

Western Assembly Meets to Consider 'Wages, Prices, Profits, Productivity'

1959-60 Appointments Made to Institute's Advisory Committee

Eight new representatives of labor, management, and the general public have joined the Institute's Community Advisory Committee.

The recently appointed members will serve three-year terms on the 24-member board which, under the chairmanship of Clark Kerr, President of the University, assists the Institute staff in planning community service programs.

New members are:

Anthony Anselmo, Secretary, Local Joint Executive Board, Culinary Workers; John E. Cantwell, Vice President, United Employers, Inc.; Paul A. Cooper, Vice President, Operations, California & Hawaiian Sugar Refining Corp.; Jack Goldberger, Business Representative, Newspaper Drivers No. 921; William H. Smith, Secretary-Treasurer, Federated Employers of San Francisco; Donald Vial, Research Director, California Labor Federation; Arthur Viat, Regional Director, Federal Mediation and Conciliation Service; Harris Wilkin, Secretary-Treasurer, Retail Food Clerks No. 870.

Continuing members are:

C. R. Bartolini, Secretary, Bay Counties District Council of Carpenters; Glenn Bowers, Supervisor of Conciliation, California Department of Industrial Relations; John W. Bristow, Executive Vice President, California Processors and Growers; Glenn E. Brockway, Regional Director, Bureau of Employment Security; Albert Brown, President, Central Labor Council of Alameda County; J. Hart Clinton, Executive Vice President, Distributors Association of Northern California; William W. Davison, Vice President, Standard Oil Company of California; Sam Eubanks, Executive Secretary, San Francisco-Oakland Newspaper Guild; John F. Henning, Director, Department of Industrial Relations, State of California; Glen Ireland, Vice President, Operations, Pacific Telephone and Telegraph Co.; Louis B. Knecht, Director, District 9, Communications Workers of America; Scott Newhall, Executive Editor, S. F. Chronicle; Raymond E. Peters, Justice, Supreme Court of California; John T. Schiavenza, Secretary-Treasurer, California Conference of Machinists; C. T. Spivey, Director, Industrial Relations, Columbia-Geneva Steel Division.

Regional Leaders Convene At Yosemite, October 1-4

The Western Assembly, a regional version of the American Assembly of Columbia University, was held October 1-4 at Yosemite.

Approximately 60 westerners prominent in the fields of management, labor, government, and higher education gathered to study and discuss, "Wages, Prices, Profits, and Productivity."

The three principal speakers were: John T. Dunlop, Professor of Economics at Harvard University; Paul Hoffman, former Administrator of E.C.A.; W. Allen Wallis, Dean of the School of Business at the University of Chicago.

The conference was sponsored jointly by the American Assembly and the University of California and was presented by the Institute of Industrial Relations.

Proceedings were under the general chairmanship of Arthur M. Ross and George H. Hildebrand, Directors of the Institute at Berkeley and Los Angeles, respectively.

Participants, who attended at the special invitation of University President Clark Kerr, spent the first three days engaged in round-table discussions of such topics as the behavior of wages, prices, and productivity, the underlying factors in the postwar inflation, the impact of unions on the general level of money wages, and policy proposals.

On the final day, the Assembly met in plenary session to adopt a report embodying its conclusions and recommendations. The Assembly's report will be published by the University.

William E. Rogin Joins Community Service Staff

William E. Rogin is the Institute's new Coordinator of Management Programs, replacing Robert L. Raschen.

A graduate of the University at Berkeley, Rogin was formerly in charge of the evening classes program of the Engineering and Sciences Extension Division.

Managerial Functions To be Analyzed By Kaiser Executives

A conference-seminar program designed to provide an opportunity for study and analysis of managerial functions has been started for executives of the Kaiser Engineers Division of the Henry J. Kaiser Company.

A three-day conference was held at the end of September in Palo Alto and will be followed by six seminars on the Berkeley campus, starting October 17.

