something has been said which would indicate that in the opinion of some, and, I think, from what I saw in the newspapers it was expressed by the distinguished lawyer, notable Justice Clark, of the Supreme Court of North Carolina, and by Mr. Gregory, if he was properly reported, that the attitude of the courts toward labor, and toward organized labor particularly, is unjust. Now, I thought that I would call attention to the real facts about the matter. They are blanket charges; they are generalities. What specific case do they name as indicative of that? Take the Supreme Court of the United States, to which reference was made. I want to call the attention of the commission to the fact that in the first place the decisions of the Supreme Court of the United States as established absolutely protect the rights of all labor, in the first place, and, in the second, that the rights of organized labor are supported and sustained by that body, and on that point, I want to call the attention of the commission to one or two authorities, quotations from the decisions of the Supreme Court of the United States; and the first is in the case of Live Stock Association against—in the slaughterhouse cases, in 83 U. S., page 36: "It is one of the privileges of every American citizen to adopt and follow such lawful industrial pursuits, not injurious to the community, as he may see fit, without unreasonable regulation or molestation, and without being restricted by any of those unjust, oppressive, and odious monopolies or exclusive privileges which have been condemned by all free governments. There is no more sacred right of citizenship than the right to pursue unmolested a lawful employment in a lawful manner. It is nothing more nor less than the sacred right of labor."

That was by Mr. Justice Field, and in the same volume, 83 U. S., page 366, it was said by Mr. Justice Miller:

"For the preservation, exercise, and enjoyment of these rights the individual citizen as a necessity must be left free to adopt such calling, profession, or trade as may seem to him most conducive to that end. Without this right he can not be a free man. This right to choose one's calling is an essential part of that liberty which it is the object to protect; and a calling when chosen is a man's property and right. Liberty and property are not protected where these rights are arbitrarily assailed."

And in the case of the Butchers' Union *vs.* Crescent City, 111 U. S., 757, the court says:

"The common business and callings of life, the ordinary trades and pursuits which are innocuous in themselves, and have been followed in all communities from time immemorial, must therefore, be free in this country to all alike upon the same conditions. The right to pursue them without let or hindrance, except that which is applied to all

persons of the same age, sex, and condition, is a distinguishing privilege of citizens of the United States, and an essential element of that freedom which they claim as their birthright."

Now, so much for the general attitude, the attitude of the Supreme Court, toward the right of labor in general.

Now, in regard to organized labor. Has it been suggested by anyone that there is any decision of the Supreme Court that is antagonistic to that right? On the contrary, as I pointed out yesterday, in the first place, the Supreme Court of the United States has decided, in the case of Adair against the United States, 208 U. S., that it is beyond the power of Congress to interfere with rights of men to form unions in interstate trade. That power to regulate interstate trade did not embrace the right to say whether or not a man shall or shall not belong to a union. But they have gone further. Has it not been for years the contention of labor that it is in the power of the legislatures of the States and Congress to exempt labor unions from the operation of these laws which prohibit, as against the producer and seller and dealer in commodities. That contention of the Supreme Court is upheld in the case of Coppage *vs.* Kansas in the 236 U. S.

COMMISSIONER O'CONNELL: You mean an organization for profit or not for profit?

MR. DAVENPORT: No, sir; between the vendors for service and the vendor of the product of their service. That distinction is written into the law of this country, and in the institutions of this country, by the action of the Supreme Court only last winter. So much for that.

Unions and Boycotts

Now, in the next place, *no decision of the Supreme Court has been made in regard to the right to boycott that has not been made at the instance of the labor unions.* The first decision of any consequence in this country to the effect that a boycott was not only illegal but criminal and heinously criminal was made by the Supreme Court of the United States upon the demand and upon the request of the labor unions. That principle was written into the law, not upon the argument of any representative of any plutocrat, but upon the representation and arguments of the labor unions, and when any man, be he the former president of the American Bar Association or the Justice of the Supreme Court of North Carolina, comes here and tells you that the decisions of the Supreme Court as to the legality or illegality of boycotts by labor unions is an indication of any partiality on the part of the courts to the employers, he is utterly at sea and ignorant in regard to the history of the law.

COMMISSIONER O'CONNELL: Have you in mind the case you referred to where the labor asked the Supreme Court—

MR. DAVENPORT: The case of Callan *vs.* Wilson, 137 U. S.

COMMISSIONER O'CONNELL: What was the organization?

MR. DAVENPORT: The Knights of Labor and the musicians' union.

