

INSTITUTE OF INDUSTRIAL RELATIONS
BULLETIN

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January 1961

CONFERENCE ON LANDRUM-GRIFFIN ACT**Labor and Free Society
Program Scheduled
For February 24-26**

The third annual Institute conference on Labor and the Free Society will be held the weekend of February 24-26 at the Marine Cooks and Stewards Training School in Santa Rosa.

The series is for trade union leaders who are interested in the problems of the free society and the stake of organized labor in its preservation.

Approximately 25 labor representatives are invited, in addition to special speakers and discussion leaders.

The following topics are some of those which have been selected for discussion:

The status of American influence and prestige abroad.

The problem of the development of free systems of government in the newly independent nations of Africa and Asia.

Civil liberties in a cold war period.

The relationship of what is taught in our schools to the requirements of a free society.

For further information, phone John Hutchinson, Coordinator of Labor Programs, THornwall 5-6000, Ext. 2571.

**Institute to Start Journal
Of Industrial Relations**

The Institute will start publication of an academic journal in the autumn of 1961.

The periodical, to be called *Industrial Relations*, will be issued three times a year and will take an interdisciplinary and international approach to the subject.

Margaret S. Gordon, Associate Director of the Institute, will be Managing Editor. Other appointments are: B. V. H. Schneider, Assistant Editor; William E. Rogin, Business Manager.

The Board of Editors will include: Arthur M. Ross, Chairman, Benjamin Aaron, Reinhard Bendix, Irving Bernstein, Earl F. Cheit, Walter Galenson, Joseph W. Garbarino, Mason Haire, Clark Kerr, Seymour M. Lipset, Philip Selznick, and Lloyd Ulman.

**'Reporting Law' Problems
To Be Discussed January 13
At San Francisco Meeting**

What has been the impact of the Landrum-Griffin Act?

In order to help meet a demand for recent information on the problems arising from the Labor-Management Reporting Act of 1959, the Institute will sponsor a one-day conference on the subject on January 13 at the Fairmont Hotel in San Francisco.

Representatives from labor and management, government officials, attorneys, and other interested persons are invited to attend.

Administrative problems

The conference will examine the principles and problems involved in the administration of the Act and will give special attention to:

1. The effects on labor unions of the reporting requirements of the Landrum-Griffin Act, and

2. The extent to which the Department of Labor has been successful in obtaining information.

Principal speaker at the symposium will be John L. Holcombe, Commissioner of the Bureau of Labor-Management Reports of the U. S. Department of Labor.

A lengthy question-and-answer period will follow Holcombe's address, which is scheduled for the morning session.

Panel of labor lawyers

In the afternoon, a panel of four San Francisco labor attorneys (Roland Davis, John P. Jennings, P. H. McCarthy, and Marion B. Plant) will discuss the legal and administrative problems which have stemmed from the Act.

Holcombe and Franklyn Elias, Local Area Director of the Bureau of Labor-Management Reports, will also participate in the panel.

The registration fee for the conference is \$5.00. The price includes luncheon.

For further information, phone the Institute's Community Services Department at THornwall 5-6000, Extension 2571.

**Two New Programs
For Management
Will Be Offered**

Two new management programs are to be offered by the Institute this spring: a seminar on performance appraisal and a short course on the techniques of written communication.

The seminar will meet once a week for a five-hour session, including dinner, for a period of six weeks. Enrollment will be limited.

Subjects to be covered include: the setting of job objectives and standards, the appraisal interview and review, wage and salary determination, and personnel development planning. Emphasis will depend on the particular interests of seminar participants.

Discussion leaders and speakers will be drawn from the University faculty and Bay Area industry.

Past Institute programs have dealt with aspects of the communication problem within an organization, but the new short course will be the first attempt to deal exclusively with the preparation of written material.

Examples from material in use will be
(Continued on page 4)

**Ross, Gordon to Attend
White House Conference**

Two members of the Institute staff will participate in the White House Conference on Aging to be held January 9-12 in Washington, D.C.

Arthur M. Ross, Director, has been appointed discussion leader of a work group on employment problems of older workers.

Margaret S. Gordon, Associate Director, will be resource coordinator for another group which will consider means of reducing the impact of inflation through OASDI.

Delegates are sent from all states for the purpose of suggesting plans for action on the federal level. California, as the second largest state, will be represented by 100 delegates, who were appointed by the Governor.

