

Future Assignments

EDITOR'S NOTE.—*The 13 essay-letters that follow are a strong stroke of good luck for the Monthly Labor Review and its readers. Their authors are distinguished authorities and practitioners, and each has developed a subject of his choice, brightly and succinctly, for this issue. Fortunately, they disagree among themselves. Readers are invited to take sides.*

On Change and Values

For 50 years the *Monthly Labor Review* has provided all of us who are interested in labor matters with essential information needed for the appraisal of trends and the formulation of policies. Its reputation for accuracy and for objectivity has been so long and so firmly established as to constitute an implicit hallmark.

On any 50th anniversary, one quite naturally thinks about the changes that have occurred between then and now. On this anniversary, the changes in ideas and values loom large.

A significant point of reference is the technological revolution and the concomitant unemployment problems which were of concern in the 1920's. Many a conference was then held about these subjects and many a survey was made on how to adjust to technological change. One of the most prestigious reports, "Recent Economic Changes," was published in 1929 as an aftermath of the President's Conference on Unemployment. Its pages reflect the accepted thinking of that day and age.

A prominent contributor to the volume observed that "whereas workers can be easily added or subtracted . . . machinery can be less easily adjusted. Once purchased, it remains and must be used. As a result, the addition of machinery is a step to be taken with great deliberation." And, later, "As long as the chief expense is labor cost, the manufacturer by means of discharging employees, can reduce costs as his receipts are reduced." Another author noted "that a growing number of businessmen care a great deal for something more than they can get out of business for themselves. To the organization itself, and to its investors, there is a decided sense of responsibility. Toward cus-

tomers, also, there is such a sense; at least, caveat emptor as an alibi is dead. Toward employees, there is less feeling of responsibility; yet there is some."

By the 1960's, a great public concern had once again arisen over the benefits and problems incident to automation and other technological advances. President Kennedy requested his Advisory Committee on Labor-Management Policy—a tripartite group—to consider these matters. The Committee submitted its report on "Automation" to the President on January 11, 1962. There was unanimous agreement on these fundamental points:

1. Automation and technological progress are essential to the general welfare, the economic strength, and the defense of the Nation.
2. This progress can and must be achieved without the sacrifice of human values.
3. Achievement of technological progress without sacrifice of human values requires a combination of private and governmental action, consonant with the principles of a free society.

One cannot assert that these goals of the 1960's have been fully achieved. There can be no doubt, however, about the widespread acceptance of the goals and the determination to achieve them.

Many changes have occurred over the past 50 years. Among the most significant and important are the changes in values which are perceived as essential to the building of an ever greater Nation.

GEORGE W. TAYLOR

(Dr. Taylor is Harnwell Professor of Industry at the Wharton School of Finance and Commerce, University of Pennsylvania, and a well-known arbitrator.)

Change Is the Taskmaster

Industrial America has come of age in the past 50 years, a half century which witnessed the development of a highly complex and interdependent economy, the decline of agriculture as an important source of employment, and the conversion of the country into a nation of employees.

The *Monthly Labor Review* during these 50 years mirrored the dramatic changes in the labor scene. Without the *Review*, the student and scholar, the industrial relations practitioner and arbitrator, the manager and union official, the legislator and Congressman would not have had the ready access to the changing problems which the *Review* provided. That it has been able to do so, and with a degree of objectivity which has won for it the well-merited respect and esteem of both management and labor, is a tribute to the Department of Labor and to the editors of the *Review*, who have throughout the period recognized that this publication has become the indispensable source of accurate information and analysis about developments in labor economics. This is an appropriate time to congratulate the Department and the editors for this significant contribution.

It would be bold indeed to project the issue or issues which lie ahead during the next 50 years. It is not inappropriate, however, to name one issue which will perhaps provide the most serious challenge of all. Organized labor and management, individual wage earners at all levels of the occupational hierarchy, must be prepared to a greater degree than at any time to accommodate themselves to change. Its character is pervasive. It faces us on every front. We are growing and that means changing at a rate and tempo which is perhaps unprecedented. The research revolution, technological developments, the computer, automation—these bring vicissitudes which suggest more clearly than anything that our age was not built for stability. Robert Oppenheimer writes that one thing that is new is the prevalence of newness, the changing scale and scope of change itself. Thousands of businesses are going to rise and fall on the ability of managers and employees to respond to change. Obsolescence of skills and occupations, products and materials, regional economies and jobs—these will continue and we can look for more and more of such developments.

