

Labor unions - Communist party
influence PROBLEM
(1952)

What to do about

COMMUNISM in UNIONS ,

No 2

IN THE SERIES ,

STATEMENT BEFORE A
SENATE SUBCOMMITTEE

by

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G. H. PFEIFER and

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Employee and Plant Community Relations

GENERAL  ELECTRIC

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INSTITUTE OF
INDUSTRIAL RELATIONS

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*If you have not seen the first of this
"What to do about Communism in Unions" series
—as well as our prior statements on this subject
over the years—reprints will be sent
for the asking.*

*To our employees
and neighbors:*

The problem of communist leadership and influence in unions has been with us all for over 30 years. Great damage has been done by those who have openly or secretly promoted communist belief and action—in and out of unions.

We have long advocated that a competent government agency be empowered and directed to apprehend and remove communists from power and influence in unions. While providing a means for catching the guilty, such a procedure would also establish a direct and prompt facility for clearing any innocent who are falsely accused. To the extent that false charges are examined and rejected it would, moreover, help clear the air of the confusion, doubt and delay in which self-serving and insincere anti-communists have flourished and done their harmful work.

Our specific proposals are again summarized in the first few pages that follow. We hope you read them and let us have your encouragement or constructive criticism of what we are trying to get done.

Pursuant to the directives of a Senate Subcommittee, our testimony was confined to our specific proposals, and to correcting the fallacious charges James B. Carey had made concerning us. We informed the Subcommittee, however, that we were equally willing and ready to devote another day to relating our experience and impressions about UE should the Subcommittee so desire.

In his earlier testimony before the Senate Subcommittee, Mr. Carey had endeavored to help himself and hurt General Electric by repeating in even more aggravated form the false charges he has devoted a major portion of his time in spreading during

the past four years. This has been a relatively constant, but a largely tiresome and fruitless effort of Mr. Carey ever since he stopped trying to get back to the top of UE and set up his rival IUE instead. Despite his repeating these completely unfounded charges about us on all occasions to our employees and neighbors, to educators and clergy, to government officials, to women's organizations, to the press, on radio and television, and anywhere else anyone might listen, we have heretofore refrained for various reasons from exposing in detail how false were his charges and unworthy his motives.

A major reason was our great respect for the high purposes and high hopes with which so many of our employees left UE and went over to IUE and the other unions that entered the election contests. We had great respect for many of the local union leaders that went over at the same time. We have not wanted to volunteer any information that might affront or discourage these good people or impede in any way their making internal progress toward having in IUE, for instance, the kind of a union they had set out to have.

Another reason we had confined any discussion of Mr. Carey's peculiarities of statement and action to management communications—and had withheld our corrective comment from employees and public generally—was that relatively few in or out of our company seemed to be paying much attention to Mr. Carey's claims which were so absurd as to deserve the inattention and disregard they so generally received.

However, when Mr. Carey was indiscreet enough to testify falsely before the Senate Subcommittee, and when Senator Humphrey asked us specifically to reply, we had no alternative but to present the rather devastating facts which established how deceitful Mr. Carey had been in attempting to mislead all concerned about General Electric's attitude toward labor unions.

It was thus with real reluctance—but with ample conviction, and evidence to support that conviction—that I had to make it at last a matter of public record that with respect to the General Electric Company "Mr. Carey has been shamefully untruthful, deceitful, misleading, and otherwise irresponsible. . . ."

L. R. BOULWARE

STATEMENT BEFORE THE
SENATE SUBCOMMITTEE ON
LABOR AND LABOR-MANAGEMENT
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PART I

Program urged by General Electric for elimination of potential traitors from positions of power or influence in unions

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Washington, D. C.
July 8, 1952

*Senator Humphrey and Members
of the Subcommittee:*

We are here, in response to your request to discuss:

1. Our March 21 proposal as to how to deal with communist-dominated unions, and
2. That part of the June 13 testimony before your Committee which erroneously portrayed GE's policy as to the UE(Ind.) and the IUE-CIO.

Our Proposal

As you know from our proposal of March 21 and our earlier correspondence, *we believe it is now obviously up to Congress to use to the very fullest all its legislative power to eradicate any communists from positions of power or influence in labor unions.*

We want to make it clear beyond any question that our proposal is directed towards communists as *individuals*, and is not directed against labor unions as organizations. Our proposal provides full and complete protection of every right of labor unions. Its only objective is to assure the prompt removal of any properly identified potential traitors from positions of power or influence in unions. Under our proposal, no union would suffer any penalty until and unless it

refused to get rid of individuals in positions of leadership who had been authoritatively identified as communists or communist-dominated.

