

RESULTS ACCOMPLISHED BY THE INDUSTRIAL DEPARTMENT, NATIONAL CIVIC FEDERATION.

BY OSCAR S. STRAUS.

[Oscar Solomon Straus, merchant and diplomat; born Dec. 23, 1850; graduated from Columbia university 1871; Columbia Law school, 1873; practiced law, 1872-81; entered mercantile life as a member of the firm of L. Straus & Son, importers; United States minister to Turkey, 1887-89, 1897-1900. Appointed by President Roosevelt in 1902 to fill the vacancy caused by the death of ex-President Harrison as member of the permanent court of arbitration at The Hague; is president of the New York board of trade and transportation. Author: *The Origin of Republican Form of Government in the United States*; *The Development of Religious Liberty in the United States*; *Roger Williams, the Pioneer of Religious Liberty*.]

Copyright 1900 by American Academy of Political and Social Science

The contest between capital and labor is as old as the human race, and very likely will continue as long as there is employer and workman. Early in the history of our country, that rugged reformer, who stood for much of the liberty we enjoy to-day, Roger Williams, said: "What are all the wars and contentions about, except for larger bowls and dishes of porridge?" That is putting the question in a very graphic form. This struggle for the dishes of porridge is still going on, and unfortunately very often through clash and strikes the dish gets broken and neither side gets any of the porridge. We want to save the porridge; we want the dishes to be so large that labor will get its full share, we know that capital will take care of itself. In these industrial contests there are other interests at stake than labor and capital—the general public, greater in numbers than either of these. The civic federation believed that if it organized a machinery which contained within itself the representatives of both the laborers and the employers, and associated with these two the representatives of the general public, it would have the true basis for the solution of the labor question. The industrial department of the national civic federation is composed of twelve men representing the employers, twelve men representing labor, and twelve men representing the general public.

The civic federation feels there is a possibility of inaugurating a great work, of promoting a better feeling and better relations between the employers and the workmen, and thereby removing some of the chief obstacles militating against industrial peace. We have been criticised; peace-makers always are. The civic federation is not a board of arbitration. Its purpose is to mediate, to conciliate, and only in very exceptional cases, when requested by both sides, to arbitrate between capital and labor. It has been said that the existence of such a body would stimulate laborers to threaten to strike or to strike or to make demands which otherwise they would not make, with the hope that the subject might be brought before this body, and that they might thereby gain concessions which otherwise they could not hope to secure. It might as well be said that preventives and curatives stimulate disease. It has also been stated that we promote the organization of labor, and that organized labor stimulates strikes. The civic federation's platform or statement of objects distinctly provided that its province would embrace unorganized as well as organized labor. The scope of the federation is embodied in the by-laws.

The scope and province of this department shall be to do what may seem best to promote industrial peace and prosperity; to be helpful in establishing rightful relations between employers and workers; by its good offices to endeavor to obviate and prevent strikes and lockouts, to aid in renewing industrial relations where a rupture has occurred.

That at all times representatives of employers and workers, organized or unorganized, should confer for the adjustment of differences or disputes before an acute stage is reached, and thus avoid or minimize the number of strikes or lockouts.

That mutual agreements as to conditions under which labor shall be performed should be encouraged, and that when agreements are made, the terms thereof should be faithfully adhered to, both in letter and spirit, by both parties.

This department, either as a whole or a subcommittee by it appointed, shall, when requested by both parties to a dispute, act as a forum to adjust and decide upon questions

at issue between workers and their employers, provided, in its opinion, the subject is one of sufficient importance.

This department will not consider abstract industrial problems.

This department assumes no powers of arbitration, unless such powers be conferred by both parties to a dispute.

The civic federation recognizes conditions and aims to improve them in the interest of the public welfare. Railroad accidents do not argue for the stage coach, but that the railroad should be better constructed so that accidents may be more and more eliminated. Education upon this great question of labor and capital is not entirely confined to the labor side. We have found in our short experience that education is needed upon the other side as well, and if the civic federation succeeds in bringing out a more conciliatory spirit on both sides it will be doing a very great public service.

It will perhaps surprise some of you, I confess, that before I became more familiar with this subject, I was agreeably surprised to hear, in the conferences recently held in the rooms of the national civic federation, one of the most important officers of organized labor state that he wished it to be understood that organized labor does not approve of sympathetic strikes, and that organized labor has come to the conclusion that restrictions of output should not be permitted, as all such efforts were uneconomical.