The adjustments will not be easy. The roots of present union structure and policies are deep, and accommodation to change will, therefore, be more difficult. Yet much accommodation is necessary if we are to avoid an attitude of resistance which would slow down change and growth. Government policy and collective bargaining processes will, in my view, necessarily seek methods of accommodation and experiment designed to ease the human consequences of change and its inevitable dislocation.

WILLIAM HABER

(Dr. Haber is Dean of the College of Literature, Science, and the Arts, University of Michigan, and a past president of the Industrial Relations Research Association.)

The Unfinished Task

"It is hoped that through the *Monthly Review* the Bureau of Labor Statistics can come in closer touch with current labor activities and by means of this publication give wider publicity and deeper significance to such activities." These words are from the Introductory of the first number of this journal which appeared 50 years ago. An understanding of the deeper significance of labor activities is as urgent today as in 1915, and is likely to remain a critical objective in the next 50 years.

There is a general lack of appreciation of the role of labor organizations and collective bargaining in the American community. The popular view is that unions exist to mitigate abuse by managements and to compel wage gains. While such a caricature has some historical basis, it is dangerous to American democracy to have the deeper significance of one of its basic institutions so little understood. It is analogous to dismissing American business by saying its function is to make money rather than to perceive its role in technological and market change, raising living standards, education of a work force, and community leadership.

Three fundamental areas of activity of our labor organizations need to be appreciated: the workplace, the industry, and the community.

a. Every modern workplace with a number of employees develops rules relating to compensation

and the relative pay ranking of jobs; an internal labor market which governs entrance and exit to the workplace as well as movement among jobs by transfers or promotions; and a machinery for the adjustment of complaints and grievances. These workplace activities are less concerned with issues of labor against management than with the complex adjustment of the competing interests among different groups of workers and layers of a managerial organization. The interests of day-workers and pieceworkers, long service workers and new employees, or the skilled and the unskilled are not identical; efficiency requires that a priority of interests must be established by reasonable consent. The quest for security and the necessity for change must be accommodated. The potentials of personal development and organizational gain have to be reconciled. The American industrial relations system has the most highly developed workplace relations, but they have been obscured from public understanding.

b. Collective bargaining fulfills the purpose of standardizing the price of labor services in an industry, on a local, regional, or national basis, depending on the nature of competition in the product market. But it is also concerned with formal training of skilled labor, the hours of work, methods of wage payment, health and welfare and pension arrangements, and the choices in an industry between income and employment. These decisions involve some very complex choices.

c. Labor organizations are coming to play a more decisive role in the community—metropolitan, regional, or national. While more parochial lobbying continues to have a major place in the clash of interest groups, the role of unions in community funds, school committees, and local development programs is growing. In the national community, Secretary of Labor Wirtz has properly called attention to the fact that the Trade Expansion Act, manpower training and education, civil rights, and medical care have had priority in recent union legislative programs. "Labor's program, once, was 'more' for labor; it is now 'more' for people."

Labor organizations and collective bargaining have not only helped to shape the American community, but they have themselves in turn been changing under new expectations and conditions. To provide an understanding of the deeper sig-

nificance of labor activities is an unfinished task and a challenge, as in 1915, for the *Review*.

JOHN T. DUNLOP

(Dr. Dunlop is Professor of Economics, Harvard University, and a mediator and arbitrator who has served on many public boards and commissions.)

The Constancy of Problems

One reason the observance of a 50th birthday is a happier occasion for an illustrious institution like the *Monthly Labor Review* than for a biped is that, in the former case, felicitations on survival can be complemented with anticipation of a comfortingly indefinite future. And if the past and present afford any clue to the quality of that future, readers of the *Review* may look forward to an invaluable source of official information, to a passion for felicitous experimentation and development, and, above all, to an editorial sense finely attuned to selecting and reporting developments of future significance as well as current importance.

The last point, needless to say, hardly implies that a reader of this issue will be able to forecast the table of contents for July 2015, but it is not unsafe to defend the proposition that the faithful subscriber with a taste for turning to bound volumes of past numbers would not be as shocked or titillated as the consumer of more transient literature by certain large current developments. Consider, for example, the following quotation:

In the long run, new types of industries have always absorbed the workers displaced by machinery, but of late, we have been developing new machinery at a faster rate than we have been developing new industries.

