

contract itself is agreed upon by negotiation directly between employers, or employers' associations and organized working men. It is shown that collective bargaining is the necessary outcome of the progress of industry with labor organizations, and that conciliation and arbitration imply organization alike of capital and of labor.

Careful discrimination is made between two main classes of industrial disputes, viz., first, those which concern the interpretation of the existing labor contract or terms of employment, and which usually are of a relatively minor character; second, those which have to do with the general terms of the future labor contract, and which are usually more important. It is shown that conciliation has been far more successful than arbitration. One of the most important features of this part of the final report is the emphasis laid upon the great advantage of conferences composed of relatively large numbers of representatives of employers and employees. It is said that these conferences need not be held at regular intervals, and that when they are held they should be conducted with informality. If disputes cannot be settled by the parties themselves, it is held that they should then be referred to a board, composed of representatives of employers and employees, who, while not directly interested themselves, are nevertheless familiar with trade conditions, and perhaps even personally acquainted with the parties to the dispute. These boards are called trade boards of conciliation and arbitration, and it is maintained that such boards can frequently remove misunderstandings which are so often a cause of industrial strife.

It is shown that the state boards of arbitration in the United States have accomplished important results only in a few states. The states which are mentioned are Massachusetts, New York, Ohio, Indiana, Illinois, and Wisconsin. Perhaps the list would be confined to the first two. The position is taken that the work of state boards must be confined chiefly to disputes in trades where no systematic methods of collective bargaining and of trade conciliation and arbitration exist. Such boards of arbitration frequently lack, it is said, familiarity with local and trade conditions, and are distrusted both by employers and employees. It is evident from the

survey of the industrial commission, as well as from the reports of state boards, that they can accomplish no large results unless clothed with sufficient powers to make themselves respected by employers and employees alike. In many states the state boards are so feeble, both in their personnel and in their powers, that they are simply contemptible.

Compulsory conciliation and arbitration, without legal enforceability of decision, meets with sympathetic treatment and is favored, on the whole, on account of the advantages to employers and employees, and also especially on account of the interest of the general public in industrial peace. Compulsory arbitration is briefly described, and its success, up to the present time, in New Zealand noted, although it is pointed out that extreme caution must be displayed in drawing lessons from a small agricultural country like New Zealand for a great industrial country like the United States. Mention is made of the fact that there are persons who believe that compulsory arbitration is desirable as a last resort in the case of those few great disputes which affect with special severity the general public interests. Probably it will be felt by economists that this section, dealing with compulsory arbitration, is one of the least satisfactory in the entire final report. The strength of the argument in favor of compulsory arbitration is found in the gradual extension of legal means for the settlement of disputes in general, and in the superiority of the public interest over the interest of particular persons. A sharp discrimination must be made between various industries, and if compulsory arbitration is to be introduced in a great country like the United States, it must be begun tentatively in those industries, the continuous operation of which is of paramount public concern. It must, in other words, begin with what are called quasi-public industries. A correct line of argument is suggested but not satisfactorily elaborated. One question must, however, be raised, and that is this: does not compulsory arbitration in the final analysis mean that, when everything else fails, government must step in and operate the industry for which compulsory arbitration has been established? President Hadley, in his work on Economics, has some illuminating remarks upon the difficulties of compulsory arbitration.

He points out that compulsory arbitration, even in quasi-public pursuits, may stop the investment of fresh capital and that this investment is important for the general public. We may establish arbitration for coal mines and for railways, but we cannot, consistently with free industry, find a way to compel people to invest their money in the operation of railways and coal mines, if they feel that compulsory arbitration will render these pursuits relatively unprofitable. There can be no doubt that this outcome of compulsory arbitration is a possibility. It would seem necessary, then, in all discussion of compulsory arbitration, to face squarely the fact of a possible temporary, or even permanent, government operation of those industries for which such arbitration is established.

