

Labor monopoly
(1953)

AMERICANS

WON'T STAND

FOR

MONOPOLIES!

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INSTITUTE OF
INDUSTRIAL RELATIONS

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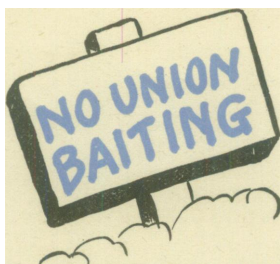
. . . and it doesn't make any difference whether it's a government monopoly like those of Hitler and Mussolini—or a business monopoly like the industrial combines of the 1800's—or a labor monopoly like those of John Llewellyn Lewis and James Caesar Petrillo—Americans don't like them.

They don't like anybody to have too much power. They don't like people who push other people around.

Business tried monopoly—and the people rose in righteous wrath and said: “We want competition. We don't like big trusts.” The Sherman Anti-Trust Act was passed in 1890.

Yet, today, under legal blessings, another major group is practicing monopoly as a “way of life.” The dictators of some large segments of organized labor haven't learned yet that a “public-be-damned” attitude won't work long in this country—whether it's legal or not.





FEW people argue with employees' rights to organize and bargain collectively on questions of wages, hours and working conditions.

Few argue with employees' rights to strike, when after bargaining in good faith and failing to get together with their employers, they vote to do so by secret ballot.

Few argue with local unions' rights to join together in national federations.

But what most people object to is:

- A legal concentration of power so great that one man can call out all the employees in an entire industry—shutting off power, paralyzing the country, causing physical hardship for millions...
- Not having the right to work without joining some particular union, whether or not they want to . . .
- Not being able to get some goods because somewhere two unions are having a jurisdictional strike—fighting over who represents whom.

The majority of industrial employees, the majority of union members, don't believe in monopoly. Yet the federal laws on the books today actually promote union monopoly—federal laws and recent Supreme Court decisions* like this—

So long as a union acts in its own self-interest . . . the licit and illicit under Section 20 (Clayton Anti-Trust Act) are not to be distinguished by any judgment regarding the wisdom or unwisdom, the rightness or wrongness, the selfishness or unselfishness, of the end of which the particular union activities are the means.

* U. S. versus Hutcheson, 312 U. S. 219

In other words, as long as it's for the union's self-interest, the sky's the limit—and the public can like it or lump it.

It does no good to get mad at Lewis or Petrillo or any other labor czar. They are merely the product of monopolistic "self-interest" labor laws.

It takes an unusual man to resist dictatorship when it's offered—dictatorship in the form of industry-wide bargaining, closed shop and secondary boycott.

MONOPOLY ON STRIKES

PHILIP MURRAY, unable to get the agreement he wanted from U. S. Steel, called on 750,000 steelworkers to strike in hundreds of companies and plants.



Before the strike was over, thousands of manufacturing plants depending on steel had to close down or curtail their operations. Hundreds of thousands of men were thrown out of work. And, even today, you probably don't have the car or refrigerator or kitchen gadget you want.

Such are some of the effects of "industry-wide bargaining"—the process whereby representatives of all the employees in an entire industry and representatives of the employers in an industry decide the fate of millions around a table somewhere.

For when "industry-wide bargaining" breaks down, we are deprived not only of the goods or services of one company, but of all the companies in the industry—and frequently of those of related industries. Remember the coal strikes, the steel strike, the maritime strike, the railroad strike?

We believe that it's just as harmful to the public for a union or unions representing the employees of two or more employers to take joint wage action or engage in other monopolistic practices as it is for two or more employers to take joint price

action or engage in other monopolistic practices. The public invariably comes out on the short end.

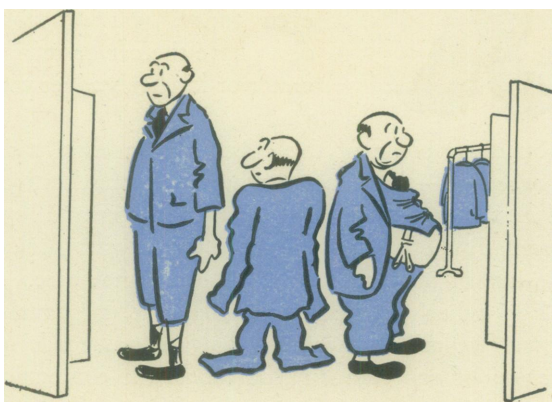
Not only the public, but the workers take the rap under industry-wide bargaining monopoly—a milling machine operator at a small manufacturing plant, for instance.