. . . There seems to be no limit to our national efficiency. At the same time we must ask ourselves, is automatic machinery, driven by limitless power, going to leave on our hands a state of chronic and increasing unemployment? Is the machine that turns out wealth also to create poverty? Is it giving us a permanent jobless class? Is prosperity going to double back on itself and bring us social distress?

The contemporary reader would not be surprised to learn that the above is an excerpt from a speech made by the Secretary of Labor. The Secretary in question, however, was Puddler Jim Davis, and his words appeared in the July 1927 issue.

While it might be reassuring to reflect that technical change, like sex, is not a discovery of our generation, another *plus ça change* theme, while modified, is dreary and even ominous. A report on "The Negro Migrant in Pittsburgh" in the February 1918 issue noted that

Most of the Negroes gave as their reason for emigrating the fact that higher wages and economic opportunity had attracted them, while many thought they would be better treated than at home. Failure, however, on the part of the city to provide decent homes in order to retain labor appears to be influencing the Negroes to move elsewhere. . . .

. . . Considerable prejudice against Negro workers was found to exist among white workers. . . . No effective effort seems to have been made to organize these unskilled laborers. They are admitted to membership into unions and readily become good unionists, but the sentiment seems to be against their becoming members. . . .

A different 1918 issue contained an article entitled "Adjusting Wages to the Cost of Living," which maintained that "as long as our dollar is so unstable in its purchasing power the various attempts to compensate for its aberrations are worthy of careful consideration looking toward a general adoption of the principle involved." This argument was contributed not by Samuel Gompers but by Irving Fisher. It was based, however, on the assumption that it would facilitate downward as well as upward wage flexibility (which is doubtless why today's Yale economists are not pressing reprises on today's editor).

All of which suggests that one need not possess a chart for the future to entertain a reasonable expectation that the *Monthly Labor Review* will have many happy returns.

LLOYD ULMAN

(Dr. Ulman is Director of the Institute of Industrial Relations, University of California, Berkeley.)

Relevance Is the Test

May I join the many admirers of the *Monthly Labor Review* in extending best wishes to its able and devoted staff in this, the 50th Anniversary Issue? Over the years the *Review* has earned high marks for accuracy and impartiality in threading its way through thickets of complexity and controversy. It truly deals in the "news behind the news," for it deals inescapably with the

great convulsing forces of the American economy in the 20th century.

All this doesn't just happen; a dependable superior publication reflects a strong tradition and a staff with the highest standards of professional integrity.

Even for institutions—and the *Review* is surely such—anniversaries are awkward occasions. Awkward because a measure of introspection—always painful—is required. Survival alone is worth celebration, because neither Washington nor the country at large has looked kindly on Government publications, especially ones that necessarily deal with the stuff of controversy. Agencies, new and old, spawn new professional journals; these push up through the hard soil, have their brief moment in the sun, and then disappear. The *Review*, in short, has strong survival power. It is as leathery as an old boot, and as comfortable for those of us who read it regularly.

And yet—survival is not enough. Thoughtful institutions, like thoughtful men, ask more of themselves. They must ask whether they have *relevance*, whether they share in the "life and passion of the times," and whether they are equal to the times. The temptation of drift, to relax with comforting routines, is writ deep in the very grain of things—and no institution is safe from such comforts.

The familiar rhetoric of the labor market may betray us; the "conventional wisdom" may be found in the halls of the Department of Labor as well as in the Rotary Clubs on Main Street. New and accelerating forces with the strength of giants twist and wrench the American economy and its social structure as well. "Automation," the "new leisure," "pockets of poverty," the "unemployables," "community action," "economic development"—these are a few of the shorthand phrases that masquerade the new forces. But it is illumination, not masquerade, that is needed.

In the years ahead, may the *Review* be blessed (as in the past) with critics as well as admirers, and may it contribute (as in the past) to a world bounded not by our fears but by our hopes.

HAROLD ENARSON

(Dr. Enarson is Academic Vice President, University of New Mexico, and was Executive Secretary to the 1949 Steel Industry Board.)

Look to the Future

At its half-century mark, the *Monthly Labor Review* richly deserves the goodwill it enjoys.

The business community is, of course, deeply interested in the *Review*, for business itself supplies practically all of the statistical data, mostly on a voluntary basis. And the business community strongly endorses the high standards of excellence of the *Review* in reporting data and presenting other information.