Strikes and lockouts are treated with a considerable degree of thoroughness. The past literature is reviewed instructively, and several points are brought out which, if not new, are at least not very generally understood. The causes of strikes are analyzed, and it is shown that the four chief causes are demands for increase of wages or protests against a decrease; demands for a shorter working day; and finally demands which relate to methods of calculating wages or paying them. These four classes of demands cover four fifths of the entire number of demands by strikers. About half of the strikes, according to the report of the department of labor covering the years from 1881 to 1900, are reported wholly or partially successful. As is well known, the strikes for higher wages are more largely successful than strikes against a reduction of wages, due to the fact that the former are made in times of increasing prosperity. Organized workingmen appear to be more generally successful than unorganized, in their strikes. A comparison of results of strikes between various countries shows that there are more unsuccessful strikes in the United States than in the other leading countries of the world, while Great Britain has the largest percentage of strikes reported as entirely successful. It is pointed out that it is difficult to estimate the final result of strikes, and it is shown why the leaders of organized labor insist that they are, on the whole, beneficial. The claim is made that the fear of strikes has a wholesale influence upon the rate of wages and the con-

ditions of labor, and furthermore that benefits received from strikes continue for indefinite, but very generally long periods of time. While we must deplore strikes and lockouts, we should not overlook the facts to which attention is here called. A strike may last for a few weeks, and the increase in wages or shorter hours thereby secured may continue for something like twenty years, as has happened in the case of a street car strike which took place in Baltimore in the eighties. The very obvious conclusion to be drawn from this part of the report is that we cannot hope to do away with strikes and lockouts unless we substitute other effective methods in their place for the adjustment of industrial disputes. Attention is called to the exaggeration by the press of the influence of the leaders of the workingmen, and it is shown that the actions of trade unions are governed by the vote of their members. Intimidation and violence and picketing are briefly discussed, and then follows a treatment of the boycott. Boycotting is not wholly discountenanced, but a sharp distinction is made between what is called the simple and the compound boycott. The first relates to a voluntary withholding of patronage by workingmen directly concerned in a dispute, or by other persons because of sympathy for them, and compound boycotting is called the coercive boycott. This refers to cases in which workingmen threaten refusal of patronage to those who patronize the employer, thus endeavoring to force them not to do a thing which they have a legal right to do. The compound boycott is pronounced illegitimate.

The subject of injunctions is carefully and, on the whole, conservatively treated. It is held that the right of injunction is to be defended, but that its use is to be restricted. The following quotation expresses the conclusion reached: "It is undoubtedly desirable that this extraordinary process of injunction should be employed with greater conservatism than has been the case during the past decade. However severely the acts of strikers against which injunctions are usually directed, may be condemned, this is, in many cases, scarcely a proper method of checking them. Some injunction orders have gone too far in the scope of acts prohibited, and have been too indiscriminately applied to great bodies of people.

It seems desirable that statutes should be enacted, defining with greater precision the acts of workmen which are permissible, or which are civilly or criminally unlawful, in order that a clearer indication of the limits of the injunctive process may be given. It would seem more in accordance with legal procedure to limit the application of injunction orders than to provide for jury trial of violation thereof."

The third main section, dealing with the protection of employees in their labor, is one of the most interesting. It reviews the whole body of so-called factory legislation, enabling us to compare the various leading industrial countries of the world with one another, and particularly to institute comparisons between the various states of the union. The four leading states, so far as we may judge from Mr. William F. Willoughby's table upon the duties of factory inspectors, are Massachusetts, New York, New Jersey, and Pennsylvania. Under the duties of factory inspectors to enforce laws there are thirty two points. New Jersey has inspection covering twenty four points; Massachusetts and New York covering twenty two points, and Pennsylvania twenty one points. The position which New Jersey takes will doubtless surprise many readers. On the whole, however, Massachusetts and New York seem to be the leaders, and they are recommended by the commission as models. Probably of all the states, Massachusetts is still the banner state of the union, when we take into account not only the number of points covered, but the methods of carrying out the law and the positive provision made in education and otherwise in behalf of the wage earning population.