Seminar sessions will cover the problems and policy implications of organizational structure and the interrelationship of structure, management objectives, leadership, and fiscal control.

Faculty includes: William J. Vatter and Theodore Malm, Professors of Business Administration at the University; Gilbert Brighthouse, Professor of Psychology at Occidental College; Alex Bavelas, Professor of Psychology at Stanford.

A year ago a similar series was held for hospital administrators, physicians, and other personnel of Kaiser Medical Care Entities.

Annual Labor Conferences To be Held Nov. 16-21

The Institute's Annual Labor Education Conference will take place November 16-19 at Santa Barbara and will be followed by the Annual Labor Press Conference on November 20 and 21.

Presented jointly with the California Labor Federation, AFL-CIO, the two conferences are among the oldest of the Institute's regular programs for representatives of the trade union movement.

This year's meetings on education will deal entirely with "Labor and the Law." Particular emphasis is to be placed on the Labor-Management Reporting and Disclosure Act recently passed by Congress.

Sessions for the labor press will concentrate on some of the current problems faced by labor editors. Tentative topics to be covered are:

"Employer Strategy in 1959," "The Public Press and Labor," "Personal Journalism," and "The Competence of the Labor Editor."

CURRENT RESEARCH ACTIVITIES

George H. Hildebrand, Director of the Institute of Industrial Relations at UCLA and Professor of Economics on the Los Angeles campus, is spending a year in Berkeley as Visiting Professor in the School of Business Administration and Research Economist at the Institute.

Part of his time will be occupied in the completion of a book tentatively entitled *Progress and Stagnation in the Postwar Italian Economy*, which is based on material gathered while Hildebrand was on leave of absence in Italy in 1954-55 and again in 1957-58.

He also has in preparation a chapter on relations between internal and external wage structures, which will be included in a volume of essays on wage relationships to be edited by Professor John P. Miller of Yale and Professor J. L. Mey of the University of Groningen, Holland. Other contributors to the book will be Michael Fogarty of Cardiff University in Wales, Walter Galenson of the Institute, and Harry Douty of the U. S. Bureau of Labor Statistics.

Hildebrand will be assuming responsibility for the courses on industrial relations normally taught by Van D. Kennedy, who is on leave from the Business School and the Institute to serve as program specialist in connection with an industrial relations research program sponsored by the Ford Foundation in India. Kennedy and his family will live in New Delhi during their 15 months' absence.

Joseph W. Garbarino has been granted a leave of absence during the first semester to teach at the New York State School of Labor and Industrial Relations at Cornell University. His courses at Berkeley will be taught by Visiting Associate Professor Melvin K. Bers, who will also serve as a member of the Institute staff.

Bers, who is a former Institute research assistant and author of *Union Policy and the Older Worker*, is a member of the Economics Department at the Carnegie Institute of Technology.

During the summer, Arthur M. Ross and Paul Hartman completed the final revision of their study of *Changing Patterns of Industrial Conflict*, which is to be published by John Wiley & Sons in the spring of 1960. Based on an analysis of developments in 15 countries, the study is concerned with the phenomenon of the "withering away of the strike."

INSTITUTE PUBLICATIONS

Discipline and Discharge in the Unionized Firm

By Orme W. Phelps

(Berkeley and Los Angeles: University of California Press, 1959; \$5)

Extensive debate over the impact of unions on wages and other conditions of employment has tended to divert attention from the far-reaching effects of unionization on the day-to-day conduct of employer-employee relations within the firm. In no aspect of personnel relations has the impact of unionization been more pronounced than in matters relating to the discipline and discharge of employees. Management has always regarded the right to impose discipline and to discharge a worker for a serious offense as essential to the efficient attainment of the firm's objectives; workers have tended to regard protection from arbitrary or unjustified discharge as one of the most important functions of a union.

In this well-documented study, Professor Phelps shows how personnel practices relating to a wide range of disciplinary problems have been modified under union contracts and arbitration awards.

