

instrument of management. The use of this instrument results in varieties of codified knowledge—the sciences of laying bricks, of covering chocolates, of shoveling, of cutting a garment. These are what he calls operative sciences. These sciences are discovered for and taught to operatives by management. But there is the task of management itself, distinct from the tasks of those whom the management controls. By the use of its own instrument—scientific management, the scientific method in management—management can discover and codify the science of performing its own task. That is the science of management. "It is, as we know, just as possible to have standard methods of engaging employees, of compiling plans or of routing orders, as of laying bricks—and these constitute the essential science of management. I submit, therefore, that the management has the dual task of formulating a science for every branch of operative work it controls and of formulating a science, by the same methods for every branch—direct and indirect—of that control. . . . scientific management, therefore, knows no limits."

"THERE may be a science of costing, of transportation, and of operation, but there can be no science of cooperation. That is dependent not on scientific principles but on ethical principles. It is a question of ideals, not of systems. It must always remain a problem of mentality and of the spirit." This generalization of Mr. Sheldon will receive the approval of every reader of his article. But it has a corollary verified by American experience. Where scientific management governs management, where management and operatives submit to the rule of law instead of tradition, prejudice, whim and autocracy—there is created an environment which inspires the mentality and the spirit which makes true cooperation possible.

INDUSTRIAL STATESMANSHIP

COMPARISON of the resolutions and declarations of manufacturers', bankers', labor and other organized industrial associations, raises the interesting and important question whether labor is not at present showing more genuine statesmanship—insofar as is manifest by declarations of policy—than is any of the other groups.

There is occasion for grave concern that the declarations of organized bodies representative of finance, ownership and management are as a rule limited to gen-

eralization such as "less government in business and more business in government," without supporting studies showing why more government in business has come about and how less government in business is to be achieved. There seems to be an absence of historical sense of the reasons for the present situation and of constructive imagination with respect to the way out. There is apparently little concern on the part of ownership and management that the way business has been managed—with respect to controlling motives and practice—is probably the cause of the situation which business feels to be so unsatisfactory, and that the remedy undoubtedly lies in the way business is going to be conducted—again with respect to controlling motives and practice. Experiencing the ill effects of an unfavorable regimen, ownership and management disregard the proved methods of diagnosis, prognosis and prescription and cry out for a Coué to lead them to health through a formula.

On the other hand, certain recent declarations of organized labor¹ give evidence of a thinking about the reasons for the present situation and a way out. Among many declarations and resolutions adopted at the October convention of the A. F. of L. at Portland, Oregon, was one entitled "Industry's Manifest Duty." One may not agree with all in that declaration, but one must recognize its substantiality, and acknowledge that it presents basic principles of a positive program of cooperation with ownership and management. Its constructive vision is evidenced by the fact that it recognizes that the ills of industry are a result of the habits of industry, and that the cure for those ills must come from a change of habits. The following excerpts are worthy of most serious consideration:

Henceforth the movement for the organization of the workers into trade unions has a deeper meaning than the mere organization of groups for the advancement of group interest, however vital that function may yet remain.

Henceforth the organization of workers into trade unions must mean the conscious organization of one of the most vital functional elements for enlightened participation in a democracy of industry.

Through the muddling conflict of groups who still find it impossible to come together in cooperation we must look to a future that must have its foundation upon cooperation and collaboration. . . . We advocate organization of all wage earners and of all useful and productive elements.

. . . that our national life today is becoming more and more industrial and that the decisions that most vitally affect the intimate daily lives of our people are the decisions that are made in industry, in the workshops and factories, in the mines and mills, in commercial establishments, on the railroads and in the counting rooms.

¹ *American Federationist*, November, 1923.

For the future industry must be something of which we have a national consciousness. It must cease to be a disconnected collection of groups.

The functional elements in our national life must fit themselves to work out their own problems, eradicate their abuses and furnish America with an ever increasing flood of commodities, both necessary and pleasure giving. Industry alone has the competence and must demonstrate that competence through organization. . . . Industry must organize to govern itself, to impose upon itself tasks and rules to bring order into its own house. Industry must bring order to itself constructively or it will have an order thrust upon it under the regime of bureaucracy that threatens unless industry solves its own problems.