CHAIRMAN WALSH: You cited that yesterday?

MR. DAVENPORT: And it was done on the demand of Mr. Ralston, who represented those men, that such an offense as that was no petty

offense for which a man could be held without a jury, but a most heinous crime against society, to boycott, and the Supreme Court accepted his argument, and adopted his principle, and wrote it into the jurisprudence of the United States, not upon the demand of any employer, but upon the demand of the unions, just and proper. But whenever we hear it said that the rights of labor are invaded by the courts, either the Supreme Court or any inferior court, when they hold men there responsible either in damages or criminally, or enjoin them for boycotting, remember that was obtained by the unions, and for the protection of the unions against the action of the Government.

Well, now, that is the other case. Why, in my time there have been three noted cases in the Supreme Court of the United States bearing upon these matters; the first was the case in *re* Debs, 158 U. S., which followed along after, about 30 volumes later than the case to which I refer. The second is the great case of Loewe vs. Lawler, 208 U. S., and the case of Gompers *vs.* The United States.

Now, I want to call the attention of this commission to the fact that every principle laid down in the Debs case has been approved of and has been clamored for by the labor unions and by their action they have secured the enactment of legislation which has crystallized in the form of a statute every proposition laid down in that case.

Now, of course, we all know how that case originated. The United States Government went into a United States court of equity and secured an injunction against the American Railway Union, and other unions, against obstructing the commerce and the passage of the mails by these gentlemen. The injunction was granted, and Mr. Debs violated it, and Mr. Debs was brought up in court to show cause why he should not be punished for contempt, for violating the injunction which had been issued by Chief Justice Fuller. On the trial he made the claim that he was constitutionally entitled to a trial by jury, and that claim was overruled. He claimed further that injunction was void because it interfered with personal rights of the employes. He claimed, also, that it was—the acts, that they sought to enjoin, were criminal acts, and that an injunction for that purpose was prohibited for constitutional reasons. That case went to the Supreme Court, and the court held these things: First, that the injunction was properly issued; a familiar exercise of equity power. Second, that when charged with a violation of it Mr. Debs was not entitled constitutionally to trial by jury. The third was that the acts which he did, either they were crimes for which he was tried, and he was not entitled to a trial by jury. Every principle that is there established is written down literally in the Clayton bill, at the request and at the demand of the labor unions.

Can the Government Discriminate?

In view of the well-known friendly and sympathetic relations between the national administration and organized labor during war time, the following official utterances are of especial significance:

Order of Mr. McAdoo, Director General of Railroads: "No dis-

crimination will be made in the employment, retention, or conditions of employment, of employes because of membership or non-membership in labor organizations."

Provision in Awards of the Shipyard Labor Adjustment Board: "The Board will not tolerate any discrimination either on the part of employers or employes between union and non-union men."

Statement in Principles of the National War Labor Board: "In establishments where union and non-union men now work together and the employer meets only with employes or representatives engaged in such establishments, the continuance of such conditions shall not be deemed a grievance."

Ex-President Taft, in a public statement, explaining the above principle, said: "If the employer in an open shop insists on the so-called family arrangement by which he deals only with his employes or a committee elected from them, it shall be no grievance if he declines to deal with a delegate of the union not his employe. So, too, employment of non-union men in an open shop cannot be a grievance of union employes in that shop."

Open Shop Laws Opposed

The December, 1920, *Bulletin* of the Duluth, Minnesota Citizens' Alliance, decries attempts to establish the open shop by legislation. It declares:

A perfect industrial system, or even an approach to it, will never be established through the coercive power of law. That most desirable end, industrial peace and industrial prosperity, will come when the one of these two antagonistic systems has demonstrated, through actual test and experience, that it is superior to the other.

The enactment of a law will not alone insure its success; that depends upon a widespread recognition of its necessity among the people, and as the result of mature and long considered deliberation.

The proper solution of these important questions will never be arrived at through the remedies proposed by politicians and statesmen, but will be obtained as the result of a common consent, based upon actual experience, as worked out in the factory, shop, and in the general field of industry.

The advocates of the "open shop" policy believe that it is beneficent, and they believe that the "closed shop" policy is pernicious, but, unless we have mistaken the temper of those who support it, they will stand almost to a man in opposition to any attempt to force it upon the country by law.

One of the most vicious tendencies in our national life is the disposition to attempt to settle and finally dispose of all the ills from which humanity is suffering by legislation.

If the open shop is right in principle, it needs no law to bolster it up; it will demonstrate its own necessity, its own efficacy.