Our proposal has accordingly been right along that an independent government agency be empowered and directed to seek out, *authoritatively* identify, and publicly designate any communists or their agents in labor unions. Congress should take measures to see that such communists—provided their identity as such is sustained in a fair and prompt proceeding giving Constitutional due-process protections—will be surely eliminated from any vantage points from which to do damage personally or to exercise damaging influence over others.

Why We Keep Advocating New Legislation

We believe legislation is required if the two principal needs are to be satisfied.

First, we need to remove any potential traitors or lesser enemy agents from positions of power or influence. This should be done with competence and authority on the basis of the country's possible danger alone. It should be done as promptly as the dangerous nature of the individual can be determined by an independent, unbiased agency aided by professionals in the field. It should not wait on the decision or action of amateurs, or of people who do it as a side line, or of any one who has other distracting or even temporarily more compelling interests or problems of finance, ambition, competition, or survival.

Second, we need to clear the air of the expense, injustice, and danger of false charges—whether made with the best or the worst of intentions. The falsely accused need authoritative clearance—and redress against their false accusers. Those who would be disturbed or activated by false charges need to be protected against those who make such charges out of ignorance, or prejudice, or face-saving, or desire to use apparent activity in a worthy cause as a cloak for real or undercover activity in an unworthy cause.

Present Legislation Appears Inadequate

Certain labor unions—regarded for many years by both the public and Congress as being dominated by communists—continue still to have the entire support of the United States government, through its agencies and courts, in compelling employers to bargain collectively with these unions as agents of employees.

When the Attorney General of the United States, as authorized and directed by Executive Order 9835, listed organizations determined by him to be "totalitarian, fascist, communist, or subversive," the names of labor unions so generally believed to be dominated by communists nowhere appeared on such lists.

The Internal Security Act of 1950—in which Congress apparently sought to identify and expose communist organizations or communist-front organizations—contains no specific reference to the problem of communist-dominated labor unions. The Act leaves considerable doubt as to whether a labor union, devoting substantial effort and time to collective bargaining, can be found to be a "communist-front organization," since, by definition, such an organization must be "*primarily* operated for the purpose of giving aid and support" to a foreign communist government or other communist organizations.

These are only three random illustrations given at this point. Many other related examples of the need for legislation will be cited as we go along.

Government Must Catch Any Potential Traitors

We are against any avoidable expansion of the activities, expenses, size, and power of government. Where there is any possible choice, we are *for* individual freedom and initiative, and *against* collective governmental absorption of responsibility. But here there is only one choice open. Self-preservation is the first duty of any good government, large or small. The catching and removal of any likely traitors or lesser enemy agents is the first step in that self-preservation. We should, above all, be able to depend on our

government for that. The Government must not slough off this responsibility. Its obligation is great; the necessary power put in the hands of private parties with conflicting interests could easily be disastrous.

Employers Not Proper Policemen

We yield to no one in our hatred of communism. We were publicly making our position clear long before some of those currently most vocal in their anti-communist profession had ceased to harbor, defend and associate with those people they now denounce as communists. The message we published to our employees in 1948 entitled "Why Joe Wants Your Union" brought howls of outrage from some of the men who are among the top leaders of the present IUE-CIO which is so publicly anti-communist.

We likewise yield to no one in our desire to protect innocent individuals from false accusations or injury. We are especially aware of how tempting it is to some to accuse others of their failures and to use the advocacy of good causes to cloak bad intentions in related or unrelated areas. We are aware of how pressing political or commercial pressures would warp or delay judgment if the decision were to be made by private persons having responsibilities or personal considerations in mind.

For these reasons we urge an independent government agency of exclusive responsibility. We hope it could be set up with all the safeguards necessary to its calling its soul its own. We would like to see it function with something of the same sort of zeal, ability, integrity, and effectiveness we have come to recognize in the F.B.I.

We do not think business men or other employers could ever be—or should ever be put in the position of trying to be—as diligent, competent, objective, and authoritative as those with a professional responsibility solely in this field. This field of communist identification, incidentally, is one where the amateurs are very glib and the professionals are more than cautious in the face of the difficult complexity of facts and

emotions involved.