The current concentration on Bureau of Labor Statistics facts in collective bargaining in the steel industry reflects the substantial progress we have made. Neither management nor labor has taken serious exception to the BLS facts used in the Council of Economic Advisors' recent report on the steel industry. This is a heartening contrast with the past, when each of the parties had its own set of "facts" or relied on no facts at all.

Underlying this use of facts is confidence in the integrity and competence of the Bureau of Labor Statistics staff and the editors of the *Review*. This confidence would not exist without the philosophy of the Secretary of Labor and his predecessors, as well as other government officials at all levels, that we must have scrupulous honesty and impartiality in developing and handling basic economic data.

The *Review* will grow in importance as a recorder and interpreter of the strong, swift currents of change ahead of us. It will continually cope with new problems, some already foreseeable. Just a few examples are: international comparisons of labor costs and working conditions; the occupational implications and cost of the trend towards more "earned leisure" in lieu of wage-rate increases; the measurement of productivity among service industries and government, as well as the use of inputs other than labor in measuring productivity; the development of swifter mobility among existing or prospective workers affected by technological and economic change; the impact of the computer not only on employment patterns but also on the *Review* itself through new methods of collecting, compiling, reporting, and printing information.

I hope the *Review* will help to translate the masses of figures into what they mean for individuals. It can bridge the gap between the Olym-

pian heights of cold statistics and the mundane hopes and aspirations of the ordinary citizen.

As the pace of change accelerates, the lag in developing sound statistical programs will become more frustrating. We will need not only greater ability to forecast the nature of the changes ahead but also greater willingness to experiment with programs sufficiently ahead of the time when the data are to be used. For the resolution of pressing social and economic problems will not always wait for complete and reliable data.

Whatever the changes in the scope of its activities or the adjustment to events in the next 50 years, the strong traditions now built into the *Review* assure its enduring service to the Nation. For this, all segments of the community can truly be thankful.

JOHN POST

(Mr. Post is Special Assistant on Human Relations to the Chairman of the Board, Continental Oil Co., and a member of the Business Advisory Council of the Bureau of Labor Statistics.)

Fifty Years On

Half a century onward has done wonders in improving the format and readability of the *Monthly Labor Review*. But time has hardly tampered with the *MLR's* task of providing the central and authoritative record of labor in our economy. The durability of that record is demonstrated by its continued use. Thus a recent fundamental study by Salter on the conditions of technical advance gives forthright credit to articles by Stern and others in the *MLR* of the 1920's; Ross's analysis of the structure of labor relations uses quit-rate data published before World War I; and this year's most recent study on how "learning by doing" advances our national productivity utilizes studies by Searle in the 1946 *MLR*. The past of the BLS as recorded in the *MLR* proves remarkably contemporary when it comes to policy analyses.

What of the future? The answer most probably turns on the future role of the Bureau of Labor Statistics itself. One venturesome guess would forecast a revolution—but a palace revolution. When the first Commissioner of Labor was appointed, his bailiwick was Labor and its Lot. But time has changed the role of labor in our economy.

Our oldest political leader does not remember the Homestead or Pullman strikes. Our youngest Senator was just entering grade school when the Memorial Day Massacre took place. And those who will enter the labor force quite soon were born years after Sewell Avery, F.D.R., and Phil Murray were buried. For better (mostly) and for worse (in part) the "labor problem" has disappeared. Instead tomorrow's citizen and official will have to deal with labor policy as an integral part of general economic policy.

Such a shift will surely stimulate a much closer integration of our statistics on labor with those on the general economy. Consider the administrator or Congressman who wants to evaluate the wage guide lines, an incomes policy, or to understand the impact of private market decisions on aggregate prices and wages. He must now deal with price data secured from one set of firms and wage data from quite another. He must then relate these to payroll data from still another set of reports, and profits data from still another. To achieve the consistency demanded for policy purposes will involve a variety of steps. Some are fairly simple (e.g., to collect payroll data from the existing Federal survey that gives us sales, profits, and expense data for manufacturing corporations) while others are far more complex. But if the goal of the statistician is to serve the policy maker, the steps will be taken.

A second area requiring greater comparability is that of productivity measures. We may expect to replace the present melange of output data (from one set of companies), two sets of employment data (consistent neither with each other nor with output data), and capital input data (from still other sources) by a growing degree of consistency.