Phelps is Professor of Industrial Relations at Claremont Men's College and held a part-time appointment to the Institute while his book was in preparation.

Trade Union Development and Industrial Relations in the British West Indies

By William H. Knowles

(Berkeley and Los Angeles: University of California Press, 1959; \$5)

Knowles' study of labor in the British West Indies suggests that where unions manage to obtain a strong foothold, and the majority of voters belong to the working classes, it may be relatively easy for union leaders or their associates to gain political power. In such a situation the stability of the labor movement may be a crucial determinant of political stability.

In the West Indies, although labor has achieved strength, "job-conscious" unions have been slow to evolve. Union leaders have been more concerned with political action, and would-be political leaders have attracted large followings by organizing unions which they use as springboards to political power. However, more permanent unions are emerging and are beginning to play an important role. Perhaps the most significant contribution of this study lies in its analysis of the conflicting tendencies making for stable and unstable unionism.

William H. Knowles was Visiting Associate Professor in the School of Business Administration and a member of the Institute's staff from September 1956 to June 1959.

Recent Reprints

Psychological Problems Relevant to Business and Industry, by Mason Haire (No. 125). The author's article, which appeared originally in the *Psychological Bulletin*, is one of three papers written at the special suggestion of the Ford Foundation Program in Economic Development and Administration. The papers indicate potential research areas in psychology, sociology, and political science pertinent to current problems in business and industry. In his contribution, Haire outlines the existing academic approaches to industrial psychology and enumerates in conclusion several new areas in which advances might be made.

Some Social Requisites of Democracy: Economic Development and Political Legitimacy, by Seymour Martin Lipset (No. 126). The conditions associated with the existence and stability of democratic society have been a leading concern of political philosophy. In this paper the problem is attacked from a sociological and behavioral standpoint. The author is primarily concerned with examining the social conditions which serve to support a democratic political system, such as economic development (industrialization, wealth, urbanization, education) or political legitimacy rather than those which serve to maintain democratic systems.

Labor's Participation in the European Productivity Program: A Study in Frustration, by William Gomberg (No. 127). Gomberg deals with four questions in his study of the use of labor representatives in the execution of the Marshall Plan: 1) To what extent did general expectations regarding the Plan's success correspond to those expectations held by representatives of American labor? 2) What was the nature of labor participation in administration of the Plan? 3) How realistic were labor representatives in what they expected from Plan administration? 4) What are the possibilities and problems involved in the association of labor movement personnel with official U. S. foreign policy?

SOME RECENT OBSERVATIONS:

THE LABOR SITUATION IN WESTERN EUROPE

by Walter Galenson

(NOTE: Dr. Galenson's comments are based on interviews conducted in nine Western European countries during the spring of this year.)

The countries under consideration can be divided into three groups for the purposes of this paper: 1) the Anglo-Scandinavian bloc—Great Britain, Denmark, Norway, and Sweden, 2) Austria, Belgium, and the Netherlands, 3) France and Italy.

To take the simplest situation first, labor relations in the Anglo-Scandinavian nations have a great deal in common with American practices. The trade unions are unified into single federations; they are well financed and are soundly constructed at the local as well as the national level; collective bargaining is universally accepted by employers as the way of doing business.

The principal divergence from the United States is the close alliance that prevails between the trade unions and labor parties, which at the present time are governing the Scandinavian countries but constitute the opposition in Britain. Deep involvement in politics raises a great number of difficult problems for the trade unions, perhaps the most pressing of which is the sharing of responsibility for the maintenance of stable prices. But there is little prospect of any significant change in labor market practices, whatever the immediate political outlook.

Trade union pluralism

Things are somewhat more complicated in the second group of countries. Belgium and Holland have competing labor federations, one under Socialist and the other under Catholic influence. Holland has a third, smaller federation, which professes evangelical Protestantism. Although the Austrian labor movement is theoretically unified, in fact the Austrian Federation of Labor is composed of three so-called factions: Socialist, Catholic, and Communist, in the order of relative strength.