CHAPTER XXIII.

Typical Debaters' Arguments

Some Hints to Debaters

Do not resort to tricks or devices. If you have something to say it is not necessary. If you have nothing to talk about you are wasting your own and your hearers' time.

If you are unable to make your audience forget your voice, gesture, and personality while you are speaking you have failed as a speaker. Your audience should be aware only of the truth you utter. Your object is to instruct and convince. To do so it is not necessary to talk loudly. Artificial devices, studied gestures, etc., attract the attention of the audience, but not to the subject-matter of your discourse. The thought presented should monopolize the auditor's attention.

Your words should teach and instruct. To do so they must assert. Do not put in so many modifying expressions, such as "in my opinion," "I may be wrong," etc., that your audience doubts your real belief in the principles you uphold.

Few great speeches ever contain wit or humor. Even Lincoln, the greatest of modern story-tellers, never used humor in any of his half dozen greatest public utterances. The strength of your argument should hold the attention of your audience. When you are wearying your audience so that it is necessary to amuse them it is time to quit.

Do not waste time. Get to the point. Your time will probably be limited; make the most of it. Short sentences and Anglo-Saxon words are best. Hammer home by repetition the vital truths you seek to present. If you are proved in error on any point be quick to admit it.

Speak directly to the audience. See to it especially that the judges can hear you. The temptation to turn to your opponents when answering their arguments is great. The writer of these lines once lost a debate because he did this and the judges could not clearly hear all he said.

Analyze the problem and prepare an outline before you commence to read extensively. As your knowledge of the problem expands it may be necessary to revise your outline.

Know the arguments of the opposition; try to have an answer prepared in advance for every argument of theirs of which you can think. Do not waste time talking about points the truth of which has been admitted by your opponents. In every speech try to answer at least one of their points.

It is not necessary to answer in order your opponent's arguments. If you do so you may find that time is called on you when several, perhaps the most important, have not been touched. Answer only those points which are important.

Place your reliance upon facts. Do not "denounce," play to the audience, or try to make sentences which sound well but when analyzed mean nothing. Your conflict is with principles, not with personalities.

Do not fail to point out important arguments you have made which

the opposition has not attempted to answer or has unsuccessfully attempted to meet.

Every speech should have a strong close. This can in most cases be prepared in advance.

Do not have your least experienced and effective speaker give the first speech. The proposition needs to be clearly presented, and the first speaker can do much to obtain a favorable hearing for his colleagues. He should not try to cover the entire field of the argument but should prepare the way for his colleagues. He should define, eliminate irrelevant material, concede what is immaterial to his side of the case, and clearly state the real issues involved. He can usually begin the discussion.

Prepare a brief and divide the topics to be discussed; let each speaker hold to the topics allotted to him, making his own arguments effective. Every speaker should refer to what his colleagues have already said and show how his own argument strengthens an already strong case. Do not try to cover all the possible points; cover the fundamental ones well.

When time is called quit.

(Extracts from speeches in favor of the Open Shop, delivered by representatives of Northwestern University, in an intercollegiate debate with Chicago University. The full speeches of both sides are printed in Volume I, of "Intercollegiate Debates," published by Hinds, Noble and Eldredge. Reprinted by permission; the publishers do not wish to be considered as endorsing in any way either the closed or open shop.)

The affirmative speaker has told you that every man outside of the union is an injury to every man within the union. This is the plea upon which all trade unions base their demand for the "closed shop." But their contention is far from being true. The acts of the trade union itself repudiate this assertion. The very fact that all trade unions exclude many men from their ranks, is ample proof of the fact that they do not, and need not fear the honest competition of the non-union man.

But even if this competition were dangerous we would place beside the assertions of the affirmative that famous and eloquent passage in the report of the Anthracite Coal Strike Commission: "However irritating it may be to see men enjoy benefits, to the obtaining of which they refuse to contribute, the fact remains that every man has the right to dispose of his personal service as he sees fit."

Not only is the closed shop to be justified for organized labor as a whole, but we must consider its effect upon all parties affected by the agreement. We must take a broader view of the question than has been taken by the gentlemen of the affirmative. We must consider the effects of the "closed shop" upon the non-union man, whom it excludes; upon the employer whom it antagonizes; upon the public which it would have the power to exploit; and upon those fundamental rights, which are the basis of American government, and which the "closed shop" seems to repudiate.