He reads all about it in the newspapers—how the national head of his union and a representative of hundreds of companies employing members of his union are meeting in Washington. They're talking about big things—international trade, tariffs, material shortages, industry-wide problems—not about him and his problems.

Will he get a raise, he wonders, or will he get orders to strike again? He remembers the last time he was told to "hit the bricks," even though there was no dispute with his own employer.

"Part of the national strategy," they told him—but that didn't pay the food bill for those months.

He wonders whether it wouldn't be a lot better for the local union president who knows him—to sit down with the president of the company and thresh out local problems—really try to avoid a strike that does nobody any good.



Industry-wide bargaining — attempting to cover all sizes and conditions of plants with one agreement — is like making ready-made suits for a national market in one size.

It not only doesn't work, but it tends to put monopolistic power into the hands of a few—labor

leaders and business leaders.

Small business is shoved out of the market. New struggling businesses don't have a chance. Competition, which should govern prices and quality and products, fades out of the picture.

Industry-wide bargaining means bigger business, bigger unions, and of course, bigger government.

And those who would have collectivism—state control—fascist or communist brand—love it.

MONOPOLY ON JOBS

IN New York, every man who delivers newspapers is a member of a "closed shop" union—and one of the requirements for membership is that he be the "legitimate son" of another news deliveryman.



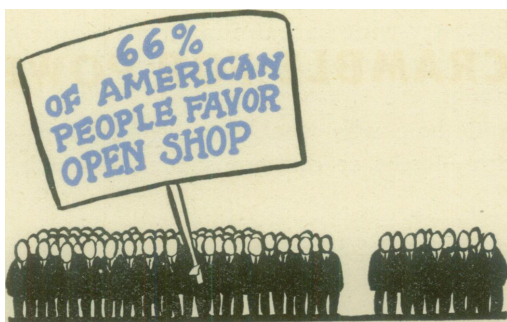
Maybe a humorous angle could be found in that example, but when millions of employees—74 per cent of all the workers covered by collective bargaining agreements—must pay a tribute to the right organization to get or hold a job, that just isn't funny, anymore.

And that, in a nutshell, is the closed shop—job monopoly.

In America, every employee has the right, and should maintain the right, to join a union if he wants to. It's a right Hitler and Mussolini abolished as first steps in building their dictatorships—and Americans want none of that.

But, at the same time, they don't think that a man should *have* to join a union if he doesn't

want to. A man's individual freedom is too important. (66 per cent of the American people favor the open shop, according to a recent Gallup poll.)



Take, for example, the case in Duluth, Minnesota, recently. Clerks in a department store struck. Mrs. Esther Stellberg, a department head, and not a member of the union, stayed on the job.

Her husband, a member for 15 years of the milk drivers' union, was told his wife had to stop working. She refused. So the milk drivers' union fined MR. Stellberg \$1500. When he couldn't pay, it had him fired.

Monopoly control of jobs, through the closed shop, meant that Mr. Stellberg could be forced out through no fault of his own. And his is not an isolated example. For, under the closed shop, the number one requirement for the employee is to obey his union boss. His efficiency at his work, his ability and willingness to help make his business a success have become secondary.

But what about the citizens' stake?

It is through the closed shop (compulsory membership **before** employment) that Petrillo is able to force broadcasters and others to hire unnecessary musicians.

It is through the union shop (compulsory membership **after** employment) that Lewis is able to force miners to stop work when he flicks an eyebrow—twice last year.

It is through the closed shop that some unions have enforced featherbedding—stretching work—

and other wasteful concessions from employers.

And, in every case, John Q. Citizen pays the bill for this job monopoly — in less goods, lower quality, higher prices.

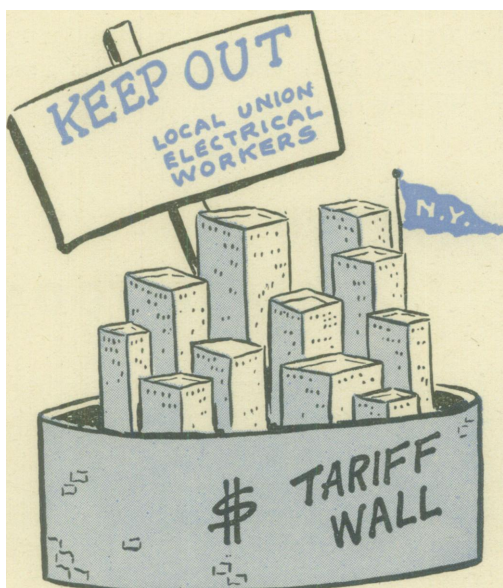
SCRAMBLE FOR POWER

ALL three employees at a small paint plant in California refused to join a union. So the union put an outside picket at the plant—and union truck drivers refused to deliver supplies. The factory closed down until the workers paid their \$75 initiation fees.

