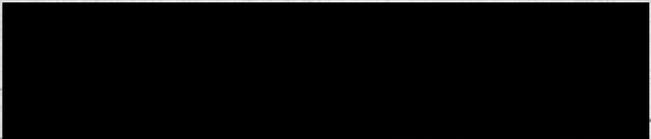


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LABOR PROBLEMS, YESTERDAY AND TODAY  
IN THE LBR. INDUSTRY

by

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A Study of the Labor Unions and Their Growth  
With Labor Problems  
Today

OBJECTIVE

It is the object of this thesis to present to the reader a picture of the labor problems of the past, and the labor problems of today, with the sincere hope that with a full understanding of the problems of all parties concerned a lasting solution can be designed.

INTRODUCTION

It has been necessary to show the economic need for labor in our social world, and a short history of the development of the labor unions to understand the present crisis. The cause and effects of the present labor troubles presents one of the major social problems of the day. Scarcely an industry in the United States has escaped having trouble of a growing nature with the dissatisfied employees. The effect of the antagonism is far-reaching in our social and economic welfare. The Pacific Northwest is involved, and the lumber industry is threatened.

We, as foresters, are directly concerned with the labor problems. Our social duty is to aid in making a just and prompt settlement between capital and labor so that industry may enjoy permanent and lasting peace with society advancing onward. It is the desire of this thesis to help bring about this settlement.

## LABOR PROBLEMS AND LABOR UNIONS

In all of the activities of the present industrial world, we find man exerting labor. It is man working with the resources of nature, that carries on the process of production. Almost all of the wealth and income of the world is the product or result of human effort, most of which is labor. Because of the fact that the working-man has only his hands with which to obtain his livelihood, he is dependent upon a group or class of people to supply him with work to enable him to live. This at once causes a break in the social system by forming two separate and distinct groups of people, the employee and the employing class. Because of the unsatisfactory living conditions of each group, there is constant agitation on the part of both parties trying to receive greater returns from labor.<sup>1</sup>

For the production of any article there must be labor expended. This labor is the principle obstacle in production. Were it not for the distastefulness of labor spent in production of goods, the problem of producing would be greatly simplified. Because there is labor exerted on the production of an article or goods, there must be some compensation made for the labor, and here is where the two classes, employer and employee differ. The employer claiming that he must receive a given return as his share, and

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1. "Principles of Economics", Raymond T. Bye., F. S. Crofts & Co., 1930, p. 121-22.

the employee claiming that he must receive a given amount in order to be able to live. Both the employing class, often called the capitalistic class, and the laboring class, are necessary groups in the industrial setup of the social problems of today. Without one, the other is useless in any kind of mass production.

The capitalistic class maintains that in order to continue the production of their goods they must obtain enough returns to keep up their equipment, pay interest on their investment, and accumulate a reserve fund for unexpected demands. Labor maintains that it must receive returns to guarantee themselves the bare necessities of life. It is in hopes of receiving enough for more than the bare necessities.

To enable themselves to better obtain their demands, the laboring groups at one time and another, have for mutual support, banded together and presented their demands to the employing class. Most of their demands have been made for higher wages, shorter working hours, and more sanitary or safer working conditions. Many other demands have been made, but the above three demands have been the reasons for most labor-employer troubles. To better obtain their demands from capital, laboring classes have had to organize themselves, and sometimes bring pressure to bear on their

employer to obtain their demands. This leads to labor organizations.

As an illustration of how a labor organization is brought about, we might take for example: A sawmill is about to open its operation and fifty men are needed, and are employed. It develops that the men work from six o'clock in the morning until six o'clock at night. They receive three dollars a day, and work six days in the week. They all live in camp, sleeping in a large, one-roomed building with no place to dry their clothing except in their sleeping room. The food is of poor quality, and the water comes from a well. The weather is bad, and there is improper ventilation in the room where the men must sleep.