A third area of advance is surely that for the income, saving, and expenditure patterns of American families. Our widely used national accounts include data on consumer expenditures that have little connection with our data on consumer anticipations. But anyone who tries to anticipate expenditures must answer the question: how much change from the past? Surely, too, the extent to which wage earners use part of their wage increases for saving rather than spending is a critical factor if we seek to assess proposed tax or fiscal policy. But at present, our basic data on wages have no particular connection with our saving

statistics, and neither set does with our basic sources on consumer spending. The working consistency between the various sources achieved by shrewd analysts was perhaps tolerable in the days when we defined an ideal economy as anarchy plus a constable. But in today's world, when so much more is demanded of Government, prudent action (and prudent inaction) will require a giant step forward by all agencies toward this improved consistency of data. The record to date suggests that the BLS will take a leading responsibility in this advance.

STANLEY LEBERGOTT

(Professor Lebergott is on the Economics Faculty of Wesleyan University and for a time was on the staff of the Federal Bureau of the Budget.)

On the Progress of Propriety

It is typical of the *Monthly Labor Review* to take this anniversary as an occasion for a bit of self-examination. Its present image is clear: a fact image. The *Review* is the place you turn to for factual material of wide variety, presented with painstaking attention to accuracy and detail. This observation goes beyond the useful tables of monthly data that accompany each issue and constitute a standard reference for professional workers. The articles themselves, or at least a major portion of them, present the results of fact-gathering efforts by the Bureau of Labor Statistics and other units of Government. Indeed, the image is so strong that even the academic worker thinks of the *Review* as an outlet for his work only when the work has a strong factual, as distinct from hypothetical or conjectural, base.

The result is that the index of material in the *Review* is the first place to look for factual statements about the vast array of experience cast up by events in the world of labor economics and industrial relations.

This, it seems to me, is a good image and a highly useful role. I would urge that the *Review* stick to its last, though perhaps reserving somewhat more of its space for the interpretive field than in the past. Even here, however, the orientation to a strong factual base should be a guide in selection of articles.

What can be said against this approach? Well, mainly that it leads to dull reading. This is undoubtedly the case to a certain degree, since it is often difficult to inject sex appeal into a description of the results of a survey; indeed, as the saying goes, these have already been broken down by age and sex! But even this kind of writing can be done in crisp and appealing style.

Facts are often dull, but they are most useful and important. Let's keep the *Monthly Labor Review* creative, and provocative, well written, attractive, and wedded to the factual image.

In this age of change and movement, it is refreshing and reassuring to know that the *Monthly Labor Review* remains constant and reliable.

I salute the *Review* on this anniversary.

GEORGE P. SHULTZ

(Dr. Shultz is Dean of the Graduate School of Business, University of Chicago, and a member of the National Manpower Policy Task Force.)

On the Propriety of Progress

This is a plea for a radical change in the editorial policy of Government journals, with special reference to the *Monthly Labor Review*.

The view is widespread that Government journals are, and ought to be, dull and plodding. It is felt to be inappropriate, or even indecent, for them to engage in lively discussions of current issues, and especially of controversial issues, such exercises being more properly left to publications operated for profit, and supported by advertising. Government journalism was born in the Victorian era, and the moral values apparently have carried over; plainness is not necessary to a lady's virtue, but it certainly helps. If, as inevitably happens, a Government publication touches upon dramatic issues, these ought to be so placed, and couched in such words, as to escape the notice of everyone except scholars.

There may have been a case for this policy (if it was a policy) when most decisions and the main sources of information were in private hands. No

case can be made for it now, when the Government reaches into every corner of our economic and social life and when a substantial and growing proportion of our research and writing talent is employed directly by Government. Every day it becomes increasingly desirable and necessary for the Government to expose to view those issues which it is peculiarly able to enlighten by virtue of the talents of its staff and its exclusive access to important sources of information.

This need is nowhere more conspicuous than in the field of industrial relations, where Government regulation requires labor and management to file vast amounts of information. The regular analysis and reporting of these data are of paramount importance.

Nor is it asking too much that such journals should also present the differing opinions which exist within Government concerning the interpretation of these data and their import for future legislation and administration. Strict adherence to the "official position" has long since ceased to serve any useful purpose in such fields as labor-management relations.

It has been argued that a certain aloofness from disputatious discussion helps the Government maintain a posture of dignity and objectivity. More practically, it avoids offense to private organizations with which (for legitimate reasons) the Government wishes to retain good relations.