Trade union pluralism along political and religious lines creates problems, although they are not as difficult as one might anticipate. The profound antipathy between Socialist and Catholic unionists that existed before the war has all but disappeared, largely as a result of common struggle against the German occupation authorities during the war.

Each group now acknowledges that the other is sincere in its efforts to advance the economic interests of workers. There is a remarkable degree of cooperation at both the factory and national level, going so far in some cases as joint collection of dues. The employers, for their part, fully accept the principle of collective bargaining, and the whole system operates with surprisingly little friction, considering the conflict potentiality of the situation.

When one crosses the border into the Latin countries, a completely different picture emerges. Both France and Italy have virulent pluralism in their trade union movements, with the Communists and Catholics competing strongly for the allegiance of workers, and the Socialists fighting a losing battle. At the present time, the Communist-led unions are dominant, but the Catholic unions were gaining ground until recently.

Problems in France and Italy

But this is only a small part of the story. The fact that overshadows everything else is the weakness of the trade unions. The great majority of French and Italian workers do not belong to any trade union, or if they acknowledge some allegiance, do not pay dues. It was once remarked that the French worker was willing to die on the barricades, but would not pay union dues, and this still holds true. Local unions are chiefly nonexistent, with the worker being represented in grievance procedure and local bargaining by shop committees elected annually by all workers employed in the establishment concerned, regardless of union membership status. Election slates are usually proposed by competing unions, so that shop committees are almost invariably split along political or religious lines.

The trade unions are aware of the debilitating effect of this arrangement, but there is little they can do about it. Employers prefer to deal with the shop committees, which have a long history and have more appeal to the average worker than the fragmented trade unions.

The shop committee is an institution in which workers speak with a single voice, particularly important in view of the fact that many employers are actively antiunion. Genuine collective bargaining is far from universal and victimization of active trade unionists is not unknown. Victimization is particularly serious in

Italy, where a high rate of structural unemployment prevails.

Effects of De Gaulle's regime

The French people are just beginning to awake from the stunning impact of De Gaulle's rise to power, and the general political uncertainty is reflected in the union scene. The De Gaulle regime is strongly committed to the maintenance of economic stability, and has treated the demands of the unions in a cavalier manner. The prestige of the French trade unions is lower now than at any time since the war. There has been some recent tendency toward cooperation between the Communists and the Catholics in the face of mutual adversity, but this front is not likely to survive any growth of union influence.

In Italy, CISL, the Catholic labor federation, suffers from identification with the Segni government, which is generally regarded as pro-employer. The Communists, as a result, are recouping some of the strength which they lost in the aftermath of the Hungarian affair. Workers are reacting against economic insecurity and, often, employer arrogance, by voting Communist in shop committee elections. The Communists, however, are facing an internal threat from the Nenni Socialists, their partners in the CGIL (the Italian Federation of Labor), who are becoming increasingly restive and giving evidence of a desire to play a more independent role.

Future possibilities

The future of trade unionism and collective bargaining in France and Italy is clouded. If political democracy is maintained, and if economic conditions continue to improve (particularly in Italy, where living standards are still very low), and if employers are not so short-sighted as to exploit the present weakness of the unions, non-Communist labor will probably resume its upward climb. In the absence of these conditions, working people are likely to move further to the left, with consequences that are not pleasant to contemplate whatever the ultimate outcome.

ITEMS OF INTEREST . . .

Health Insurance Conference

A one-day conference, "Health Insurance for the Older Worker," will be held in early November at the University Extension Center in San Francisco.

Designed for people in the labor, medical, and insurance fields, the meeting will concentrate on proposals for assistance to older workers on health insurance coverage.

'Supervision and Leadership'

Two repeats of the short course, "Human Factors in Supervision and Leadership," are being given by the Institute this fall. The first started October 1 in Palo Alto; another will open in Berkeley early in December.