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A small sign manufacturer in Ohio had a collective bargaining election and the CIO was certified as the bargaining agent by the Government. But, in many leading cities, the signs couldn't be hung—because AFL unions, employed by contractors there, wouldn't touch them. One union refused to recognize the label of the other. And the company couldn't do a thing about it.

In New York, the International Brotherhood of Electrical Workers built a tariff wall around the



city. They prevented the installation of electrical equipment shipped in from outside the city, unless it was completely rewired and re-assembled by members of the local union. When Uncle Sam built a Marine Hospital at Staten Island, for instance, an out-of-the-city manufacturer was forced to pay \$7,000 to a local union manufacturer for unnecessary rewiring.

There's a two-bit phrase to cover these forms of union monopoly—"secondary boycott."

In jockeying for position, unions boycott products manufactured by non-union labor; they boycott products manufactured by another union; they boycott products manufactured by another local of the same international union to prevent competition in the local market.

Jurisdictional strikes—unions fighting each other for power within a plant while the employer stands helpless on the sidelines have helped throw postwar production schedules into a cocked hat. And after the strikes are over, the employees are not one bit better off than they were before.

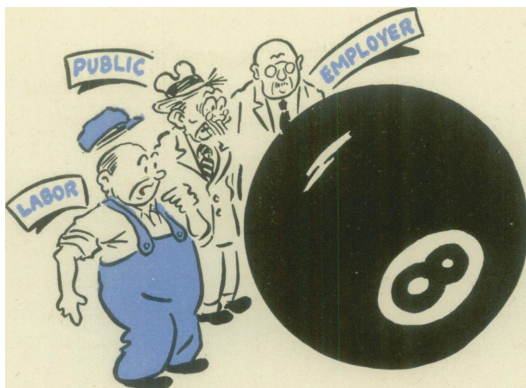
Meantime while employers and the government are tied up in legal knots, **the people again pay the check in less goods, higher prices** — without knowing how or why.

The stakes of union dictatorship are high—and there aren't many who hesitate about tramping on employees' heads and the customers' heads in their scramble for power.

WHERE WE STAND TODAY

THE brave new postwar world — with plastic palaces and automatic orange juicers — hasn't materialized yet.

Instead, in 1946, the "year of decision," we were hit by a wave of industrial unrest—which kept the worker and the employer and the long-suffering public behind the eight-ball.



It's not too late to do something about industrial harmony.

We have the best workers, the most efficient machines, the most eager customers in the world. But, somewhere along the line, we forgot there's a four-letter American word that mixes those elements into a constantly rising living standard.

That word is—WORK!

Our problems can be solved—but only through:

(1) **Outlawing once and for all monopoly in unions — industry-wide bargaining, closed shop, secondary boycott—the same as we outlawed business monopoly with the Sherman Anti-Trust Act. This is in the public interest.**

(2) **Figuring out our problems around a conference table — real collective bargaining (if the employees voluntarily choose to be represented by a union) at the plant or company level where the negotiators know what it's all about—not fighting it out on picket lines. This is in the public interest.**

(3) **Get what we want by producing—by WORKING for it—not by theorizing and loafing. This is in the public interest.**

A free people beat down the threat of power-mad dictators in war.

A free people—free labor, free business, free customers—can insure a better tomorrow for all in peace.

FOR THE GOOD OF ALL

In the public interest, the Board of Directors of the National Association of Manufacturers, representing 16,000 employers, has evolved a program for industrial peace; a program that is fair to labor, fair to management, and above all, fair to the public which always foots the bills. Judge it yourself—

TO develop sound and friendly relations with employees, to minimize the number and extent of industrial disputes, and to assure more and better goods at lower prices to more people, American employers should see that their policies encourage:

- High wages based on high productivity, with incentives to encourage superior performance and output;
- Working conditions that safeguard the health, dignity and self-respect of the individual employee;
- Employment that is stabilized to as great a degree as possible, through intelligent direction of all the factors that are under management's control;
- A spirit of cooperation between employees and the management, through explanation to employees of the policies, problems and the prospects of the company.