Unfortunately, the price of such a policy is too high. Certainly, the editors of Government journals must maintain high standards of objectivity. Articles ought always to be supported by sound research, and should not go beyond the available data. But these are the standards of all sound research and publication; they are professional, not political. They ought to be the only restraints upon an editor, wherever he works.

GEORGE W. BROOKS

(Professor Brooks is on the faculty of the School of Industrial and Labor Relations, Cornell University, and a former member of the BLS Labor Advisory Council.)

Survival Formula

The occasion of 50 years of publication by the *Monthly Labor Review* deserves special attention. That a Government professional journal could have survived in the field of labor economics for such a period of time is indeed a credit to the staff of the *Review* and of others in the Department of Labor who have contributed the major share of the material over the years. Its objectivity has been so accepted that labor and management groups, in addition to academia and governmental agencies, accept its material with little controversy.

Although some critics of the style of writing appearing in the *Review* have "peppered away with expressions of horror, ridicule, exasperation, disdain, or even contempt," they have fortunately had a "null effect." Its users do not pick up the *Review* for casual, leisure reading, nor rely upon it for speedy news releases. While some of its users rely upon it as a source of statistics on employment, unemployment, wages, and prices, others rely upon it for studies of collective bargaining agreements and benefit plans as well as forecasts of significant changes affecting labor-management relations and labor economics. In my opinion, it is precisely because the *Review* has not confined itself narrowly to statistical studies that it has survived without atrophy.

If the *Review* remains primarily a vehicle for presentation of factual materials and objective analyses rather than for speculative exploration or for argument on policy questions, then it can look forward to continued publication with widespread support from groups with many divergent interests. Labor economics is not a static field. Practitioners can learn from those trained in what some believe to be less scientific disciplines. If the material to be published meets the standards of the *Review*, then it is undoubtedly worth bringing to the attention of those who have found this particular Government journal a source book of facts and educated opinion.

DONALD M. IRWIN

(Mr. Irwin is Manager, Personnel Research and Planning, Chrysler Corp., and a former staff member of the Bureau of Labor Statistics.)

Work Plan

A 50th anniversary is usually a time for congratulations and remembrances. In those first 50 years, the *Monthly Labor Review* has been a leading force for the adoption of workmen's compensation laws, industrial safety regulations, collective bargaining as national policy, and a host of other measures that helped to eliminate or mitigate the adverse impact of the rapid industrialization of America. Its more recent scholarly achievements have provided students with essential, basic information on the character of the American economy.

However, some of the older problems remain with us in various nooks and crannies of our society. And the world of 1965 poses new issues and problems for America's wage and salary earners that are as serious as those of 50 years ago. The new technological revolution, the rapid growth of our urban population, the great strides towards the capacity to produce abundance and the accompanying changes in employment, the location of industry, and the nature of work are mere indications of the issues that confront us.

The tools that the *Monthly Labor Review* now command are far more precise, refined, and sophisticated than those of its earlier days. In this jubilee year of remembrances and renewal, it is to be hoped that these refinements will be used for purposeful scholarship—to assist the America of the next 50 years to adjust to the newer and emerging forces of change.

NAT GOLDFINGER

(Mr. Goldfinger is Director, Department of Research, American Federation of Labor and Congress of Industrial Relations, and served as a member of the President's Committee on East-West Trade.)

The Limitations of Structure

One of the findings of Derek Price in his *Science Since Babylon* is that the number of learned journals, beginning with the *Transactions of the Royal Society* of London in 1665, has tended to increase by a factor of 10, every half century. The *Monthly Labor Review* was surely the first

"learned journal" in the field of industrial relations in the United States (I exempt, of course, the various trade union periodicals), and the number of other journals in the field has probably increased by a factor greater than 10 in the first half century of its existence. Without making any invidious comparisons, it remains preeminent among the journals in its utility to students of industrial relations and in its scope of coverage.

If, as is commonly expressed, there is an exponential growth, at least in the problems we confront in managing a society, it would be foolhardy to single out any one problem as being decisive in the next 50 years. Without, therefore, assigning any ordinal number to the issues, let me suggest that one of the crucial problems that the trade union movement now faces is an inadequate *structure* to cope with the kinds of problems it will be forced to confront in the next decades.

We take it as axiomatic that a strong, democratic trade union movement is a necessary component for a viable, free society. The trade union movement exists because it serves a strong need of workers in an enterprise: the need for collective representation on issues affecting the conditions of work, the need for an articulate voice on grievances, the need for an identification of the worker in some solidary fashion.