The workmen feel they are entitled to a little leisure time, and should have more money for their work. They desire to have more sanitary conditions about the camp, and also want better food. Therefore, the men talk conditions over and finally draw up a petition, usually signed by the workers, and present it to the owner of the mill, or to his superintendent. If he feels the men are entitled to better living conditions and higher wages, and desires to give them their demands, a settlement is made, and the men continue to operate. On the other hand, if the owner does not make a change in conditions, the men

may refuse to work and call a strike. The strike can be effective only as long as the men refuse to work and can prevent other workers from taking their jobs. In such a case, the labor organization is successful. Often it is not successful, and the laboring conditions continue to be bad.

Most of the labor unions start in the populated centers, or where a large number of men are employed in some production. A few men will endure many hardships and privations with little or no complaints, while the larger the employee group, the more complaints there will be for better conditions because of the physical construction of the individual. Mass employment means mass problems to face, and mass problems invite unions.

A student of Biblical history finds a slight mention of labor troubles from a union formed during the construction of a Judean palace. The Greek history also makes a brief mention of having labor problems. The Roman Empire experienced some difficulty, but because of the slave traffic, suffered but slightly. It was not until the reformation period in European history that labor really became a problem to the employer. Prior to that time, most of the work was done by slaves and serfs, and the profits were divided by the fuedal lord, the crown, and the cross.<sup>2</sup>

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2. "Trade Unionism and Labor Problems", John R. Commons, Ginn & Co., Boston, 1905, .

The fall of Constantinople to the Ottoman Turks in 1453,<sup>3</sup> caused the field of learning to be moved from Greece and to scatter throughout Europe. The closing of the Asiatic trade route to China prompted Columbus to discover America. Both were after effects of the fall of Constantinople, yet each played an important part in the field of labor activities. With the so-called field of learning carried to the rest of Europe, there was a constant advancement in the social and economic progress of the people. New discoveries and inventions revolutionized the methods of producing goods, and trades were introduced.

Early in Europe there were collections of workers in towns and villages who were called "freemen". This title was to distinguish them from the feudal lords and their serfs. They were under the protection of what ever town or village they happened to reside, but were at liberty to move about at will, because they did not, as the serfs, "belong to the soil". These freemen were usually skilled in some kind of work. The skilled workers were called "artisans", and they were very jealous of their trades and occupations. Limits to the number of people who might become an artisan prevailed, and the number was kept low. In order to be able to qualify as an artisan one had to

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3. "History of the United States", Emerson D. Fite, Henry Holt & Co., New York, 1916, p. 4.

serve a period of apprentice work under the direction of a "master". From one to seven years of training was necessary to produce the finished man, depending upon the conditions of the country, demand, and the location. At the end of the apprenticeship period the worker would be permitted to belong to the artisan guild.

The first real effect of labor was felt in Europe immediately after the Black Death, in which almost one-third of the population perished from the disease. At once there was felt a keen demand for labor, and land-owners and industry operators began bargaining for men. With the growing demand for labor, workers started using its influence to better conditions, and this influence was frowned upon by the powerful men of the countries. Their attitude was that any attempt to better laboring condition was a conspiracy against them. In the 16th century the tub women of England were indicted for trying to raise wages, and the chandlers of London were likewise indicted. It was not until the time of Queen Victoria in England that labor rose above the conspiracy<sup>4</sup> disclaim.

With the colonization of America, unlearned people from Europe were brought over to settle. Their European ideas were carried to America, and American influences

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4. "General History", Philip Van Ness Myers, Ginn & Company, New York, 1906.

were governed by European activities. The heavy influx of European middle and lower classes offered cheap labor to America and was an encouragement for mines and other industries to operate. The biggest demand for labor was in the Southern States, and that labor was performed by slaves. In the Northern States where workers were free, unions started. Although there was little labor trouble until after the Civil War, as new industries were started and discoveries were made to increase production of goods, crafts of workmen were formed to protect their jobs from other workmen. However, because of the supply of labor, and the social decentralization of activities, the effect of craft organization was little felt, and labor caused little trouble until after the Civil War.