As pointed out in our March 21 proposal, there is frequently great conflict in the testimony of sworn witnesses. An employer could hardly be expected to have competent information on which to decide even which sworn witnesses he will rely on and which he will reject. In short, we do not believe employers are qualified to safely and fairly exercise the judicial function of appraising evidence concerning communist affiliations of individuals or of a group of union leaders. This is primarily a government function which ought to be exercised by either judicial or administrative agencies specifically and solely charged with such responsibility.

Unions Not Proper Policemen

Likewise, we do not believe unions can or should be depended on to take the place of public police power in this matter. For the 20 or 30 years that unions have been important, they have had the opportunity—and responsibility to themselves and the country—to keep their unions free from the control of communists. Much good work has been done by many conscientious and able leaders. But too much has been left undone, according even to union leaders' own admissions. And what was done has been too uniformly late and done obviously under public pressure—after the suspected communist agents had been under widespread public suspicion and discussion for years and after the basis of their ultimate discharge from the unions had been known up to as much as 10 years by those who did the discharging.

The hard fact is that it seems to have been well established now for many years that—following passage of the Wagner Act and during the widespread union organization campaigns that followed for some years—certain union labor leaders knowingly accepted and welcomed the assistance and participation of, or joined with, communists in the belief that the latter's ideas and methods were highly and desirably useful in union organizing, building, and effectively operating.

Consequently, during the more than a decade

between the passage of the Wagner Act, and the passage of the Taft-Hartley Act in 1947, it is not surprising that those who attempted to warn of the dangers of communist domination of the ideas and activities of labor unions were characterized as "Red baiters" by those in power—including many labor leaders who are now prominent as "anti-communists" and so-called "right-wing" leaders. It is also not surprising that, during this period of "usefulness" of the communists and while the majority of employees and public were unsuspecting, certain major labor organizations and leaders attempted little, if anything, toward really eliminating and exposing those of their officers and useful associates who were known to them as communists or communist-dominated or heavily suspected as being such.

Much has been said about the recent voluntary "purge" of certain unions by the CIO as proving that there is no need for legislation on this problem. However, as we read the record of the CIO 1949 Convention, it seems to us that the organizations were expelled, not because they were found to constitute a danger or threat to the country, but chiefly because they had refused to follow the political and other policies which had been adopted and endorsed by the CIO. The record appears to indicate that the CIO was not objecting to the right of communists to function as labor union leaders, but was objecting to the right of any such communists to function any longer as leaders of a union affiliated with the CIO but not obeying CIO. Our March 21 proposal, as you know, contains some extracts from that convention record. We will dwell further on that a few pages hence.

But such "house cleaning"—no matter how motivated or timed—does not go to the root of the problem. The expelled unions—whose officers filed the non-communist affidavits—have continued to enjoy the full protection of Federal law. Even among the CIO unions that remained after the expulsion, there is evidence that the house cleaning has not yet reached down into some local union situations which have long been suspect.

Human nature being what it is and the realities of union politics being what they are, it seems evident that in many cases any needed "house cleaning" in certain unions will come about voluntarily only when long overdue, or when such house cleaning is politically desirable or necessary. Obviously, what the country is interested in is not the particular politics of the moment as between various factions in unions or as between competing unions, but rather in the *prompt exposure and elimination of communists* from positions of leadership and influence in unions.

The historical attitude of labor union leaders in general toward the problem of communist domination of unions leads us to the inevitable conclusion that the elimination of communists from positions of union leadership can only be accomplished through effective action by Congress. Whenever we have taken this position that new legislation was necessary to deal with the problem of communist domination of unions, our motives have been immediately attacked by those who were personally alarmed over such legislation or who felt that such legislation would destroy their principal stock in trade. When our proposal to you earlier this year was published, we were immediately attacked by IUE-CIO, UE(Ind.), and the Daily Worker.

This is not unlike the situation we experienced in 1948 and 1949 when the Atomic Energy Commission ordered us to withdraw recognition from the United Electrical, Radio and Machine Workers of America when that organization had declined to sign the non-communist affidavit and had refused otherwise to satisfy the Commission concerning its alleged communist connections. When we complied with the order of the Atomic Energy Commission, we and the Commission were not only sued for \$1,000,000 by the UE(Ind.) but, to our utter amazement, the action of the Commission and General Electric was condemned and opposed by CIO both in the courts and publicly. You may want to keep this example in mind when considering some proposals now before you about tripartite committees made up of Government, union and employer representatives.