It is not the mission of industrial groups to clash and struggle against each other. . . . The true role of industrial groups, however, is to come together, to legislate in peace, to find the way forward in collaboration, to give of their best for the satisfaction of human needs. There must come to industry the orderly functioning that we have been able to develop in our political life.

Labor stands ready for participation in this tremendous development. It has long offered conference with all its implications as a substitute for conflict, regarding the folding of arms in idleness only as the last resort in failure of negotiations.

Industry must save itself. Industry must find itself. Industry must organize for service, for constructive effort, for orderly continuity, for justice to all who participate. . . . to that end it must organize and come together in deliberative bodies where the full wisdom and experience of all may contribute to final decisions. . . . Fact must take the place of opinion and selfish interest.

We commit ourselves to greater efforts in the organization of all workers, we urge upon all useful persons the imperative need of organization, and finally, the coming together in working bodies of all organizations through representatives who shall speak for organic groupings.

We add the following paragraph from Mr. Gompers' remarks recommending the endorsement by the convention of the declaration from which the above excerpts are taken:

We have an abiding faith in the ability of industry to develop and erect the methods and machinery for the solution of its own problems. We have faith in its ability to promote and secure justice. We have faith in its ability to develop and give effect to a restraint and discipline suited to its needs and the needs of humanity and to bring into operation the methods by which it may function most efficiently in the service of mankind.

In an article entitled "Industry Must Cure Itself" Mr. Gompers quotes with approval, as expressing A. F. of L. policy, the following paragraph from the report of the United States Coal Commission:

The commission has aimed to make such proposals as will increase rather than decrease the *sense of responsibility within the industry*. A legitimate pride in workmanship, in fair practice, in operating and commercial enterprise will be developed not by taking over from industry its natural functions and placing them in the hands of the government, but by such measures as will insure public knowledge and will create public confidence that abuses are in a fair way to be removed and that service is constantly improving.

While the declarations and resolutions of the Portland convention present quite a radical departure from

what has appeared to be A. F. of L. philosophy, they should be accepted at face value and organized labor congratulated on this manifestation of industrial statesmanship. Labor does not stop with the mere assertion that there is too much government interference in industry; it offers a program: There is too much government interference in industry; it is a result of the way industry is managed; it will increase if industry does not regulate itself better; let all organic elements in industry organize and through conferences of representatives take practical steps in this matter of self-regulation; it is a choice of more regulation politically from without or more regulation voluntarily within; and regulation within must be comprehensive and representative of all organic constituent elements.

There has been some experience along the lines of such a program of cooperation, and the results are such as to give weight to the A. F. of L. declaration of policy. There is probably no industry generally more chaotic than the ready-made garment industry; were its relations to the public as definite as are those of transportation and mining it would long ago have been subjected to severe regulation from without. The conditions are so chaotic as to have inspired in certain places a regulation from within through the cooperation of all organic elements. We prefer to the agreements in the Cleveland, Rochester and Chicago markets, which involve machinery for the adjustment of disputes as they arise, insurance against unemployment which creates an incentive for such a quality of management as will secure continuity of employment, standards of productivity and wage standards.

We believe the policy presented in "Industry's Manifest Duty" is of great significance to those who believe in scientific management. Such a policy offers stability of operating conditions, and it is upon the foundation of stability that efficient management must be erected. Any policy which will promote stability will promote scientific management. And stability once established through cooperation of the organic elements of an industry, better management and more efficient operating will inevitably come through the same cooperation. Organized labor has had much to say against scientific management, for it has feared abuse of its mechanisms, which Taylor acknowledged is possible. Organized cooperation would remove labor's fear of the abuse of the mechanisms, and would undoubtedly promote scientific management in accordance with its true spirit. Taylor had many controversies with organized labor, but he said as much for as against organized