The early labor unions had two intentions in their original organization. First they desired to exclude the entry of other laborers from their jobs. European peasantry migrated to this country in large numbers because of the great opportunities offered them to advance socially and to become powerful economically. Millions of people, generally from the lower classes moved in. These immigrants, for the most part, were unfit for other than manual labor, and this constant supply of new workers had the tendency to lower the working wage. By offering a supply of labor, the wages would go down. This lowering of wages was against workers ideas, and they fought

immigration.

The second aim of the workers in organizing was to raise their own standards of living. They wanted higher wages, shorter hours, and better working conditions. Their only weapon was that in refusing to work where their demands would not be met, and to try and keep other workers from going on the job.

As more and more workers were brought to see the need for organization in order to accomplish their objective, labor organizations sprang up, and their membership increased very rapidly. The first labor union to claim national members was started in 1869. Prior to this date all unions were small, limited in scope, and were confined to crafts. The union formed in 1869 desired to raise the wages of the working day, and to have the hours of the working day lowered. Work started almost at daylight in the morning and ended when the evening had fallen. Living conditions on the jobs were very unsanitary, and dangerous pieces of machinery were unprotected, and the accident rate was high. The labor unions wished to correct the labor conditions. To do this, they had to organize. Labor had at last discovered its weapon, and was about to use it.

The Knights of Labor, formed in 1869, built up a large and powerful union. It is to be noted that the organization started during the depression following the

Civil War. This point is of interest, and it will be later brought out that most labor activities are carried on following a collapse of the social or economical conditions of the country. The change is the result of a desire of the workmen to receive or **regain** the conditions they enjoyed during a boom period. With a decline in economic conditions, the workers object to giving up any privileges they enjoy. Therefore, most labor activities are carried on during, or immediately following a slump.

Due to the industrial growth of the country, and the sharp line drawn between capital and labor, friction started. Trouble of a growing antagonism between capitalism and laboring classes sprang up and grew. The laborers believed an unjust share of the profits of business went to the capitalist group. They also felt that the working hours were too long, and they had many other grievances. In 1886, 40,000 men went on strike in Chicago. On May 4, when police ordered the workers on demonstration to disperse, a dynamite bomb was thrown and exploded among the officers, killing and wounding many. In return, the police officers fired upon the mob with equal effect. The ring-leaders in the demonstration were arrested and brought to trial. Four men were hanged and others imprisoned. Those still in jail were pardoned in 1893, by the Governor of Illinois on the grounds that the men were not given a

fair trial.

While the Knights of Labor was neither a class union, a mass union, a trade union, nor an industrial union, it did unite workers from almost every walk of life, and in 1886 had built up a membership of seven hundred fifty thousand men. The union did hold that an injury to one worker was an injury to all workers and should be treated as such, and that in order to receive justice the workmen must stick together. While the union was very popular for a time, it disbanded.

One political movement favored by all workers, both union and non-union, was started in 1888, when a bill was proposed to prevent the immigration of Chinese laborers who were coming into this country in large numbers, and who were greatly successful in lowering the wage rates. This movement was unsuccessful, and labor rested.

The industrial depression of 1893 brought failures, strikes, and lockouts. The following spring Jacob Coxey led an army of unemployed, tramps and vagrants to Washington, D. C., to demand Congress issue \$500,000,000 for relief purposes. Coxey was arrested with a number of his men, charged with "walking on the grass". In May of the same year the Pullman Palace Car discharged a number of men employees and cut wages on the ground of "hard times". In

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5. "A History of the United States", Allen C. Thomas, D.C. Heath & Co., Boston, Mass. pp. 438-42.