The structure of a movement is not a mechanical, organizational fact, but is a flexible, responsive instrument to serve various needs. One can say, in gross fashion, that the failure of such movements as the Knights of Labor or the IWW was due, in large measure, to the inadequacies of their structures. The strength of the AFL, and later the CIO, was that these organizations had fashioned a structure, adapted to the labor market, which allowed them to function in a meaningful way. The AFL in the 1920's was in the doldrums, and continued so in the early 1930's, because it was ill-adapted to the new kinds of industrial structures that had developed in the mass-production industries. Under the competitive pressure of the CIO it learned, and changed its ways.

I think it is quite evident that the organized labor movement today, strong as it may still be in particular sectors, faces an increasing crisis because of its inability to solve the adaptive problems which are arising out of the many-faceted

changes in the nature of the labor force and the changing patterns of work in the United States. While paying lipservice to the problem, the AFL-CIO has failed to come up with any creative answers to its dilemmas. This failure wreaks a cost not only for the labor movement itself, but for the society as a whole.

DANIEL BELL

(Daniel Bell is Professor of Sociology, Columbia University, and a former Associate Editor of *Fortune*.)

The Limits of Arbitration

In the beginning (Biblically speaking) was the *Monthly Labor Review*. We have abundant reason to be thankful that it is still here; and my hope is that it will still be here in its 100th year. I am old enough to appreciate the fact that generations of students of labor problems and industrial relations have been educated and informed by the *Review*. It is the progenitor of the host of splendid publications issued by union, management, or academic groups which now cover the field which the *Review* illuminated with distinction before they were spawned.

This leads me to reflections on my own profession.

That glittering diadem on the brow of a society dedicated to voluntarism is Arbitration of Labor-Management Disputes. It is doubtful that our institutions could have accommodated themselves to deal successfully with the myriads of rights and duties which arose, suddenly, as a result of the tens of thousands of collective labor agreements negotiated since the 1930's. In 25 years, grievance arbitration, once regarded with deep distrust, has been embraced by our industrial society as indispensable to smooth operation of our national plants and the just disposition of disputes involving the terms of labor agreements.

In a series of cases starting with the first *Trilogy*, the Supreme Court has emphasized the extraordinary success and acceptability of arbitration. As a full-time professional arbitrator, naturally, it gives me joy and satisfaction to find the highest Court (and Congress as well) according such generous confidence to the process. Some recent decisions of the Court, however, arouse ap-

prehensions. I detect, I think, a disposition to regard arbitration as the solvent for all industrial difficulties in a complex industrial world: a specific (hopefully) for all manner of ills and complications which the courts and administrative agencies may not be equipped to deal with, reliably.

It may be that arbitration's past successes were attributable, in part, to the relative humbleness of its role. It dealt, mostly, with private disputes which arbitrators and the process itself could handle with relative competence. It decided what the *parties* wished determined, in procedures largely of their own taste, by arbiters of their own choice. If arbitration begins to do the business of the NLRB and the courts, interpreting legislation, effectuating national rather than private goals as a kind of subordinate tribunal of the Board, that voluntarism which is the base of its broad acceptance could be eroded and its essential

objectives changed. Arbitration can be weakened by freighting it with public law questions which in our system should be decided by courts and administrative agencies. Arbitration should not be an initial alternative to Board adjudication; it has been (and should be) a separate system of judicature respecting *private* rights and duties resulting in final decisions—not decisions on *public* matters reviewable by the Board and deferred to if not repugnant to the Labor Act.

Voluntarism is a fragile flower. Arbitration is a consensual procedure. It might not survive the requirement that it do what it is not equipped to perform with distinction.

PETER SEITZ

(Mr. Seitz is a professional arbitrator in New York City and is a former General Counsel of the Federal Mediation and Conciliation Service.)

In the execution of [its] purpose the element of fairness to every interest is of equal importance, and the Department has in fact made fairness between wage earner and wage earner, between wage earner and employer, between employer and employer, and between each and the public as a whole the supreme motive and purpose of its activities. The act of its creation is construed by it not only as a law for promoting the welfare of the wage earners of the United States by improving their working conditions and advancing their opportunities for profitable employment, but as a command for doing so in harmony with the welfare of all industrial classes and all legitimate interests, and by methods tending to foster industrial peace through progressively nearer realizations of the highest ideals of industrial justice.

—*First Annual Report of the Secretary of Labor*
(William B. Wilson), 1913.