One of the most instructively treated topics in this section of the report is that which deals with the employment of women. Here popular and very widely held errors are corrected. It is shown that the increased employment of women is chiefly due to what we may term the socialization of industry. Work which was formerly performed in the house has been taken outside the home into the factories, and the employment of women has largely been transferred. There is no reason to suppose that a larger number of adult women are engaged in toil now than formerly, and still less reason is there

to suppose that very generally the women are replacing men. In addition to the fact that industry has been socialized, is the further fact that new employments have arisen, such as typewriting, which have given new work and increased the number of working women, without taking work which was formerly performed by men.

One of the most important topics under the protection of employees relates to employers' liability. Attention is called to the unsatisfactory condition of the law in the United States, and it is shown that not only very few workmen of the United States receive compensation for accidents but that the number tends to decrease, unless the common law is supplemented by statutes. One great obstacle to the recovery of damages is the doctrine of fellow servant, by which the employer escapes liability for the negligence of his agent in case the injured workman is a fellow employee of the agent. There is also the further doctrine of contributory negligence, which relieves the employer, although the larger part of the blame may be his. There is also the further doctrine that the employee assumes risk if he was aware of the danger and did not call attention to it, although to have called attention to the danger might have resulted in his discharge. The most instructive part of this portion of the final report is that which establishes the fact that to an increasing extent we have to do in industrial accidents, not with blame attaching either to employee or employer, but with an industrial risk which is part and parcel of modern industrial methods. The ideal then is to make the industry carry the industrial risk rather than to attempt to place the responsibility upon individuals, whether employees or employers. This is the general principle which has received acceptance in Germany in the insurance scheme which provides for employees who suffer from industrial accidents. The difficulty of reaching this ideal in our country is described, and the English employer's liability act is recommended as the present ideal. The English act places the responsibility in a general way upon the employer and prevents contracting out of the liability.

The fourth main section, dealing with labor on public works, is a short one and can be dismissed with a few words. The advantages and disadvantages of public works are discussed. It is shown that in the case of federal public works, production is usually far more costly than in private works, but it is denied that, generally speaking, this is due to defects inherent in public undertakings. So far as this increased costliness is due to better labor conditions it appears to be favored. In a general way it is recommended that government should be a model employer, while maintaining the highest possible degree of efficiency.

Turning now to the formal recommendations of the commission, the reader must again be reminded that these are distinct from the final review, or any other reviews. The recommendations of the commission are the formal official action, whereas the other parts of the report are largely the work of the experts employed by the commission. The commission, first of all, recommend a regulation of the hours of labor in industrial occupations. Uniformity among the states is emphasized as especially important. The opinion is expressed, however, that limitation of the hours of labor should be restricted to persons under twenty one, except in special industries where employment for too many hours becomes positively a menace to the health, safety and well being of the community. It is recommended that no children should be employed under the age of fourteen, and that accompanying labor legislation there should be educational restrictions providing that no child may be employed in factories, shops or stores in large cities, who cannot read and write. In all public work it is recommended that the length of the working day should be fixed at eight hours. It is recognized that this discriminates between public and private employment, but the hope is expressed that private employment may be brought up to the level of public employment in this particular. It is further recommended that the federal government should regulate the hours of labor of employees engaged in interstate commerce.

It is recommended that the states should provide for cash payments and should legislate against company stores.

The careless use of injunctions is pronounced reprehensible, and blanket injunctions against all the world, or against numerous unnamed defendants, as well as the practice of indirectly enforcing the contract for personal service by enjoining employees from quitting work, should be discouraged not only by popular sentiment, but by intelligent judicial opinion. There should be no unnecessary departure from the time honored principle that the contract of personal service can not be specifically enforced, because to do so entails a condition of practical slavery.