We recite the above history only to suggest that your action in considering legislation in this area, and the time and effort spent by all of those whom you have consulted, will be wholly in vain unless your Subcommittee is sufficiently concerned with this problem to take action you deem proper regardless of strong opposition by some of the union organizations. Certain unions are of course supporting more effective legislation, according to your interim report and some recent news accounts.

If labor unions could be persuaded that they, like other groups in our society, should be subject to regulatory legislation for the over-all benefit of the country, they could be of real service in suggesting legislation which would be effective and contain the safeguards legitimate unions are entitled to. But whether or not they will be so persuaded, it is nevertheless up to Congress to go ahead to see what can be done for the security of the country in the balanced best interests of all—including that approximately one-fourth of the work force which is represented by unions.

The Tripartite Administrative Approach

One suggestion before your Subcommittee has been that authority and responsibility for handling the problem of communist-dominated unions be taken care of by having a tripartite board composed of employer, union and Munitions Board representatives exercise the present alleged administrative powers of the Munitions Board as authority to grant or withhold or terminate Government contracts in a war or defense period—the basis of the decision being whether or not the prospective contractor recognized and dealt with a communist-dominated union.

In the first place, this proposal calls for operation only in a war or critical defense period, whereas we need to remove potential traitors from positions of influence *whenever* and *as soon as* they can be identified. Any such traitor operating as a labor leader could be expected to build up the strength of his

position and following during peace time—thus preparing for war in time of peace.

And even in war-time, many types of products and services not bought or used primarily for defense—such as power plant equipment and operation, transportation, communication, water supply, and food distribution—are just as important as defense products on which the Munitions Board would give contracts or allocations. The answer is not to try to get communists out of unions at defense plants in war time. It's to get communists out of positions of influence as soon as they are identified as potentially dangerous if permitted to go their accustomed way. So we come back to the obvious need for a competent professional government agency to apply itself solely to this problem to the exclusion of all other considerations or interests.

This proposal to withhold granting Government contracts to employers who recognize and deal with communist-dominated unions would have our endorsement if it were merely one of the penalties which followed continued recognition by an employer of a union which had been found by an impartial and authoritative government agency to be communist-dominated and which had refused to remove the dangerous leaders indicated to it by proper government authority.

However, the proposal as made to your Subcommittee would permit NLRB certifications to the union in question to continue in effect, and thereby create a situation where the Federal Government, through the NLRB and the courts, would be ordering an employer to recognize and deal with a particular union but, through another Government agency, would be telling the same employer he could not secure Government contracts if he obeyed such an order. Certainly if the union in question were so dominated by communists that the employees whom it represents would be deprived of the opportunity to work on Government contracts, the union should at least be stripped of its rights before the NLRB and forbidden to assert that it is a labor organization.

We have already outlined why we believe that

neither employers nor unions are appropriate policemen in this delicate area. They do not suddenly become better equipped by being named to a so-called "Tripartite" Board. We believe that the function of securing and appraising evidence concerning potential traitors or lesser communist individuals in or out of unions is primarily a governmental function to be impartially and professionally exercised by agencies specifically charged with such responsibility. A tripartite organization of union and employer representatives may be of some use where there is need for compromising opposing interests of management and employees on particular issues. However, when the issue to be decided is the important question of whether an individual or organization is serving the interests of a communist foreign government, the interests of employers, and of employees represented by the unions, are not in conflict. The disloyalty matter should not be determined on the basis of compromise—or with reference to any other interests more compelling at the moment—but rather on the basis of impartial, unbiased and judicial analysis of facts about communism as proved and about the danger as established.

It seems to us that a tripartite organization is far more dangerous to the rights of individuals or organizations than is an impartial and unbiased agency charged with exercising responsibilities on behalf of the public at large. The tripartite device would lend itself to connivance and special schemes to discredit a minority group in favor of a more popular or politically powerful group. We think this would be most vehemently opposed by all persons who support civil liberties and fair dealing.