view that the company was paying seven percent dividends, had a surplus of \$25,000,000 on a capital of \$32,000,000, and none of the officers had salaries decreased, the workers could not see that the company was suffering from "hard times". A committee waited upon Mr. Pulman to remonstrate. For this "impertinence" three men on the committee were discharged by the company. Then nearly all of the employees struck. The new American Railway Union, founded in 1893, under the presidency of Eugene V. Debs, tried to handle the strike. Due to the inability of the union and the Pulman Car company to agree upon a settlement, the strike spread to twenty-seven states and territories. Mail trains carrying Pulman cars were not permitted to move. Near panics resulted, and President Cleveland sent troops into Chicago and ordered the strikers to refrain with interfering with the mail. Eugene Debs and his aids appealed to the strikers to refrain from violence, but mob rule held sway and terror reigned. Mr. Debs and his aids were imprisoned and the strike was broken by government action. For the first time, American troops had fired upon American citizens to preserve order, and American citizens, in time of peace, were imprisoned by a court order without trial. This severe action led to direct criticism of the President, but the Supreme Court upheld the decision. Labor suffered a severe setback.

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6. "American History", David S. Muzzey, Ginn & Co., Boston, Mass., 1911, pp. 495-498, pp. 514-539.

In 1902 when the coal mine workers went on strike, President Roosevelt took active committee action by calling a meeting of the mine workers and owners. While there was no phrase in the constitution defining the President's powers, the President did intervene to the relief of the countrymen. Roosevelt reversed the decision of the former President Cleveland, and was truly sympathetic towards labor. A settlement of the strike was reached, and labor hailed the settlement as a direct aid to their power and rights.<sup>7</sup>

Early in 1905, while labor was seething with its new found power, a new labor union came into being. Working men felt that the new movement, brought about by changes in mechanical processes and social advancements, should not be restricted by national boundaries, and should include all workers in the world. Feeling that local, or even national craft unions were not sufficient to fill the needs of the employees of business, and by making the structure of the union flexible enough to fit the necessary changes, and by vesting the power of the union in its members, a new union was introduced. Based upon the Social-Democratic party founded in European states by the great socialist, Karl Marks, the Industrial Workers of the World came into being.<sup>8</sup>

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7. Ibid, pp. 596-599.

8. I. W. W. publication, September, 1934, Chicago, Ill., pp. 14-15.

Their career was stormy. The first strike called by the new union was in the west coast lumber field. Here the workers were after a liveable wage and sanitary living conditions. The sawmills would not give them the demands, and in 1906, a strike was called. This victory proved to be but a beginning for labor strikes in the logging and lumbering industry. Scarcely an operation not having sanitary living quarters, safe working machines, and pay a high wage escaped having to shut down because of strikes and labor troubles. The result of these labor demonstrations was that the standards of living was raised, and better personnel was induced to turn to the woods for work. Instead of only rough "timber beasts" being the person to follow the lumber trade and live in logging camps, the way was made open for married men to bring their families with them and still expect some of the advanced ideas of living and human conduct to be followed.

The old, low, long bunk-house where all of the men lived was replaced with small cabins where three or four men slept. Water was piped into camps and sanitation prevailed. Working hours were shortened and wages were raised. All of the changes had to be fought for, and were granted only after hard fought battles between the employer and labor. From the bill-of-fare of sow-belly and beans, a loggers table is now the pride and joy of skilled chefs, and women flunkies are the rule. Logging camps are now

fit places to live in, and even the personnel's attitude has changed.

The Industrial Workers of the World built up a very large and powerful labor organization until 1923, when the decline set in. Before the World War, there were strikes pulled in almost every laboring center in North America. From the Northwest lumber fields and Canadian railroads to the Pennsylvanian coal mines the force of the union was felt. Railroad construction in Canada was halted until fit living conditions were established, and miners in the coal fields received a liveable wage for their work. The textile industry was invaded, and the union was successful. The company of the Mesaba Range iron mine met a gigantic defeat in the strike of 1916. By uniting the black and white lumber workers of Louisiana, the combined forces brought better living and working conditions into being. In 1927-28, the I. W. W.'s succeeded in bringing almost all workers into a general strike in Colorado because of company terrorism to the coal workers in the mines of that region.