CURRENT RESEARCH ACTIVITIES

Harold M. Levinson has joined the Institute research staff for the academic year 1960-61 to conduct a study of inter-industry bargaining patterns on the Pacific Coast. On leave of absence from his position as Professor of Economics at the University of Michigan, Levinson is the author of *Unionism, Wage Trends, and Income Distribution, 1919-1947* (Ann Arbor: University of Michigan Press, 1950). He is also co-author, with William Haber, of *Labor Relations and Productivity in the Building Trades* (Ann Arbor: Bureau of Industrial Relations, University of Michigan, 1956). More recently, Levinson has published an article on pattern bargaining, as well as a monograph on wage and price movements in manufacturing, prepared for the Joint Economic Committee.

Also spending a year in Berkeley as a member of the staffs of the Institute and the school of Business Administration is George Strauss, who is on leave of absence from his position as Professor of Business Administration at the University of Buffalo. Strauss's research has been concerned particularly with the internal structure of unions and the role of the union member. He is co-author, with Leonard Sayles, of *The Local Union: Its Place in the Industrial Plant* (New York: Harper, 1953).

Earl F. Cheit's study of compensation for occupationally disability is scheduled for publication by John Wiley and Sons in the spring of 1961. A report on the results of a three-year study which was conducted under a grant from the Ford Foundation, Cheit's study undertakes a critical appraisal of current provisions for occupationally disabled workers. It is based in part on an extensive statewide survey of seriously disabled victims of industrial accidents in California. Also included are chapters dealing with experience under the special programs for railroad and maritime workers.

Seymour M. Lipset is on leave of absence from the University to spend a year as Visiting Research Professor in the Political Science Department at Yale University.

Also on leave during the present academic year is Philip Selznick, who is at the Center for Advanced Study in the Behavioral Sciences in Palo Alto. Selznick is completing a book based on his study of due process in modern industry.

INSTITUTE PUBLICATIONS

REPRINTS

Social Stratification and "Right-Wing Extremism," by Seymour M. Lipset (No. 141). Written as part of a larger study of the relationship between political behavior and social structure, this paper draws together available data for several countries in an effort to identify and distinguish the different social roots of classic fascism and populism and those of conservative right-wing movements.

Stability in the Midst of Change, by Seymour M. Lipset (No. 142). In a paper given before the National Conference on Social Welfare, Lipset supports the position that current arguments concerning changes in the direction of greater conformity in American society are exaggerated and that in a number of areas there has been less change in the past 50 or 100 years than many people either fear or think.

Aging and Income Security, by Margaret S. Gordon (No. 143). Although the United States has made substantial progress toward the development of a comprehensive system of economic security for older persons, poverty among the aged still remains a persistent and difficult problem. The author explores the economic and social aspects of the subject in some detail in a chapter from *Aging and Society* (1960).

Changing Patterns of Industrial Conflict, by Arthur M. Ross (No. 144). In an international comparison of strike activity, Ross finds that only in the United States and Canada is the strike still an essential element in private collective bargaining: frequent enough to be a significant method of determining conditions of employment and long enough to test the staying power of workers and employers.

Personnel Offices and the Institutionalization of Employee Rights, by Howard M. Vollmer and Patrick J. McGillivray (No. 145). Based on interviews with personnel executives in the San Francisco metropolitan area, this study offers evidence to support the thesis that personnel specialists operate in a manner which encourages the "institutionalization" of employee rights in modern industry.

The Development of Personnel Administration in Western Europe, by F. T. Malm (No. 146). Malm reports on current problems of personnel administration in Western Europe, indicates changes which are taking place in executive development and management education, and makes some recommendations for the future based on his experiences as a consultant for the European Productivity Agency of OEEC.

The Older Worker and Retirement Policies, by Margaret S. Gordon (No. 147). The second of two articles published in the *Monthly Labor Review* in which the author, on the basis of studies carried out in the San Francisco Bay Area, examines the reasons for, and effect of, employers' policies regarding older workers.

When the Computer Takes Over the Office, by Ida Russakoff Hoos (No. 148). A report on a two-year study of the impact of electronic data processing on office work in 19 organizations in San Francisco. Attention is focused on the changing structure of organizations which have introduced EDP, effects on decision-making processes, and other related administrative and industrial relations questions.

The Cultural and Political Setting of Economic Rationality in Western and Eastern Europe, by Reinhard Bendix (No. 149). Reprinted from *Value and Plan: Economic Calculation and Organization in Eastern Europe* (1960), this paper seeks to characterize the type of domination as represented by the Soviet system by contrasting the cultural and political setting of work habits and expectations regarding governmental action in Western and Eastern Europe.

Early Industrialization and the Laboring Class, by Herbert Blumer (No. 150). Blumer challenges the view that the early stages of industrialization inevitably lead to frustration, aggression, and rebelliousness on the part of the workers. He presents empirical evidence from recent cases of industrialization of backward areas which shows wide variations in social results.