In addition to the foregoing objections, we have only last year witnessed what amounted to practically a national boycott of the tripartite Wage Stabilization Board by representatives of certain labor organizations. You will recall that union officers refused to participate in the proceedings of the tripartite Wage Stabilization Board until certain governmental policies and procedures satisfactory to their union purposes had been adopted. And the *New York Times* of July 1—just a few days ago—indicated the unions

were contemplating a similar action in view of Congressional action on the Defense Production Act. In view of such history—and such possibilities—is it not fair to assume that reliance on a tripartite arrangement in the future for ascertaining and exposing who are communists might well lead to another boycott until the Tripartite Board was willing to adopt policies, procedures and practices satisfactory to the fortunes of certain unions or even to the competitive interests of the unions represented on the Board? If this is even the possibility it seems to be, it would throw the issue of determining communists into the area of the fortunes of unions rather than putting it where it belongs—namely, in the area of protecting the country and employees from dangerous individuals regardless of any other considerations.

But finally we come to the question of good faith. The Atomic Energy Commission order to us in 1949 to withdraw recognition from UE at one of our locations was based upon as much, if not more, legal authority than Mr. Carey now claims the Munitions Board possesses. We obeyed the order, only to be attacked bitterly for doing so, both publicly and in the courts, by the CIO where Mr. Carey was sitting as Secretary-Treasurer. Now, however, in 1952 it seems that an administrative board with no new legal authority is just what is needed—according to Carey. Such an interesting and convenient turn-about cannot help but raise the question of whether Mr. Carey *did* or *did not* believe in administrative boards in 1949, whether he *does* or *does not* believe in them in 1952, or indeed whether he will continue to like them at any time in the future that there should be in power a Federal Administration which Mr. Carey is not so hopeful would have him as an important member of the Board.

Specific Recommendations

You recall that the general principles which we believe might effectively be incorporated in new legislation to deal with the problem of communist-domination of labor unions, were discussed in our March 21

proposal under the following headings:

1. Official Government investigation and identification of communist-dominated unions and communist union leaders.
2. Establishment of criteria, pursuant to which the independent agency would make its determination.
3. Disabilities and penalties resulting from determination by the Commission that an organization is communist-dominated.

We believe such legislation would benefit the country as a whole, as well as labor unions, their members, and employers who are presently compelled by law to recognize and deal in good faith with any and all organizations certified to them by the National Labor Relations Board, regardless of what may be the employers' beliefs or doubts concerning the loyalty of the leadership of such organizations. The objective of such legislation would—in the public interest—be to enable and direct government to seek out, authoritatively identify, and publicly designate communists in leadership or other positions of dangerous influence in labor unions, and to remove them from such positions of danger or influence.

It is only fair to add that in recommending legislative action on this problem we have been beset by certain misgivings—as would any good citizen when suggesting that the liberty and freedom of others be curtailed. The problem posed is admittedly difficult because of the very nature of communist doctrine, involving as it does a disregard for truth and indeed an emphasis on strategic deceit and tactical treachery.

We believe, however, that, if the realities of this situation are understood, appropriate safeguards can be devised so that guilty individuals and organizations may be exposed while innocent ones are protected.

PART II

Corrective comments on the false and misleading testimony of James B. Carey

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Section 1: Appraisal of Carey as a reliable witness

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CHARGES MADE BY CAREY THAT GENERAL ELECTRIC AND OTHER ELECTRICAL MANUFACTURERS ACTIVELY HAVE ASSISTED THE UE.

Mr. Carey presented this Subcommittee with some reckless, unfounded charges and stated some unwarranted and irresponsible opinions and conclusions about us and other electrical manufacturers. You have asked for our views on this testimony and we are here to discuss it with you as fully and exhaustively as you desire.

Conclusive as is our evidence, you will be able to understand our views and appraise Mr. Carey's reliability as a witness concerning us far better if we can acquaint you, in a very summary fashion, with some facts and history about Mr. Carey and his fight against communism in unions. We believe his attack upon us and other employers can only be understood and evaluated accurately by you in light of some acquaintance with Mr. Carey's record. We think you should understand the very substantial extent to which Mr. Carey has, at various times in his career, made inconsistent statements, taken contradictory positions, and misled his membership and the public in a man-

ner explainable only on the ground that, at any given moment, he feels personally justified in adopting the course or tactic which appears to him to be most convenient, expedient or otherwise useful to his then immediate or ultimate purpose.

Unfortunately, to establish this point will require a brief summary of Mr. Carey's record. In speaking about this record we want to make it so clear that we cannot be misunderstood or misrepresented. *We here assume that Mr. Carey is not now and never has been a member of the Communist Party.*

Our only point in discussing Mr. Carey is to help you see him, as have we and others who have followed his record for years, and thereby help you in appraising his reliability as a witness.