During the World War the Industrial World Workers suffered severe set-backs because any attempts to strike for better conditions were taken, or played up to be, aids to Germany. In this manner public sentiment was built up against them as a labor union, and even today, when the I. W. W. union is mentioned, one is apt to think of them as being pro-German workers, rather than as the labor union

who brought civilized living and working conditions into the lumber camps of the Northwest.

One of the strong factors about the union was that it held that the worker had only labor-power to sell, and that it should be made to bring in enough returns to fulfill the needs of the worker. Their paramount desire was to do away with the wage system, and escape being wage slaves. "That wage earners are wage slaves is not a figure of speech. It is a statement of fact. A slave is one who must work for another, producing what he is told to produce, and turning over the product to the master. Chattel slaves did this for a living. Serfs did that for a living, and wage earners of today do the same thing."<sup>9</sup>

Due to political pressure in their early existence, the I. W. W. union felt the need for political organization and political support in order to obtain recognition as a labor group. The Social Laborite party was the outcome of the unions' aim for a unified body to control and make laws regulating social and economic living. In 1935 the political strength of the party was about thirty-two thousand members. Due to activities of other laboring bodies in the working field, little is to be heard of the Industrial Workers of the World today. Ardent supporters of the party and union feel that the unions work is

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9. I. W. W. publication, November, 1932, Chicago, Ill.

incomplete, and that the idea of the union has been planted firmly in the minds of many workers, and that the idea, once planted, will always remain. As a volcano will smolder and build up pressure for an enormous eruption, so too, will labor unions smolder to build up pressure for the day when the worker comes into his own.

Because of the active part taken by timber workers in supplying the government with lumber and timbers for ships and airplanes during the war, and the desire to prevent labor strikes from interrupting the constant flow of products, a group of timber operators in Oregon and Washington, under the direction of an Army officer, formed what was known as an employer-employee union, and called its members the Loyal Legion of Loggers and Lumbermen. The 4L, as the union came to be called, played up to the patriotism of the workers to keep them on the job, and to counteract any union activities in lumber industries. In the Spruce region the movement was successful. Several camps adopted the joint union, but because of their refusal to aid other unions, and to strike for better wages and conditions, the 4L was long held in contempt by other union members.

After the World War the 4L continued to hold sway, and retained its power in a number of localities. It was able to withstand the labor attacks of 1923-1927. The 4L was even able to spread its influences to other states, and was instrumental in preventing labor strikes from spreading.

In April, 1937, the Supreme Court upheld the Wagner Act which made it unlawful for the employer to hold membership with an employee union, and as a result of the decision, in May there was a liquidation of the 4L. In its place, but in no sense a "carry over", from the 4L, there was a new employee's union formed. This new union was incorporated under the state laws of Oregon, calling itself the Industrial Employees Union, Incorporated, and become a responsible legal entity.

The IEU aims to avert strikes and lockouts by conferences and the arbitrary method, so as to prevent loss of earnings by the worker who can remain on the job while his petition is being discussed. In case the dispute can not be met on the job, arbitration is provided for by means of a regional labor board, made up of delegates elected from the plant employe groups. In case some irreconcilable dispute should arise, and remain unsettled, the right to strike, and all other labor defenses are reserved. Such measures, however, can not be resorted to under the IEU constitution and agreements until all IEU conciliation machinery has been used; and the working agreements also provide that thirty days must be allowed to use **this** machinery before any action can be taken. While all authority in the IEU arises from its rank and file membership, they are legally responsible for the actions of any of their members.

Most of the members of the old 4L union joined the IEU union, and hold membership in it. At present,

their activities are centered in Oregon, Washington, Idaho, and Northern California. The paid-up membership is approximately fifteen thousand, and about twelve thousand are active. While the ~~4L~~ confined its activities to the lumber industry, the IEU reaches out into many different commercial establishments, and has many locals in Western Oregon. The IEU maintains that in the long run, successful labor relations can be established only by continuous conferences and contacts between all parties concerned. This, they believe, nips trouble in the bud, and prevents them from developing into actual hostilities, also, it tends toward harmony, and harmony develops cooperation. Also, the IEU maintains that industrial peace and prosperity are to be attained only through mutual understanding and cooperation in facing problems. One of the striking regulations of the IEU labor organization is that a person can not become a member of the organization unless he is an American citizen, or has taken out his papers to become one. This is in direct contrast to the I. W. W. policy which was to organize everyone, regardless of his nationality, race, or creed; even going so far as to contact people intending to come to this country and having them sign up to join their union when they were admitted.

