

MR. JOHN A. FITCH: There are two things involved in the discussion about which we need to do some very careful thinking, for if we are not right on the fundamentals, the rest of our thinking is apt to be invalid. The first is, the exact economic relations that exist between employer and employee. It is absolutely essential that we make up our minds as to what that is before we begin to discuss the details of the relationship.

It is an absolutely fundamental proposition that the interests of employer and employee, or capital and labor (if you prefer, are opposed. That statement is, of course, subject to modification. If there should be no production there would be neither profits nor wages; therefore it is to the interest of both employer and employee that there be production. So far their interests are harmonious and it ought to be possible to work out a basis for harmonious action. But when it comes to dividing up the profits, the money paid in for the thing produced, and deciding how much of that shall go to wages and how much to the employer or to capital, there arises a fundamental difference of opinion, which, so long as the present economic order exists I see no possibility of ever smoothing out. There may be amicable agreements at different times, but the question will always recur just so long as men are human and want more goods.

As a result of that, employers and employees are both, at times, likely to act pretty cranky from the other fellow's point of view. One reason why unions do not appreciate the significance of scientific management, and have so far been unwilling to accept its more obvious truths, is that they feel that the proponents of scientific management have not fully taken into account the existence of this fundamental opposition. Representatives of scientific management are apt to say that there are underlying laws so scientific and true that, once recognized, the relationship can be worked out upon the basis of those laws. I grant that that may be true with regard to many things, but just so long as no man in this room or in the world can give a definition of justice which we will all accept, just so long will it prove impossible to set up a scientific principle for dividing profits, the returns to industry. Over that there is going to be difference of opinion and struggle. As a result of that fundamental difference the same man will have a different attitude toward the same problem according to whether he is an employer or an employee. He may be an employer today and employee tomorrow, and in each relation he will have a different attitude.

If I were an employer of labor I should want my shop to be efficient. I should expect it to be more efficient if I had the say in regard to everything. It would be, from my point of view. I should not want a union. But I know that equally if I were an employee in a shop, possessing exactly the same knowledge of the situation that I have when I make the other statement, with exactly the same faculties that I have now, not only would I want a union, but I would become an agitator for one. I would not be happy until I got it, because it is a fundamental principle that I could not trust the employer to pay me all the wages that I want. Similarly, the employer could not trust me to leave him in possession of all the authority and all the income he wants.

Of course I am neither employer or employee in that sense. I am part of the public, and therefore I believe heartily what Mr. Valentine has said about consent, and I think there must be organized consent. Otherwise, you whose fine training and brains are devoted to management, will at times in the absorption of that problem forget the human element involved. Experience demonstrates the fact

that you cannot, of a dead certainty, be trusted to be fair to a large number of employees.

The other fundamental proposition which needs to receive consideration is this question of democracy. Democracy, reverting to its derivation means the rule of the people. There is no pure democracy anywhere, but a certain kind of democracy can be worked out. I should not think it would be necessary to have a referendum over the minute details of shop management. We believe in political democracy, and endeavor to make it as complete as possible. But we all get together and decide just how many fishes shall be allowed to swim in the streams and lakes of the Adirondacks, or how to conserve the forest reserve, or what material to use in the building of roads. We delegate such things, but that does not destroy our democracy for we have the power to elect new delegates. It seems to me equally consistent to have representation regarding fundamental things in shop management. I can conceive of such a democracy in the shop voting to allow one man to decide arbitrarily on points of detail.

But the fundamental point about democracy that I want to bring out is that it is not particularly efficient or economical in the sense in which those terms are ordinarily used. Here I may differ somewhat from Mr. Valentine. Mr. Valentine has said: "The organization of workers on their side can, when once that stand is taken, (that is, the willingness to co-operate,) be counted on to consent to all that makes for efficiency." I believe that statement may well be doubted. Probably the most efficient type of government is an absolute despotism. So the most efficient shop is one where the employer can make rules that will never be questioned. In politics we have discovered, however, that the efficiency of a despot is apt to be different from what is efficient for a people. Labor has discovered that same thing in shop government. The efficiency of maximum production is not always co-existent with the efficiency of health and happiness. Democracy in industry may impair certain kinds of efficiency, therefore, just as it has in society at large. But it is sure to create other and higher values.

MR. WALTER N. POLAKOV: In his attempt to reconcile the methods of increasing the productive efficiency with the consent of the workman, Mr. Valentine ignores the very basis of our economic form of society. It is not the opinion of the individual workman or of workmen's societies, but of the class of wage earners, of the proletariat that we have to take into account. Modern society economically is composed of two classes, those who produce and those who give them facilities to produce, of owners of physical and mental energy to be sold for a living and owners of means of production such as natural resources, machinery and capital. The interests of these two classes of our society are diametrically opposite. Wage earners want to sell their labor at as high a price as they can force the employer to give them. The employers want to sell the commodities produced by workmen for as high a price as they can get. Consumers as an economic class do not exist. They belong to both classes. Numerically, however, the working class is not only to secure high wages, as this automatically raises the prices of commodities they produce, but also to reduce or at least stop the increased cost of commodities, that is, cost of living, which at present and in the past always increased in advance of and as a rule faster than the wages. The working class through their world-famous spokesmen scientifically analyzed these aims of the working class and little if anything remains to be said after the works of

¹Consulting Engineer, New York City.

Carl Marx, Friedrich Engels, August Bebel and others were published.