We mean to show that this "closed shop" is dangerous; that violence is the only method of attaining it; that it is an economic disadvantage; that it violates the rights of the employer and the individual workman; and that

it destroys the freedom of contract. This means a sultanic power which under present labor conditions, naturally is, and would be, greatly abused.

We admit that labor organizations have helped to remedy many industrial wrongs; but nevertheless, they contain inherent evils and manifest many dangerous tendencies. These tendencies are matters of common knowledge. It is generally conceded that labor organizations crowd down the best man to the level of the poorest; that by unduly limiting the number of apprentices, they keep many men from learning a trade; that they have changed peaceful picketing and moral persuasion into intimidation; that they resort to violence and even murder to carry out their designs and pay the fines of members found guilty of criminal assault; and that they place the demands of the union above those of the state, society and religion. Certainly an organization with so many inherent evils cannot, with propriety, claim the right to rule industry. For there is absolutely no assurance that an organization guilty of the abuse of great power, will not be guilty of far greater abuses, if entrusted with supreme power. For when an employer agrees to hire only members of a trade union he gives his consent, in effect, to every evil in the makeup of that union. This means a continuation and an aggravation of these evils; for it destroys the possibility of their elimination by an enlightened public opinion. Such an experiment is dangerous, and hence the "closed shop" is unjustifiable.

The same restriction is true with regard to the industries of this country. The United Garment Workers have so restricted the output of the St. Louis clothing houses that two of the largest firms have been compelled to go out of business. And this statement is made upon the authority of the official organ of the union itself. This indefensible curtailment of production, which by all laws of logic and precedent, must be greatly aggravated by the "closed shop," is at once disastrous to the employer; demoralizing to the workman himself; and destructive of American commercial supremacy.

The last speaker asserted that unions do not restrict output. I hold in my hand a letter from the Kellogg Company, dated yesterday, that states that they have increased their output under "open shop" conditions from forty to fifty per cent, that their men are better satisfied because they receive more wages. To prove to you that the Plumbers restrict output, I cite you the case of a master plumber of Chicago, Mr. Frewin, who by special effort did seven days' work in five hours. To-day in England a mason lays only 400 bricks, whereas he formerly laid 1,000. What do you call that but restriction? When British printing must be done in Holland, what do you call that but restriction? The gentleman says that unions in England do not restrict output. Carroll D. Wright says, "I will shortly publish statistics that will show conclusively that unions in England restrict output." The gentleman has told you that the railway unions are "closed shop" institutions, and yet, he admits that only 95 per cent of railway men are in the unions; these are not "closed shop" institutions.

Now, we are not arguing trade-unionism. Each individual demand of the trade union must be judged on its own merits, and this demand for the "closed shop" we maintain is not justifiable. The gentleman has cited

cases to show you the success of the "union shop." Success in what particular? For the men in the union? What about the mass of our population that the "union shop" does not help—the employer, the non-unionist, and the public at large? He has told you that there are only a few strong unions that refuse applications. Says their national President in Chicago, "The Plumbers in Seattle and Pittsburgh have an initiation fee of $50 for the very purpose of keeping men out of the union."

They have said that there is no violence of sufficient import to condemn trade unions, and yet we submit that the teamsters of Chicago, who have a "closed shop" organization of the kind and character which the gentlemen defend, have stopped the ice wagon on the warmest day in July and the coal wagon on the coldest day of January; they have stopped the milk wagon when infant mortality was rising and the hearse on the way to the grave. It needs little logic to show that an institution which makes possible such public outrages should be given absolutely no chance to establish itself.

There is a simple way by which the union can obtain all the power it needs, and at the same time avoid all the evils of which I have spoken—evils which are inseparably connected with the system proposed by the affirmative. Let them eliminate their unreasonable and violent leaders, and put in their places men who can see both sides of the labor problem. Let them eradicate their violent methods and enforce their demands with a decent regard to the rights of others. Let them discontinue their infamous policy of restriction of output, and give their employer an honest day's work for an honest day's pay. Let them no longer seek to wrest from the employer the rightful control of his business. Then the labor union will be an unmixed good. Then all men will be glad to treat with its chosen representatives. Then, and then only, has the labor union the right to demand the control of the labor situation. But that control will be theirs by preference of both employer and employe, and not by force of contracts wrung from their employer at the sacrifice of the constitutional rights of both himself and the non-union man.

College Speeches in Favor of Open Shop

(Extracts from speeches in favor of the Open Shop, delivered by representatives of Illinois Wesleyan University in an intercollegiate debate with Northwestern College. The full speeches of both sides are printed in Volume III of "Intercollegiate Debates." Reprinted by permission of the publishers, Hinds, Hayden and Eldredge, who do not wish to be considered as endorsing in any way either the closed or open shop.)