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10. From Mr. H. E. Veness, IEU Staff Member, Portland, Ore.

The leading union in America today is the American Federation of Labor. Formed in 1886, this union, under the leadership of Samuel Gompers, was a collection of craft unions banded together under one banner with the object of greater control of working conditions and political problems affecting labor. In the words of Samuel Gompers, he held that the A. F. of L. was, "not an organization, but rather, a federation of organizations". One aim of the union was to unite all labor under one head, and to elevate the crafts above common labor standards. In addition, the labor union felt it had been subjected to many injustices by the employer, and felt that labor as a whole had been badly exploited by the employing class.

While the chief defect of the union was the lack of solidarity, the principle objection to it was that one craft of the union could continue to work in a plant when another craft of the same union was on a strike. In other words, one union could scab on another. More radical workers felt that there should be closer control of all the unions activities. Because of the influence of the Knights of Labor on labor during the latter part of the nineteenth century, the A.F. of L. was having difficulty in building up membership until that labor party disbanded. When the Knights were disbanded, the American Federation of Labor made vast strides forward in membership.

During its early growth, the American Federation of

Labor recognized other laboring unions of industry. In spite of their stand that labor should be divided up into local crafts, the A. F. of L. has aided other unions when they were in difficulties. Although the A. F. of L. did not approve of the I. W. W. union policies or ideals, when the massacre took place in Everett, Washington, in 1915, and the I. W. W. union went on trial, the A. F. of L. sent money to them to fight with, and pledged moral support to their cause.<sup>11</sup> It did not, however, favor industrial unionism, nor their ideals, still sticking to the plan of local crafts under one head.

In 1936, John L. Lewis and nine men from the American Federation of Labor started a major drive in gaining membership to the union. Calling themselves the Committee of Industrial Organization, and aiming to organize the unorganized workers in America, the plan was launched. This brought about a sharp attack from the President of the Federation, Mr. Green. Feelings waxed high, and Lewis took his forces into driving for even organized Federation members to join the CIO. The CIO held that in mass production craft union labor could not work successfully, and aimed to group unions, not crafts. This decision, and bitter attacks from the President of the A. F. of L. led to a break with the Federation, and started a battle for union supremacy to determine who was to be the con-

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11. "The Everett Massacre", Walcer C. Smith, I. W. W. Publishing Bureau, Chicago, Ill.

trolling element in the American labor field. The lumber industry watched the growth of the CIO, and felt the answer to its dreams and hopes. The severed I. W.A., ( International Woodworkers of America ) held an election and voted to join the CIO. They applied for membership and an international charter. This was granted, and the CIO entered the Northwest as a strong power against the forces of the entrenched American Federation of Labor.

Hard battles have been waged in the motor industries and against other labor unions by the Committee for Industrial Organization. This is of peculiar note. While all workmen will agree that their prime object of organization is to better compel the employer to meet their demands regulating working conditions and wages, the workmen have been fighting amongst themselves. The CIO aims to collect all of the workmen under their banner, while the A. F. of L. desires the same goal. With this goal in sight, the two labor unions have battled each other to such an extent that industries have been tied up and unable to operate. Many laborers have voiced their dislike of being kept from their jobs, and will probably not join any union. In such an event, the labor unions are suffering at the expense of everyone concerned. The employer is unable to do anything, and industry stops, and when industrial wheels stop, industry suffers.

Charges have been made that the two labor unions are

fighting to see who will control the millions of dollars paid into the unions as dues and assessments, while other charges have been made that industry has promoted the attack to draw attention away from the employer who is labor's common foe. One fact remains, and that is that under the present set of conditions the workmen have done little but fight each other in soliciting membership to the two major unions in the Northwest. While President Roosevelt is sympathetic towards the CIO, the American Federation of Labor has many staunch supporters, and is contesting the CIO on every inch of ground.