MANAGEMENT BARGAINING STRATEGY

by Arthur M. Ross

(The following is an excerpt from an address delivered at the University of Pennsylvania on November 18, 1960.)

Thus far I have been discussing the long-run decline in strike activity in the United States. I turn now to more recent developments affecting the likelihood of conflict. Of these the most important is doubtless management's more aggressive posture in collective bargaining.

Changes since the 1930's

It was to be expected that employers would eventually abandon their characteristic passive role of the 1930's and 1940's. Industry's public image had improved immensely by the 1950's; labor's had deteriorated. Profits were high, technological change was rapid, strategic planning and forward thinking had become popular in all phases of business management.

Unions had lost a good deal of momentum, their organizing drives were often unsuccessful, and they were widely thought to be running out of ideas.

Furthermore, neutral observers had long been advocating that collective bargaining should be a two-way street and that employers should not hesitate to put forth demands and proposals of their own.

Industry's more active strategy has taken several forms.

Companies have collaborated more closely through joint committees, as in basic steel; through "parallel bargaining" as in automobiles; through constant exchange of information, as in aircraft; and through strike insurance, as in airlines, newspapers, and railroads.

Public-relations programs have been launched to strengthen management's position with rank-and-file workers and local union officials, General Electric's program being the most successful in practice.

Employers' initiative

Employers have taken the initiative in seeking contract changes, such as abandonment of escalator clauses, revision of work rules, reform of incentive plans, and modification of seniority systems.

In recent years employers have become increasing concerned with production costs, profit margins, and foreign and domestic competition. These problems are frequently presented in exaggerated terms, but significant changes have taken

place nonetheless. Profit margins declined in many industries during the second half of the 1950's.

Germany, Japan, and other countries have moved aggressively into various product markets. The process of inflation has slowed down throughout the world.

At the same time there has been a considerable relocation of American industry, partly abroad and partly into the South. These changes are spotty, it is true; they affect manufacturing more than construction or trucking, for example.

But clearly an increased consciousness of market restraints is one reason for management's more aggressive posture in collective bargaining.

Strictly speaking it is not inevitable that this new stance of employers, coupled with a tighter bargaining policy, should increase the amount of industrial conflict.

Multi-employer collaboration is firmly established in many industries. There is nothing illegal or immoral in making demands upon unions.

Labor-management adjustment

Some unions have adjusted themselves to a weak position in their industry, just as some employers, such as the mine operators and trucking firms, have adjusted themselves to the union's greater strength.

Wage rates have been static in coal mining and the needle trades over considerable periods of time; wage cuts have been negotiated peaceably, or awarded by arbitrators, in garments, textiles, hosiery, and shoe manufacturing.

The aircraft employers and unions demonstrated in 1960 that successful bargaining can be conducted under difficult and uncertain conditions. Restraints imposed by the world market are very powerful in the Northern European countries where strikes have been virtually eliminated.

Viewing the situation realistically, however, we must recognize that the volume of conflict may well increase in the short run.

First, unions will struggle against programs designed to reduce their influence and prestige with the workers they represent. IUE's resistance was ineffectual, it is true, but had to be expected sooner or later. One of the big question marks in industrial relations is whether the "General Electric formula" will be applied in

other industries, such as automobiles, where the unions are stronger than the IUE.

Effect of market restraints

Second, union members and officials are disinclined to credit market restraints except where those restraints are particularly obvious because of non-union competition and piece-rate methods of compensation. Throughout a large sector of American industry, employees have become accustomed, over the past fifteen years, to a "going annual increase" in real and money wage rates. If these expectations must be reversed to any large extent, certainly there must be transitional frictions.

Third, it must be expected that employers will not always play their new role wisely and circumspectly. We learned in 1959 that a joint employer committee—a perfectly sound instrument in itself—is capable of becoming impaled on a rigid, unrealistic bargaining policy.

It is also possible that some employers will become so enthusiastic over General Electric's victory that they will attempt to apply the General Electric strategy to unions which are harder to crack than IUE, or will endeavor to sell a less attractive package than G.E. offered.

Thus, if management should continue to play a more assertive role, some time may pass before unions and union members adjust to the change and before employers learn to eschew romanticism.

Director Receives Grant For Research in Europe

Arthur M. Ross has received a Guggenheim Fellowship grant and will be on leave from his position as Director of the Institute from January to August 1961 in order to conduct research on industrial relations in Western Europe.

Dr. Ross is also scheduled, under the auspices of the U. S. State Department, to make speeches in Denmark, Sweden, and Yugoslavia and to confer with university and government officials on problems of current interest.