The courses run once a week for six weeks and are designed to cover the fundamentals of management practice for persons who carry supervisory responsibility at intermediate management levels. Particular emphasis is placed on the supervisory problems faced by the technically trained individual in his role as a manager.

Instructors for the course are Professors Lyman W. Porter and Samuel G. Trull of the University.

Programs for Foreign Unionists

During the recent AFL-CIO convention, the Institute, in cooperation with the U. S. Department of Labor, held several orientation sessions for trade union officials from overseas.

Two four-day programs were given for unionists from Japan, Brazil, and the Philippines. A one-day seminar on American economic, political, and social problems was presented for a group of union officials from Latin America.

The major program in the series was a three-day International Labor Seminar for delegates from 13 countries.

Supervisors Forum

Dr. Mario Conforti, Employment and Training Manager of the Standard Register Co. (Oakland), addressed the October 6 meeting of Supervisors Forum on "Appraising a Social Situation."

The Forum will discuss fair employment practices legislation in November.

Membership in the Supervisors Forum is now open to a limited number of supervisory personnel. For information, phone William Rogin, THornwall 5-6000, extension 8571.

'Labor and the Free Society'

The second in a series of seminars on "Labor and the Free Society" will be held December 4-6 at the Marine Cooks and Stewards Training School in Santa Rosa.

Discussions will take place between university and labor representatives on such subjects as trade unionism and the public interest, wage policy in a free society, and civil liberties of union members.

The first of the programs was held in 1957 with the assistance of a grant from the Fund for the Republic. The seminar is now being organized on an annual basis at the request of the original participants.

I. R. Certificate Graduates

Thirteen evening students received the Institute's Certificate of Industrial Relations this past summer:

Wallace E. Baker, Robert L. Chew, James Hall, Arthur S. Jones, Earl T. Meldrim, Marie Ann Melrose, Woodrow W. Morris, Avis M. Rapp, B. F. Such, Fredrick T. Sullivan, Ethel L. Thornton, Joel L. Tucker, Curt F. Waldhaus.

Recipients satisfactorily completed eight courses in Industrial Relations and related fields under the University's Extension program.

Ross Will Visit East Coast To Study Laws on Age Bars

At the request of Governor Brown, Institute Director Arthur M. Ross will visit New York, Pennsylvania, Massachusetts, and Rhode Island this month to examine results of laws passed by these states to prevent employment discrimination against older persons.

Ross is chairman of a special Governor's committee on the employment problems of older workers in California.

While in the East, Ross will participate in a symposium, "The Growing Challenge of Disability Control in an Era of Comprehensive Medical Care," sponsored by the Liberty Mutual Insurance Company at Boston, October 15 and 16.

Staff Members Testify At Congressional Hearings

Several members of the Institute staff have recently been invited to appear as expert witnesses before congressional committees.

On September 29, Professors Lloyd Ulman and George H. Hildebrand made statements before the Joint Economic Committee, which was holding hearings on the impact of unions on wages.

The Senate Subcommittee on Aging held a series of hearings on the problems of the aged from June 16 to 18. Dr. Margaret S. Gordon, Associate Director of the Institute, was one of those invited to testify. Her statement dealt with the current income status of the aged and the adequacy of old-age insurance benefits.

John Hutchinson, Coordinator of Labor Programs, testified in July before members of the House Joint Committee on Education and Labor on the then-pending Kennedy-Ervin Bill.

Institute's Fall Seminars

The Institute's regular monthly seminars for labor and management groups will begin fall programs during October. Notices will be mailed.

INSTITUTE OF INDUSTRIAL RELATIONS BULLETIN

Published bimonthly during the academic year by the

Institute of Industrial Relations
University of California
Berkeley 4, California
Director: Arthur M. Ross
Editor: B. V. H. Schneider



Nonprofit Organization
U. S. Postage
PAID
Berkeley, Calif.
Permit No. 1