On Friday, August 13, 1937, an A. F. of L. local at Toledo, Oregon, went on strike because their local had split and part of the members joined a CIO union. The A. F. of L. sent men to picket the place, and CIO workers would not go through the picket lines. The following Monday seven sawmills in Portland went on strike and picket lines were placed about the mills. This was a sign for a general tie-up of labor conditions in the lumber field. Many outfits had to shut down operations, and many who did not shut down were picketed. Losses amounted to millions of dollars, but the strike held out in Portland until Governor Martin had an election held to decide which union held power in the sawmills. From the election it was found that the CIO won with a two to one vote, and five months after closing, the Imman-Poulson mill re-

opened. Other mills followed, but the trouble has not been settled to date. One of the first orders for lumber by the Inman-Polson mill was for Japan. When the boat was to be loaded and shipped, A. F. of L. men refused to handle the cargo or ship, but with a threat from the Governor, the ship loaded and sailed. Due to the threat of governmental intervention a crisis was delayed.

During the strike many opposite union men were badly beaten, and much property was destroyed. For a time it was feared that that the National Guards would be called out as they were in 1934. The feeling is still high between the CIO and the A. F. of L., and the matter is not settled. With the installation of the National Labor Relations Board, it was hoped that some settlement would be reached. Their sympathies were with the CIO, and the A. F. of L. would not give in.

For a time the A. F. of L. and the CIO joined hands in sharp attacks on the IEU, but the A. F. of L. withdrew, and the N. L. R. B. is conducting the fight. Shortly after the N. L. R. B. entered the scene, it appeared that the IEU was going to suffer. Mail and telegrams were seized; witnesses were subpoenaed, and trials were started that are still being dragged out. Every day the Oregonian, Oregon Journal, and other newspapers carried articles and columns about the labor struggle and findings of the different trials. Charges were made, and counter charges

were hurled in defense, with little backing up of any of the charges.

As the condition of the strike and labor trouble progressed in the Northwest, climaxes were also being reached in the Automobile and other industries of the United States, causing a nearly collapse of the economic structure of the government. This activity took place with a near panic and industrial standstill in the midst of the wealthiest nation of the world. President Roosevelt himself, took an active part in trying to solve the problems of both the worker and employer, but to this date the problems are unsolved. Labor troubles are not confined to the boundaries of the United States. The disorder is prevailing in almost every nation in the world. There are strikes and demonstrations in almost every country. News flashes and papers carry accounts of uprisings of the laboring classes in Mexico, France, Austria, South America, and other nations, and everywhere the discontent prevails.

In 1933, Austria was threatened with an overthrowal of its government, and an instalation of the socialistic government founded by Karl Marks. The uprising was brought under control, but Europe is a very unsettled boiling pot, and many changes are being brought about because of pressure placed on governments by the working citizens.

Only in Russia, today, can one find where the worker is on the job all of the time, and in Russia the worker owns the plant where he works. No one knows what is really happening in that country. One only hears tales of what a person did or saw while there, and must accept the version of a biased writer, or draw his own picture of what is taking place in the Communistic country.

That there is some reason for the labor unrest is admitted by almost every person able to weigh the economic conditions under which a worker lives. They will admit that a worker is entitled to justice, but where to draw the line is hard to decide. Where there is any activity there must be a cause and an effect. We at present, are receiving the effect of a cause. The cause of labor activity is now active, and is new.

With the introduction of the Industrial machines following the industrial revolution of production the workers were reduced to a wage slave basis. The first advances of increased power and productivity on labor were slow. Water power, wind power, and horse power have their limitations. It was not until the introduction of the steam engine as a practical means of applying power to production that labor became a major problem, and found its power. The impact of this newly found power upon society was tremendous. Old crafts and ancient ways of doing things to make a living were discarded to be replaced with new machines to apply new power. The sudden

application of power in the production of goods caused millions of people to flock to cities in search of work, and began the workmens problem of making a living for themselves and their families.