My second contention is that such a monopoly would be dangerous to the economic welfare of the country. The paramount evidence in support of this point is to be found in the restriction of output, which has followed in the trail of the closed shop. In the City of New York, where the closed shop has reached a high state of perfection, the by-laws of the Lathers' Union specify a day's work not to exceed 1,600 laths, less than half as much as the same men did before the closed shop policy became effective.

The Plasterers' Union limited its members to performing less than two-thirds the amount of work that a normal employe could do in an eight-hour day. Union men confess that they are often able to complete their required day's work in four hours. The by-laws of the Brotherhood of Carpenters contain provisions for the punishment by fine or even by expulsion of the members found guilty of doing more than the prescribed work for an eight-hour day. The marble and tile setters of New York, working under highly perfected closed shop conditions, have limited the output of a member of that association to less than one-third of that of a Chicago tile setter and to less than half of that which should be expected. The Stone-cutters' Association and the Stone Traders of New York have entered into an agreement by which it is impossible for stone dealers who are not members of the Stone Traders' Association to either secure stone or labor of any kind. Similar agreements exist between the Plumbers' Union and the Employers' Association; the members of the union work only for the Employers' Association and *vice versa*. This is conclusive evidence both of restriction of output and of unjust discrimination in favor of both the union and the association.

In conclusion, Honorable Judges, let me say I have shown that the closed shop places in the hands of unionists monopoly control over all labor and consequently over all industry. I have further shown that such a monopoly is dangerous and destructive to the economic welfare of the country, because of the general violence and lawlessness of methods connected with strikes, because of restriction of output, and because of the limitation of membership. In the face of these facts I ask that you deny that the movement of organized labor for the closed shop should receive the support of the American people.

Now, Honorable Judges, it falls to my lot to advance the negative argument by showing, first that with the spread of closed shop movement, the life of unionism depends more and more upon limitation of membership; secondly, that such a restriction of membership, when membership is the condition of working in an industry as it would be under the closed shop, would be the exploitation of the men excluded by unionism; and, thirdly, that such an exploitation of one class by another is absolutely contradictory to American ideals.

Honorable Judges, I have established the contention that owing to the large excess of workmen over jobs, closed shop unionism must mean closed unionism. For if the unions should try to embrace all the workers in the organized industries, internal competition for the spoils of employment would rend unionism asunder, having by its own policy coerced into membership that very element which is most dangerous to its life. Therefore, since it will restrict its membership to correspond to the number of jobs at its disposal, it will dislodge over one million American workmen from their chosen occupations, and compel them to secure what work they can in the non-unionized fields. This will only sharpen the competition in these already crowded realms, and in all the struggle, the low-lived foreign labor will have the greatest advantage. Consequently, under the closed shop, without restriction of membership unionism will perish, and with restriction of membership unionism will not only secure, as my

colleague has shown you, a labor monopoly which is dangerous to the economic welfare of the nation, but it will also subject the excluded non-unionist, together with all the rest of the laborers of the country outside the union, to most indefensible wrongs. In the face of these facts we maintain that such a movement is undeserving of the support of the American people, and we ask you to defeat the resolution.

We come now to consider the effect of the closed shop upon all the parties involved in such an agreement. We must not only consider its effect upon the non-union man whom, as shown by my colleague, it excludes, but we must also consider its effect upon the employer, whom it binds hand and foot by the fetters of its dominion, upon the public, which it would have the power to exploit, and upon which it would have those basal principles of the American Government which such a proposition repudiates.

Ere this it must have become obvious to you that the case of the non-unionist is a prime consideration of this entire discussion. As stated before, my colleague has shown you that unions must necessarily limit their membership under pain of self-destruction, and that such a restriction of membership would be the exploitation of the men excluded. This, in itself, is enough to prove the undesirability of the closed shop. But let us go further.

In the words of Carroll D. Wright, "A labor union is a voluntary organization and is, therefore, like all other organizations, subordinate to the laws of the land; it cannot enter upon legislation in the establishment of rules that are inimical to the laws that apply to everyone else. Yet, the union, in its endeavor to secure its own ends, sets itself up as a distinct governing agency, assuming to control those who do not join it, and to deny to them the personal liberties which the members claim for themselves and which the constitution guarantees to all." From this policy it is self-evident that corecion is the only means beside the attraction of desirability by which the union can hope to enlist the non-union man. But the policy of coercion is against the law. According to the Supreme Court reports of the State of Vermont, Vol. 59, page 273, in the case of the State vs. Stewart: "Every man has the right to employ his talents, industry and capital as he pleases, free from the dictation of others; and if two or more persons combine to coerce his choice in this behalf it is criminal conspiracy.