Quoting from A. Bebel's "Woman under Socialism," "The working class does welcome advance of science as applied to industries inasmuch as with the increased speed of production made thereby possible, it is possible to reduce working hours to eight, six or even four per day, giving more time for education, for home life and for social activities." Here we have the consent to increase the productive efficiency and this consent comes not from casual association of individual workmen with demagogic politicians, but from the class conscious, scientifically founded party that does represent the interests of the working class.

MR. WILLIAM KENT: In the introductory portion of his paper Mr. Valentine pronounces a distinctly favorable judgment upon the principles of Scientific Management as described and as applied by Mr. Taylor and his friends. He says, "The actual methods of applying the principles at those plants furnish us with the basis for the belief that the principles stated by Mr. Taylor furnish the latest word in the progress of the mechanics of industry."

He also says, "Mr. Taylor's contributions to the industrial world will gradually prove themselves to be among the major contributions to human progress."

Mr. Valentine here not only asserts his belief in the Taylor principles, but he indicates clearly the standard by which he judges them; that standard is the common sense one, the results that have been accomplished by their application.

Having gone thus far he seems to abandon the standard upon which he based his judgment and to look for a new standard, namely, "The standard by which to judge is to ascertain whether any particular application of the principles involves the recognition of a truly independent and organized consent on the part of the workers." It would naturally be expected that Mr. Valentine would proceed to apply this "standard by which to judge" and pronounce a new judgment, and it might also be expected that having found that no scientific manager has ever recognized that ideal, his new judgment of scientific management would be unfavorable, and directly opposite to the judgment he had originally expressed. But as far as appears in the paper, he makes no application of his new standard. He leaves the standard hanging in the air and proceeds to discuss a lot of entirely different subjects. There are no facts or statistics in the paper tending to show that the "standard by which to judge all management" has any basis other than an imaginary one; nothing to show why he considers that the Rockefeller plan in Colorado is a "sociological joke," or that "craftsmanship is doomed."

MR. MINER CHIPMAN: Mr. Valentine says that "consent from the point of view of life in the factory has two main types: individual consent and group consent." The word "consent" requires further analysis. Consent is of two kinds, first, consent given through confidence, and second, consent based upon persuasion.

Consent based upon confidence is not established through discussion, arbitration or conciliation. A man consents to go upon an operating table, and gives himself up to an operation, the technique of which he knows nothing and cares less. He has confidence in the technique and skill of the surgeon. Consent is the result of confidence in the technique of an expert. This type of consent is quite different

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from the consent defined by Mr. Valentine as the antithesis of compulsion. Consent through confidence has developed with the evolution of scientific method. The measurement of civilization is found in this type of consent and from the viewpoint of social progress is of more importance than consent as the antithesis of compulsion. Insofar as the technique of the science is concerned, the physician, the surgeon, the engineer, are all arbitrary and dictatorial. Science never went begging for consent, and yet we obey the physician, the surgeon, the engineer, without any sense of compulsion.

Making this distinction in the meaning of the word "consent," I believe we can look upon Mr. Taylor's life and work in the proper light. Mr. Taylor was essentially a man of science. Scientific management was to him what the practice of medicine is to the physician. Mr. Valentine infers that Mr. Taylor overlooked the principle of consent, and makes apology for his method of expression and regrets the impression at times created by his writings.

I am not sure that any apology is required for the conceptions held by Frederick W. Taylor in relation to the problem of consent. He did not seek the type of consent defined by Mr. Valentine. As a man of science he sought for confidence in the technique of the science of management, and with that confidence established, consent of an enduring type would follow. Mr. Taylor was wise enough to keep politics out of scientific management.

Mr. Taylor aimed to provide the managers of industrial plants with a scientific technique of administration and operation. That he accomplished this end, no one will deny. Mr. Valentine's criticism of Mr. Taylor's work is typical of all the criticism coming from those who have failed to recognize the truly scientific nature of his undertaking.

The Time-study of Mr. Taylor is the diagnosis of an industrial operation. According to Mr. Taylor's principles it is as scientific as the Nautical Almanac. What would be the value of either the time-study or the almanac if the data, in case of dispute, were submitted to a disinterested third party for arbitration, adjustment or conciliation? The consent of a Taylor time-study cannot be arbitrated any more than the report of a chemist. The schedules of the planning room, if made in accordance with Taylor principles, are not open to arbitration. The consent of the shop to submit to the standards imposed and the plans presented, depends upon the confidence of the organization in the principles and practice of the science.

I deny that Mr. Taylor did not conceive of the element of consent. The consent he had in mind, however, was not, and could not be, the consent that Mr. Valentine puts forward as essential. Mr. Taylor's conception of consent was scientific in nature, and vital to the realization of his principles in their purity; Mr. Valentine's conception of consent is utterly opposed to scientific method and would prove fatal to the whole structure.

Scientific management, considered in its essence and in its purity, has nothing to do with the consent of labor as it is organized today. Organized labor exists largely because of the lack of scientific management. It thrives on the absence of the thing Mr. Taylor aimed to introduce.

As labor is organized today, is it fitted to undertake the functions Mr. Valentine proposed to impose upon it?

Mr. Valentine apparently assumes that organized labor is a democratic body, but he does not prove it. I question it from personal experience. I say that the Dietrick amendment to the Army Appropriation bill is a notable example. The amendment to the Army Appropriation bill does not represent the real will of the worker. I happen to know that the real opinion of the worker was not ascertained,

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