The chances for industrial peace in this country are greater than they are in any other country. The fact that this conflict and antagonism have existed and now exist in the countries of Europe, is no reason why the same conditions should obtain in the United States, and the reason is very evident. In the first place, we are not divided in this country into permanently distinct classes. There is no fixed gap between the laboring and capitalistic classes. The most successful capitalists in this country to-day are men who have themselves risen from the ranks of labor, men who have been the architects of their own fortune. The large fortunes of to-day are to a great extent held by the men who achieved them, and for that reason there is a natural and closer contact between capitalists and laborers in this country than

in any other. In America, as a rule, the great fortunes are not as yet in the hands of the second, third and fourth generations and are never likely to be to any considerable extent.

The powers of the civic federation are entirely voluntary, and its effective force is public opinion. We can advise, endeavor to conciliate, remove misunderstandings, and invite both sides of the controversy to come together and confer. We cannot compel, except by the force of reason and public opinion. We may invite to arbitration; we may upon request of both sides arbitrate. Arbitration is a powerful weapon, and experience has shown that the side in the wrong is the first to object, upon the ground, there is nothing to arbitrate. That answer is itself a confession of wrong. It was Penn's famous maxim, "We must concede the liberties we demand." If both sides of this controversy will bear that maxim in mind, much trouble can be avoided. That maxim implies that organization on the one side justifies, if it does not compel, organization on the other side; and each side must concede the rights which it claims for itself, and any contest waged upon principles which conflict with such concessions the public will not justify.

The refusal to recognize conditions does not change those conditions, and often embitters the relations that exist between the respective sides. The mission of the civic federation is one of peace, and like all peacemakers will doubtless, as time runs on, come in for abuse and misinterpretation of its purposes. We are prepared for this reward, and so long as we remain true to our mission, and that we will so remain our membership is a guarantee, no amount of abuse will cause us to flinch from the duty that is before us.

THE LIMITATIONS OF CONCILIATION AND ARBITRATION.

BY SAMUEL GOMPERS.

[Samuel Gompers, president American Federation of Labor; born in England, Jan. 27, 1850; cigar maker by trade; has been connected with movements for organization of working people since his fifteenth year; editor of the American Federationist; with the exception of one year has been president of the American Federation of Labor, 1882-1903; author of many articles on labor topics.]