During Ross's absence, Dr. Margaret S. Gordon will serve as Acting Director of the Institute.

ITEMS OF INTEREST . . .

Labor Federation Conference

The annual Labor Education and Labor Press Conferences were held in December at the Hilton Inn, San Francisco International Airport.

The meetings are jointly sponsored by the Institute and the California Labor Federation.

This year the Education Conference considered problems connected with economic growth. Major topics discussed were: the definition of economic growth, ways to achieve growth, and the place of social security, collective bargaining, consumer protections, and private investment in a growing economy.

Speakers were Leon H. Keyserling, chairman of President Truman's Council of Economic Advisors; Robert A. Gordon, University Professor of Economics; Stanley H. Ruttenberg, AFL-CIO Director of Research; Earl F. Cheit, University Associate Professor of Business Administration; James Stern, United Auto Workers economist; Theodore Kreps, Stanford Professor of Business Economics; James Longstreet, University Assistant Professor of Business Administration; Carroll Lynch, partner in Martin E. Segal Company; Harry Pollard, labor economist.

Immediately following the four-day Education Conference, a two-day Labor Press Conference was convened. Thirty-five California labor editors and press committee members attended.

Three major speeches were given: "Labor and the 1960 Election," by Irving Bernstein, Associate Director of the Los Angeles Institute; "The Public Press, the Labor Press, and the Election," by Charles Hulten, University Professor of Journalism; "Censorship of Obscenity," by John H. Merryman, Stanford Professor of Law.

On the last day of the conference a panel was held on "The Labor Press and the Public Schools." Participants were: Ralph Richardson, UCLA Professor of Speech; Henry Zivetz, Executive Secretary of the Los Angeles Federation of

Teachers; Jack London, University Associate Professor of Education.

I.R. Alumni Association

The January meeting of the Industrial Relations Alumni Association will feature a "role-playing" session led by William E. Rogin, Institute Coordinator of Management Programs.

Norman Smith, California Director of the Agricultural Workers Organizing Committee of the AFL-CIO, spoke at the November meeting on "Why Labor is Attempting to Organize Farm Workers."

The IRAA is an organization of people who have completed University Extension's Certificate Program in Industrial Relations.

Matson Management Program

The Institute's program for middle management personnel of the Matson Navigation Company will be repeated for a new group this spring. The fall seminar series covered personnel relations, formal and informal organization, staff-line relationships, elements of supervision and leadership, motivation, communication, counseling, interviewing, and job appraisal.

A new program for top management of Matson is also being arranged. Tentatively, the course will deal with organizational principles and objectives, organizational control, communications, the decision-making process, and response to growth and change.

All programs are held at the Matson Building in San Francisco and have been worked out in cooperation with Russell Millar of the company's Organization and Planning Department.

Research and Development

Owing to the business community's enthusiastic response to the Institute's fall seminar series on Industrial Research and Development, tentative plans are being made to repeat the program.

The seminar lasted seven weeks. It was arranged by William E. Rogin and featured speakers from the University and Bay Area industry.

New Officers Elected At Supervisors Forum

Supervisors Forum, an organization for supervisory personnel, has elected officers for the new year.

The Governing Committee for 1961 will include: Chairman, Joseph L. Redo, Plant Manager, Dobeckman Company; Advisor, Donald W. Cameron, Foreman Pacific Gas and Electric Company; Treasurer, William M. Tango, Plant Manager, Nopco Chemical Company; Stephen Frater, Assembly Manager, Beckman Instruments, Inc.; Henry D. Pruitt, Jr., Chief Switchman, Pacific Telephone and Telegraph Company; Paul Schacht, Jr., Warehouse Superintendent, Mutual Grocery Company.

Other officers are: Conference Chairman, Alan F. Coburn, Production Manager, El Dorado Electronics; Barbecue Chairman, Mel E. Rockwell, Foreman, Joseph T. Ryerson & Sons, Inc.; Membership Chairman, Richard E. Birkett, Production Supervisor, McCormick & Company, Inc., Schilling Division.

Three Bay Area union business agents have been invited to serve on a panel at the January meeting. Guests are welcome to attend.

Membership in the Forum will be open for a limited time. Those interested should contact William E. Rogin at the Institute.

Management Program

(Continued from page 1)

analyzed and emphasis will be put on solving problems of format, subject matter, and visual communication.

The course should be of interest to industrial editors, personnel specialists, and others whose managerial responsibilities include writing reports and preparing information for company publications, bulletins, memoranda, etc.

Further information on both the seminar and the short course may be obtained from William E. Rogin, Coordinator of Management Programs, THornwall 5-6000, Extension 2571. Detailed brochures will be available early in the spring.

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