The right of employees to join or not to join a union should be protected by law. In exercising the right to organize in unions or the right not to organize, employees should be protected by law against coercion from any source.

When the collective bargaining relationship has been established, both employers and employees, quite aside from their legal obligations and rights, should work sincerely to make such bargaining effective. Collective bargaining should be free from the abuses

which now destroy its benefits. It is believed that the abuses of collective bargaining will gradually disappear if both management and labor will adhere to the following principles:

1. The union as well as the employer should be obligated, by law, to bargain collectively in good faith, provided that a majority of the employees in the appropriate unit wish to be represented by the union.

2. The union as well as the employer should be obligated, by law, to adhere to the terms of collective bargaining agreements. Collective bargaining agreements should provide that disputes arising over the meaning or interpretation of a provision should be settled by peaceful procedures.

3. Monopolistic practices in restraint of trade are inherently contrary to the public interest, and should be prohibited to labor unions as well as to employers. It is just as contrary to the public interest for a union or unions representing the workers of two or more employers to take joint wage action or engage in other monopolistic practices as it is for two or more employers to take joint price action or engage in other monopolistic practices.

4. If a legitimate difference of opinion over wages, hours or working conditions cannot be reconciled through collective bargaining or mediation, employees should be free to strike where such strike is not in violation of an existing agreement. However, the protection of law should be extended to strikers only when the majority of employees in the bargaining unit, by secret ballot under impartial supervision, have voted for a strike in preference to acceptance of the latest offer of the employer. Employees and employers, should both be protected in their right to express their respective positions.

5. No strike should have the protection of law if it involves issues which do not relate to wages, hours or working conditions, or demands which the employer is powerless to grant. Such issues and demands are involved in jurisdictional strikes, sympathy strikes, strikes against the government, strikes to force employers to ignore or violate the law, strikes to force recognition of an uncertified union, strikes to enforce featherbedding or other work restrictive demands, or secondary boycotts.

6. No individual should be deprived of his right to work at an available job, nor should anybody be permitted to harm or injure the employee, or his family, or his property, at home, at work or elsewhere. Mass picketing and any other form of coercion or intimidation should be prohibited.

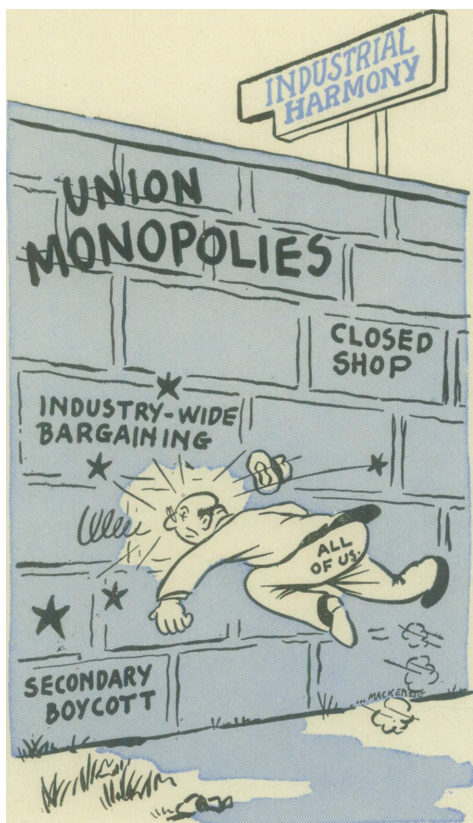
7. Employers should not be required to bargain collectively with foremen or other representatives of management.

8. No employee or prospective employee should be required to join or refrain from joining a union, or to maintain or withdraw his membership in a union, as a condition of employment. Compulsory union membership and interference with voluntary union membership both should be prohibited by law.

9. Biased laws and biased administration of laws have made a contribution to current difficulties, and should be replaced with impartial administration of improved laws primarily designed to advance the interests of the whole public while still safeguarding the rights of all workers. The preservation of free collective bargaining demands that government intervention in labor disputes be reduced to an absolute minimum. The full extent of government participation in labor disputes should be to make available competent and impartial conciliators.

Compulsory arbitration, in particular, is inconsistent with American ideals of individual freedom, and is bound to destroy genuine collective bargaining.

All labor and related legislation should be consistent with the principles set forth above. Any existing statutes that are in violation of such principles should be brought in accord with them through appropriate action by the Congress.



**NATIONAL ASSOCIATION OF
MANUFACTURERS**

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