

body. Not but that I feel with some training and experience they might be brought to an appreciation of and an ability to handle these problems, but I question very much whether a private industry can pause long enough in its progress and struggle for survival to bring about that training in any general sense. And it is a large responsibility to offer to the manager of an industrial institution to suggest to him that on material questions affecting the progress and welfare of the institution the decisions of the management be submitted in the form of a referendum. I perhaps would be willing, and I believe many executives would be willing, to see this tried in some experimental, laboratory sense, but that is quite different from applying it to one's entire industry as a policy. I believe that executives generally would prefer to see the experiment tried out in a Government plant, because I believe that the Government has a larger duty to perform than experiment, and is also economically more justified in doing it.

So I do not oppose myself to the suggestion of an experiment in industrial democracy performed by the United States Government in the interest of sociology and social development. If we are seeking merely industrial peace, there comes a question whether the institution of democracy at this time will really bring about peace and relieve us from unrest, or will merely change the cause for the unrest and bring the issue upon another point. Political institutions in this country appear to survive in spite of that inefficiency of governmental management which seems to be rather generally recognized, and recognized with a rather happy-go-lucky attitude of mind on the part of the American people which seems to say, "Well, it isn't right, but I guess we are rich enough to stand it." Let us hope that those political institutions that we believe in so firmly will stand the struggle of a different economic situation and generation.

It is only the support of a competent, efficient and productive industry that can preserve to posterity the democratic institutions of this country in a political sense.

Labor and capital, I believe, have seen a new light during the war, a new light as bearing upon their relations. It seems to me that there is a breaking light in their minds that will make it possible for them to get closer together in the future, closer together in the interests of a higher industrial efficiency. I certainly sincerely hope so. It seems to me that management has a more kindly attitude toward labor, and that la-

bor is gaining a more liberal attitude toward management. It seems to me that organized labor should furnish that kind of leadership and instruction that will encourage and bring about the growth of this condition and this relationship.

Unfortunately, some of our executives have been forced into a position where they appear to have their backs against the wall. I call you to witness the recent police strike in Boston. I believe that that was an error on the part of organized labor. I think that it is fortunate, and that it is the opinion of the general public that it is fortunate, that we had in Boston a police commissioner and a governor of courage.

Another instance: In the steel situation, Mr. Gary seems to have his back against the wall. Apparently he feels that the issue may as well come now as later. Whether he is right or wrong, it should cause both capital and labor to pause and consider the issues involved, to try to bring about a condition where an executive and organized labor may not find themselves so violently opposed. If organized labor in this instance has housed radical leaders who have brought about a condition which organized labor itself does not fully approve, it seems to me that they have the responsibility of removing such radical leaders from their ranks.

I should like, if I could, to suggest some remedy that would mean something, but I don't believe that I—or any single man—am able to do so. I hope that the industrial conference which is meeting in Washington will find the solution. It seems to me that it lies somewhere in this direction: labor and capital, management and the public—the four parties at interest—should get together to formulate a constructive policy, not as related to any specific industry or industrial dispute, but as related to broad national policies and welfare. Mr. Gary and Mr. Gompers are not able to get together on the specific dispute concerning the steel industry, but I believe that you could get them together in a friendly conference upon the development of a constructive national industrial policy, developing a code or a creed that will receive the public approval of all the parties at interest. Let it be a code of morals, a guide for policies, rather than a set of rules for a division of the spoils. Pledge all parties, under penalty of public disapproval, to moral conduct in accordance with that creed. Let the creed be constructive, and not destructive; upbuild, all, and tear down, none.

For example, I have witnessed recently occasions

where manufacturers' associations and organized labor have gotten together on a legislative program that both could approve and, whereas manufacturers' associations in the past have adopted a program of obstruction, when organized labor has offered remedial legislation for social wrongs, today I believe that there are more and more manufacturers' associations that are ready to sit down with organized labor in advance of the opening of the legislature and determine upon a program of legislation that both can approve. In a recent instance I know of this having been done. I know of a manufacturers' association that advocated laws for the regulation of labor and employment, including the regulation of night work for women; and I believe in this particular instance that the manufacturers' association was prepared to go farther than organized labor. I believe that it is entirely possible to get together on public issues of this character, provided you do not relate your conference to a dispute in a particular industry where the management of that industry has chosen to adopt a policy of declining to deal with organized labor concerning the policies of that particular institution.

I believe that you can get together better on moral issues than on petty selfish interests, and if we can govern matters of large policy and large action in the interest of morality, we can eliminate by prevention the petty industrial vices that cause dissension.

Capital does not object to the broad policies of organized labor as defined by Mr. Gompers; as I understand them. When he is talking Americanism, capital gives entire approval. But it does object to destructive policies and the destructive methods of local labor agitators, so-called leaders, who may be of that radical minority that has gotten into the ranks of labor and has gotten beyond the control of labor's proper leaders. I believe the converse of this is true; that labor does not disapprove of the broad policies of capital if they can be clearly understood and interpreted; but I do believe that labor disapproves of some of the narrow, selfish policies which are sometimes put over in the name of capital. Organized labor on the one hand, and manufacturers' associations on the other, I think can get together on large policies and prevent a great deal of our industrial unrest. Let there be more collective bargaining between organized labor and organized capital, bargains on public policies, and then the thought of bargaining will give way to agreement and mutual constructive effort, much bigger and simpler than collective bargaining

over the internal problems of a local industry. Let public conduct be the guide for private conduct. The attitude of mind of the four parties at interest should be, I think, as follows:

Labor should approach these conferences with a constructive policy toward capital, based on the theory of community interest, public welfare, with just reward to all.

Management should have a constructive policy toward both labor and capital, protecting and conserving the interests of each, and striving for the reward of both through a higher efficiency, a greater productivity of management effort.

The public should exert a sympathetic state of mind in support of this cooperation, both through governmental and private conduct.

There should be recognition of the mutual rights, privileges, duties, obligations and responsibilities of each party; public disapproval of the violation of principles of moral conduct drawn in the public interest, whoever the offender may be. Let the courts express for the public their judicial findings in this respect.

What we are apparently reaching out for is industrial democracy; and what we need, I think, is an industrial constitution. Our forefathers first framed the Constitution, and upon that have been builded our democratic institutions. Let us preserve political democracy by constructive industrial efficiency. Let us prepare an industrial constitution that will contemplate an America of Americans, and for Americans; a United America, with good will toward all and malice toward none. Let us make the world not only safe for democracy, but safe with democracy.

III. DISCUSSION

Mr. Kendall: Mr. Chairman, I suggest that Mr. Cornick be given five minutes in general rebuttal.

Mr. Cornick: I am not going to attempt to make any particular answer to the talk we have just heard. I only want to suggest this proposition: That a man who is willing to attempt to extend democracy to industry should have the courage to extend it to his own industry. It is a thing that can be developed along healthy lines, staying absolutely on solid ground. If, as he suggests, Russia represents true democracy, why then is the United States interfering with that development? As long as you can extend to the people the right of participation either in political governments