Furthermore, any discrimination against the non-union man is illegal. Judge Vaughn, of the New York Supreme Court, cites seventeen Federal cases showing that to create or maintain a monopoly of labor is expressly prohibited by statute, and an injunction is authorized to prevent it. John R. Commons, in his volume on "Trade Unionism and Labor Problems," page 194, cites thirteen specific cases showing that the union cannot use the force of its members to crush the non-union man. Thus the union under the closed shop either condemns itself under the law by the exclusion of the non-unionist, or it must resort to corecion, which is also illegal. Regarding this, let me again quote from Carroll D. Wright, who says: "A labor movement, or other movement, whose purpose can be accomplished only by violation of the law, has no right to exist." Thus in

either case, Honorable Judges, you are asked to support a movement which is resort to illegal methods, having, therefore, no right to exist.

But under the closed shop the employer must also discriminate against the non-union man. In regard to this we find that it is just as illegal for the employer to discriminate against the non-union man as it is for the union to discriminate against him. The New York Supreme Court, the Superior Court of Massachusetts, the Circuit Court of Wisconsin and the appellate division of the Supreme Court of New York all declare that a closed shop contract is contrary to the criminal law of the state and is, therefore, void. Therefore, any discrimination against the non-unionist, either by the union or by the employer, a condition which is inherent in the closed shop, is illegal and outrages those rights which the Constitution insures to all. In the face of these facts we ask the gentlemen from Iowa what they propose to do with the non-union man.

But the right of any individual, the employer or laborer, dwindles into insignificance compared with the dangers resulting to society from selfishness of six or seven organized men who set their rights above the rights of all other parties. It matters not how this selfishness manifests itself, whether in the disregard of the law or in the exploitation of the non-unionist; they are but manifestations of the underlying spirit of the closed shop movement. In passing now to the consideration of the public, we find that thus far the movement for the closed shop has been characterized by an absolute refusal to safeguard public welfare. In January, 1902, the coal dealers and the teamsters in the city of Chicago entered into an agreement which provided that none but members of the union should be employed, and that the teamsters should work for none but members of the association. With this understanding, the agent of the teamsters stopped the delivery of coal to the great firm of Marshall Field & Co., that winter, until that firm signed a two years' contract with the union to use coal gas instead of natural gas during the summer. By virtue of a similar agreement the treasury of the Stonecutters' Union received a bonus of 10 per cent on all contracts entered into by the stone trades association. As a final instance of this kind of public injustice I call your attention to the fact that last June, in the city of Chicago, the Milk Dealers' Association and the Milk Wagon Drivers' Union perfected a closed agreement. They decided that one delivery of milk per day was sufficient for the people of Chicago. On June 5th, Dr. Arthur R. Reynolds, Commissioner of Health, wrote a letter to the Milk Dealers' Association, the Milk Shippers' Union and the Milk Wagon Drivers' Union, the three organizations which absolutely control the milk business of Chicago, protesting that a single delivery of milk in the poorer districts of the city threatened an increased mortality among little children. No attention was paid to this, and I quote from the weekly bulletin of the Chicago Board of Health a month later, which reported: "In the last week of June the deaths among infants and young children were 123; this week 172 deaths were reported, showing an increase of 40 per cent. "Ladies and gentlemen, these are specific instances of how the closed shop, with the monopoly power, affects the welfare of the American people. There are examples of the conditions to which you are subject yourselves in supporting the proposition presented here this evening. And we ask

you, under the stress of self-protection, that you give to the movement of organized labor for the closed shop your complete condemnation.

Here is the complete cycle of closed shop injustice. We have shown that such a policy means monopoly control. We have shown that such a policy of power is unjustifiable from every standpoint of human liberty, for its restriction is unfair to the great mass of non-union workers, and its monopoly not only impairs the welfare of the employer and the helpless consumer, a welfare linked inseparably with that of labor, but endangers the very lives of the American people. The vital indictment of the closed shop, therefore is its despotic and selfish monopoly which destroys the rights of the employer, the non-unionist, and jeopardizes the prosperity and even the life of the American public. Against such a policy we plead.

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