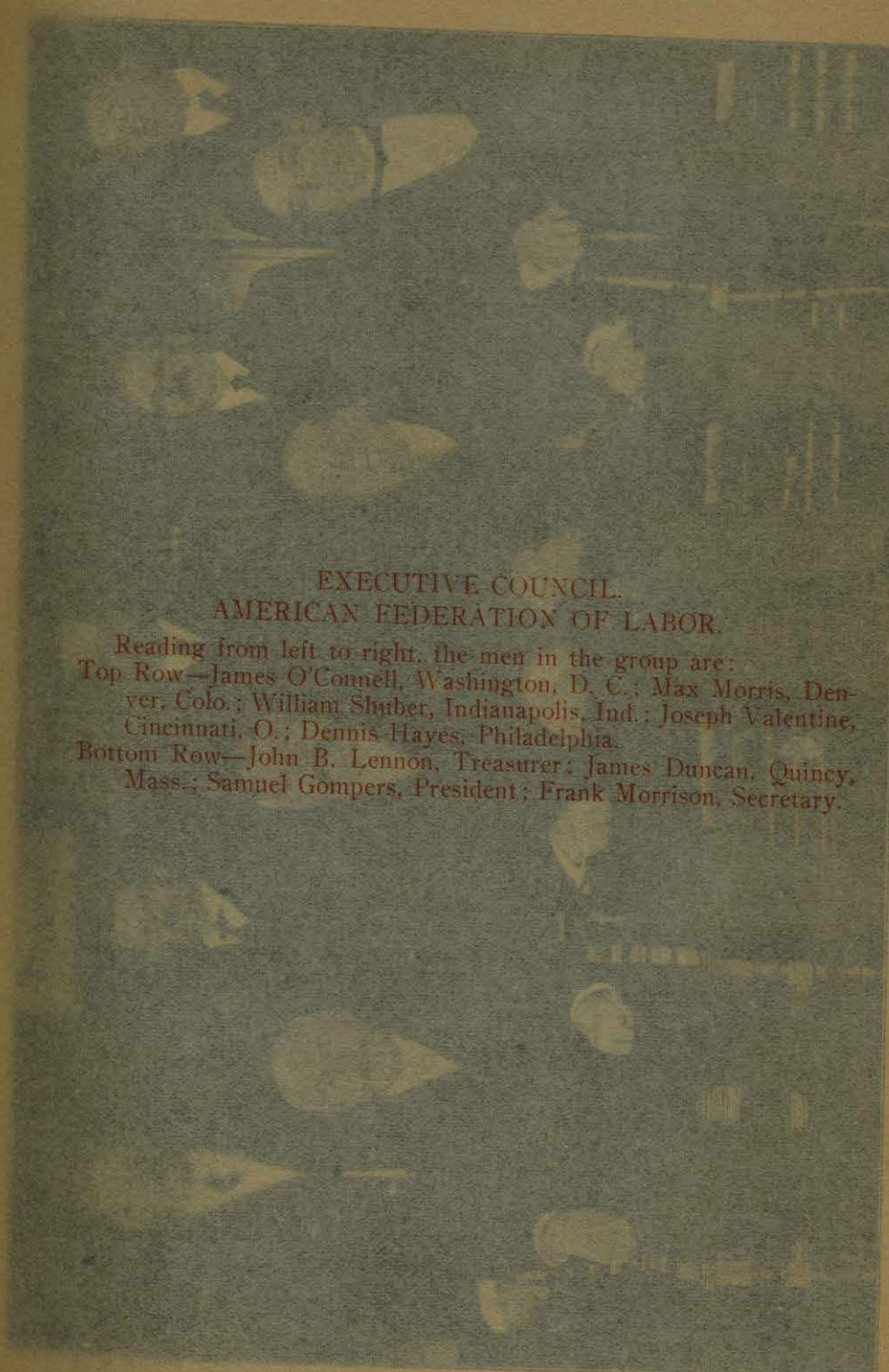
Copyright 1902 by American Academy of Political and Social Science

The subject under consideration involves the difference between the isolated bargain made by workmen acting as individuals and the joint or collective bargain made by an aggregation of workers. The individual bargain made by a workman with his employer is practically based upon the condition of the poorest situated among the applicants for the position, and the conditions of employment, accepted or imposed, are fixed by the immediate and dire necessities of the poorest conditioned worker who makes application for the job. The collective bargain is made upon the basis of about the average economic condition or situation of those who desire to fill the position.

The individual bargain is made at the entrance to the factory, the shop, the mill, or the mine; the collective bargain is made usually in the office of the employer.

When the period covered by the collective bargain has expired and the conditions under which labor has been carried on for a specific period become unsatisfactory to either or both, a conference is held and a new agreement endeavored to be reached under which industry and commerce may be continued. When there is a failure to agree, a strike occurs.

The effort at best in the joint bargaining or in the strike is the effort to secure the best possible conditions for the wage earners. Much as we deplore strikes and endeavor to avoid them, they are the highest civilized expression of discontent of the workers in any part of the world. China has no strikes. The people of India have no strikes, but in the



EXECUTIVE COUNCIL.
AMERICAN FEDERATION OF LABOR.

Reading from left to right, the men in the group are:
Top Row—James O'Connell, Washington, D. C.; Max Morris, Denver, Colo.; William Shuber, Indianapolis, Ind.; Joseph Valentine, Cincinnati, O.; Dennis Hayes, Philadelphia.
Bottom Row—John B. Lennon, Treasurer; James Duncan, Quincy, Mass.; Samuel Gompers, President; Frank Morrison, Secretary.

THE LIMITATIONS OF CONCILIATION AND ARBITRATION.

BY SAMUEL GOMPERS.

[Samuel Gompers, president American Federation of Labor; born in England, Jan. 27, 1850; cigar maker by trade; has been connected with movements for organization of working people since his fifteenth year; editor of the American Federationist; with the exception of one year has been president of the American Federation of Labor, 1882-1903; author of many articles on labor topics.]