With the introduction of new machinery to replace many obsolete types in mills and factories, thousands, and later millions of workers were thrown out of work. Prior to 1900 there was open land in America for men to turn to in making a living. Homesteaders were able to file on public land and become their own masters. Today that condition no longer exists. Today there is no such outlet for labor. The worker has no future to look forward to except a life of working for an employer. He must accept the wage paid by the employer unless he is in a position to compel the employer to raise that wage, and to do this, he must have the co-operation of his fellow workers.

When there is an unusually high demand for labor due to the introduction of new and different kinds of equipment, wars, or social and economic prosperity, workers will unite to make their demands upon their employer. Here, the operator will have before **him** the prospects of a high profit if he can continue operations. In order to continue the production of goods, he will usually return a profit to his employees in higher wages. Labor will feel that it has some power, and may attempt to use it. Union memberships grow, and labor becomes powerful. Politicians seek the support of labor unions, and concessions are made.

With a decline in the economic conditions of the country, a sudden supply of new labor, or a poor demand for products, the employer will begin to lay men off from the job, and cut wages. Some workers may offer to work for a lower wage if permitted to remain on the job, and the decline for workmen sets in. This decline is a sign for labor to cease union activities because the workmen will not support each other. The lack of cooperation prevents the workers from making a demand for higher wages, and is an invitation for scabs to take over the plants. When there is a decline in the demand for labor, or in the labor market, wages and living standards immediately drop, because the laborer, unlike the employing class does not have a reserve fund to rely upon during a period of "hard times". What money a worker receives for his labor is spent almost as soon as it is earned, and in a number of cases where credit is extended, before it is earned. That extended credit is sometimes harmful can not be denied, but because of the demand for products, and the "high pressure" sales conditions, it is only natural for workingmen to use credit in the production of goods. This obligation of paying for purchased goods is but another reason for the worker to try and remain on the job as long as possible, and to try and raise his wages.

While the laboring class have problems to face, the employing class also have problems to solve. In their relations with labor, the employing class holds the assumption that the company knows what terms are for their best interest,

and that the company announces its terms. If the employee does not approve of the terms, he may seek employment elsewhere. The employee, on the other hand, often has obligations that will not permit him to go elsewhere. It may be that he is held by ties of family or business that will not permit him to move to another locality. He may not have the means of locomotion to transfer his belongings, and must remain where he is. His field of employment is therefore confined, and his working range limited. His only weapon to raise the wage and living standards is to petition the employer to grant what he will. Unfortunately, this is not always enough, and the worker suffers.

Once workmen form a union and bring pressure to bear on the employer, it is only when the workers is well organized as to have a monopoly on the labor supply in that given industry that a strike will enable them to gain their demands. When this stage of perfection in organization is reached, the mere threat of a strike is usually sufficient to compel the employer to grant the demands . As an escape from labor activities, one company has placed its employees on a yearly basis. This form of employment removes the employee from the need of a union, and is one of the solutions of the laboring problems,<sup>12</sup> but the complete problem is

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12. "Readers Digest", Readers Digest, Inc., New York, N. Y., January, 1938, p. 37 ff.

by no means settled.

While there is the employer and the employee involved in a labor dispute, there is also an interested third party who is directly concerned, but who is not always recognized. This interested third party is the public. Unfortunately, neither workmen nor employer are particularly ready to recognize the rights of the public and their obligations to society. In order to have a lasting peaceful settlement made of the laboring problems, complete recognition must be made. The superior obligations which every member of society owes to that society must be realized and efforts made to fulfill that obligation. Until these measures have been brought about, the employing and working class will continue to fight each other while society suffers. It is only in the joining of hands in cooperation that any permanent settlement can be reached that will bring about lasting peace in the laboring world. How this will be brought about is yet to be decided, but that society will make the demand for the settlement, and find the way to the settlement, there is but little doubt.

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