Turning to intimidation, the New York statute relative to railway labor is recommended for general adoption. The New York statute, protecting the political rights of laborers, is also recommended as a model.

The practice of giving a preferred lien to employees for debts due for wages and salaries is approved and its extension recommended.

The subject of convict labor, which is treated in a separate volume, is referred to in the recommendations of the commission. In this separate report the New York plan, in accordance with which convicts manufacture goods for the use of state institutions, seems to meet with approval, so far as it is practicable. It is recommended that in all cases the punishment and reformation of the prisoner be placed above revenue considerations, and that a system be devised which should give all prisoners employment in productive labor, with the least possible competition with free labor. In the recommendations of the commission, it is said to be clear that congress should legislate to prevent the importation and sale of convict made goods from one state into another, without the consent of the state into which the goods are imported or where they are sold.

The factory acts of Massachusetts and New York are recommended, as well as the sweat shop laws of New York, Massachusetts, Pennsylvania and Ohio.

The enactment of a code of laws for railway labor is considered to be within the province of congress, as it falls under the interstate powers. It is especially recommended

that in such a code there should be a careful definition and regulation of employers' liability and of the hours of labor.

The protection of trade union labels is recommended. It is further recommended that conspiracy should be defined and limited. Laws against blacklisting and the use of private police detectives are approved.

The commission finds that the laws of the states with respect to conciliation and arbitration have been found effective for purposes of conciliation, but that so far as arbitration, strictly defined, is concerned, they have not accomplished any large results. Further efforts in the direction of conciliation and arbitration are recommended, and the commission believe that whoever inaugurates a lockout or strike without first petitioning for arbitration, or assenting to it when offered, should be subjected to an appropriate penalty. It is recommended also that arbitration should not be restricted to a public board, but that the parties to the dispute should be permitted to choose arbitrators if they prefer.

Finally it is recommended that all the states not now having them should establish labor bureaus, and that their duties should be extended, and that they should co-operate with the legislative bodies of the states and with congress in legislation by means of their recommendations.

These recommendations are signed by eleven members of the commission. Another member of the commission cordially endorses them in a supplementary note. Four commissioners dissent from the report. The theory of those who dissent seems to be based upon the eighteenth century philosophy of individual liberty, and to have as its direct, practical purpose the interests, real or supposed, of southern manufacturers. Two of the dissentients are large cotton mill owners, one of them one of the most prominent operators in Charlotte, N. C., and the other the president of the milling corporations of Pelzer, S. C. The former, however, recommends ample school facilities, with compulsory education, cooperative savings institutions under state laws, and the establishment by the United States government of postal savings banks, and finally, liberal provision for the incorporation of labor organizations.

This review of the portions of the Industrial Commission report dealing with labor, although it has gone beyond the length originally contemplated, is inadequate. This is necessarily so, on account of the largeness of the subject, and the proportion of space devoted to it. It is, however, hoped that what has been said will give an idea, which is correct so far as it goes, of the excellent work which has been done by the commission, and of the character of their report upon the subject of labor.

In a general way it may be said that the report deals with labor in its static rather than in its dynamic aspects. The idea of evolution in labor conditions is suggested here and there, but not consistently developed, and perhaps to do so would not have been in harmony with the character of the work assigned to the commission. The report leaves here, as elsewhere, an unlimited quantity of work for scholars, but the report must be a point of departure for further scientific work concerning labor in the United States. It is a mine of information, and it is also a practical guide for the legislator. It is the most notable achievement of the kind in the history of the United States, and it will compare very favorably with any similar investigation undertaken in any country. Credit must be given to the good sense and judgment of the commission, and especially to the experts they employed.

Perhaps in the whole report nothing is more noteworthy than the extent to which, along with many differences, agreement could be reached in important particulars. Here, as elsewhere, it is seen that ignorance is a cause of dissension, and knowledge a cause of harmony.