Copyright 1902 by American Academy of Political and Social Science

The subject under consideration involves the difference between the isolated bargain made by workmen acting as individuals and the joint or collective bargain made by an aggregation of workers. The individual bargain made by a workman with his employer is practically based upon the condition of the poorest situated among the applicants for the position, and the conditions of employment, accepted or imposed, are fixed by the immediate and dire necessities of the poorest conditioned worker who makes application for the job. The collective bargain is made upon the basis of about the average economic condition or situation of those who desire to fill the position.

The individual bargain is made at the entrance to the factory, the shop, the mill, or the mine; the collective bargain is made usually in the office of the employer.

When the period covered by the collective bargain has expired and the conditions under which labor has been carried on for a specific period become unsatisfactory to either or both, a conference is held and a new agreement endeavored to be reached under which industry and commerce may be continued. When there is a failure to agree, a strike occurs.

The effort at best in the joint bargaining or in the strike is the effort to secure the best possible conditions for the wage earners. Much as we deplore strikes and endeavor to avoid them, they are the highest civilized expression of discontent of the workers in any part of the world. China has no strikes. The people of India have no strikes, but in the



highest developed and most highly civilized countries strikes do occur. In China, when discontent arises, we see it manifested in revolution against constituted authority, the venting of prejudice against the foreigner; the stiletto, the bludgeon, war brutality, are the manifestations of the discontent of the poor and of the workers of those countries.

Our forefathers, when establishing our government, wisely reserved to the popular branch of our federal government the right to control revenue and expenditure, a right which had been struggled for and secured by the house of commons of Great Britain. The strike of labor is in another form the holding of the purse strings of the nation, to protest against injustice and wrong being meted out to the laborers. It is the determination of the workers that in the last analysis, if there be no other means by which their rights may be accorded and their wrongs righted, they may say with Lincoln, "Thank God, we live in a country where the people may strike!" Nevertheless a strike ought to be avoided by every means within the power of every man, capitalist, laborer, or the neutral citizen, and he who would not give his best efforts and thought to prevent a strike is scarcely doing justice to his fellow men, nor is he loyal to the institutions under which we live. But I reassert that there are some things which are worse than strikes, and among them I include a degraded, a debased, or a demoralized manhood.

Labor insists upon and will never surrender the right to free locomotion, the right to move at will, the right to go from Philadelphia to Camden or California, or vice versa, at will. To achieve that right it has cost centuries of struggles and sacrifices and burdens. Laborers, moreover, will insist upon the right freely to change their employment, a right they have secured through centuries of travail and sacrifices. That right three fourths of the nation was up in arms a little more than forty years ago to achieve for the black man, and the white laborers of America will not surrender that prerogative. Laborers are aiming at freedom through organization and intelligence.

The industrial department of the national civic federation is erroneously thought by some to be an arbitration com-

mittee, whereas the first purpose is to endeavor to bring about a conference between employers and employees before any acute state of feeling shall occur relative to their diverse interests. If a rupture occurs, the committee endeavors to bring about a conference so that arbitration may be resorted to if both parties to the controversy shall so request.

As a rule, men do not care to refer matters in which they are particularly and financially interested to what are usually termed disinterested parties. They prefer to meet with those whose interests may be opposite to theirs, and, each conceding something in a conciliatory spirit, endeavor to come to an adjustment and agreement.

Unorganized workmen have a notion that they are absolutely impotent, that the employers are omnipotent, almighty. This is typified in the thought or expression, What can labor do against capital? Likewise the employers of unorganized workmen usually regard themselves as "monarchs of all they survey," and brook no interference. If any workman has the temerity to question the justice or sense of fairness of the employer or the wages paid, he is dismissed and a strike frequently results.

No strikes are conducted more bitterly than strikes of previously unorganized workmen. As soon as such men become desperate enough to strike, they are transformed; they no longer believe the employer all powerful, but attribute to themselves that function and faculty; the touching of shoulders brings a new found power to their minds, of which they never dreamed before, and they look upon their employers against whom they went on strike as absolutely at their mercy.

The employers, in these cases, usually regard the matter of request to be heard upon the question of wages, hours or other conditions of employment, as dictation by their workmen; but whether the strike is won or lost, if the workmen but maintain their organization, the initial step has been taken for a joint bargain and a conciliatory policy in the future. Both parties have learned a severe but a profitable lesson, that neither party is impotent, and neither all powerful. The organized labor movement in our day is an assertion

of the principle that there is no hope that the workers can protect their interests or promote their welfare unless they organize; unless they advocate conciliation to adjust whatever controversies may arise between themselves and their employers upon any disputed points upon which they cannot agree. There are some who advocate compulsory arbitration. I concur with Senator Hanna, who did not believe in compulsory arbitration. Indeed, voluntary arbitration cannot be successfully carried out unless both parties are equally strong and powerful or nearly so. This is true between nations as well as between individuals. Russia never arbitrated the question of the nationality of Poland. England did not arbitrate the question with Afghanistan, but simply bombarded her. England in her dispute with Venezuela proposed to bombard her, and only when the United States said, "Hold on, this is of very serious consequence to us," did England consent to arbitrate. There has never yet been in the history of the world successful arbitration between those who were powerful and those who were absolutely at their mercy. There has never yet been arbitration between the man who lay prone upon his back and the man who had a heel upon his throat and a saber at his breast. Arbitration is possible, but only when capital and labor are well organized. Labor is beginning to organize, and when labor shall be better organized than it is to-day we shall have fewer disputes than we have now.

Of the agreements made between employers and employed, two thirds, if not more, of the violations, of the failures to abide by the awards of arbitrators, are on the part of employers. But if it were not so, if the awards were broken by either one or the other side or by both sides in equal proportion, it would be better, it would make for human progress and economic advantage, to have an award violated than to have the award forced by government upon either one side or the other. The employer if he choose could close his business, and that would mean his enforced idleness. On the other hand, if the state entered and forced workmen to accept an award and to work under conditions which were onerous to him or to them, you can imagine the result. Men

work with a will when they work of their own volition, then they work to the greatest advantage of all. On the other hand, if men were compelled to work by order of the state, with the representatives of the state entering with whip in hand or a commitment to the jail, it would create a nation of sullen, unwilling and resentful workers; a condition that we do not wish to encourage; a condition which would be most hurtful to our industrial and commercial greatness and success. It is strange how some men desire law to govern all other men in all their actions and doings in life. The organized labor movement endeavors to give opportunities to the workers so that their habits and customs shall change by reason of new and better conditions.

We have our combinations of capital, our organizations and federations of labor. These are now working on parallel lines and have evolved the national civic federation. Through the efforts of men noted for their ability, for their straightforwardness, noted for the interest they take in public affairs, an effort is being made to bring about the greatest possible success industrially and commercially for our country with the least possible friction.

One of the greatest causes of the disturbance of industry, the severance of friendly relations between employer and employees, is the fact that the employers assume to themselves the absolute right to dictate and direct the terms under which workers shall toil, the wages, hours and other conditions of employment, without permitting the voice of the workmen to be raised in their own behalf. The workers insist upon the right of being heard; not heard alone at mass meeting, but heard by counsel, heard by their committees, heard through their business agent, or heard, if you please, through the much abused walking delegate. They insist upon the right to be heard by counsel; the constitution of our country declares that the people of our country may be heard through counsel. It is a saying in law, and I repeat it, though not a lawyer, that he who is his own lawyer has a fool for a client. The organized workmen have long realized this truism and have preferred to be heard by counsel, and we say that the political and civil right guaranteed to us by

the constitutions of our country and our states ought to be extended; the principle of it ought to be extended to protect and advance our industrial rights.

One of the representatives of the Illinois board of arbitration recently said to me that there were so many cases of employers who refused to recognize the committees of the organizations of their employees that the board was in doubt whether it ought to name each individual employer or simply group such employers together and give their number in round figures. No man in this world is absolutely right and no man absolutely wrong. If this be so, men ought, as organized labor has for half a century demanded, and as the national civic federation has emphasized, to meet in conference and be helpful in allowing common sense and fair dealing and justice and equity and the needs of the people to determine what shall be the conditions under which industry and commerce shall continue to advance until we shall be in truth producers for the whole world.

The movement for which we stand tends to foster education, not only among the workmen, but among the educated; for all those possessing class ignorance and prejudice regarding industrial matters, the educated man who takes his cue regarding the labor question from those who are always opposed to the labor movement, and who never takes the trouble to find out the laborer's side of the labor question, is in the most deplorable condition.