We have only the greatest of praise for Mr. Carey's ultimate objective of eliminating any communists from the leadership of unions in our industry. We cannot condemn too strongly, however, his feeling that this *very worthy purpose* gives him a personal license to use *any means* which he thinks fit to reach his goal. We believe that his increasingly vituperative attacks upon us can be understood by you only if you appreciate and understand the full significance and strength of his conviction that the end justifies any means, as he so openly admitted to you when he said: "*I will use any means to fight the communists.*"¹

We would not have undertaken such a review of Mr. Carey's record except for the combination of the following three things:

First, the very serious *nature* of Mr. Carey's conclusions about employers generally and us in particular;

Second, the fact that some of your Subcommittee seemed to have actually been misled by such wild and unsupported charges;

Third, you specifically invited us to present our views which we interpret to require that we be frank, open and forthright with you.

¹ Hearings before the Subcommittee of the Committee on Labor and Public Welfare on Communist Domination of Unions and National Security, (hereafter referred to as Humphrey Subcommittee); Vol. 6, p. 370. (References are to typewritten stenographic report.)

Heretofore we have preferred to ignore Mr. Carey's shopworn, ridiculous charges. This was not merely because they are so incredible on their face, but because they have been so largely disregarded as false propaganda among our employees, in our communities and by the informed press.

Unless required to comment on these charges, as we have been by your invitation, we had no desire to dignify Mr. Carey or his foolish statements as though they were in any way meaningful.

We want, therefore, to summarily review Mr. Carey's current charges before your Subcommittee, as well as the inconsistencies and contradictions into which expedience and convenience have taken him. We believe you will see how he has habitually misrepresented facts, given less than full information, and attempted to mislead his membership, the public, and even Congressmen in the vitally important area in which you are interested.

We believe that he has been trying to misrepresent us for many years; we believe that is all he was trying to do before this Subcommittee.

CIO Welcomed Communists

Carey himself is authority for the statement that when John L. Lewis first began organizing the CIO in the middle '30s, he "welcomed the Party liners."² The reason given by Carey was that

"Lewis desperately needed trained organizers in the early days of the CIO . . ."

Carey, however, does not appear to have ever—then or more recently—criticized this early CIO policy and, with Lewis' backing became Secretary of the CIO in 1938.³ Of course Carey seems to have been right when he said that Lewis and the CIO "needed"

² Carey, "We've Got the Reds on the Run", American Magazine, Sept. 1948, p. 30. See also: Pitzele, "Can American Labor Defeat the Communists", Atlantic Monthly, March 1947; J. & S. Alsop, "Will the CIO Shake the Communists Loose", Saturday Evening Post, March 1, 1947.

³ James B. Carey, Current Biography, Vol. 12, No. 7, July, 1951, p. 17.

trained organizers so badly that even the "party liners" whom Carey *now* denounces were acceptable *then*. But we submit, Senators, that unless Mr. Carey openly condemned that policy then—as he did not—he became a party to a course of convenience and expediency which must raise some questions as to whether convenience or principle is the basic guide for Mr. Carey's conduct and public statements.

Carey was the chief organizer of the UE (CIO) in 1936; at that time he became and continued as its first president until 1941. While Carey hasn't hesitated to state that John L. Lewis welcomed the Party liners into the CIO, he has sought to leave the impression that they infiltrated his own UE (CIO) by deceiving and misleading him,⁴ but Louis Budenz, former editor of the *Daily Worker* has written⁵

"There is evidence Carey knew what was going on but thought he would be able to handle the comrades and defeat them in a showdown."

1939: Carey Says He Learned Communists Dominate and Control UE (CIO)

At any event, Carey has admitted in writing that, following the signing of the Hitler-Stalin Pact in August 1939, his eyes were opened concerning communist-domination of the UE. Speaking of the signing of this Pact as the critical date, Carey, in 1948, wrote:⁶

"It was now easy to spot the Communists because of their flip-flop on the war, and as the months passed I discovered that they were in complete control of the national office; they dominated the executive committee, ran the

⁴ Hearings before the Special Subcommittee of the Committee on Education and Labor, Sept. 1948 (hereafter referred to as the Kersten Committee), Vol. 1, pp. 94 to 102. (References are to typewritten stenographic report.)

⁵ Budenz, "The Red Web in U. S. Labor", *Collier's* Oct. 23, 1948, p. 14.

⁶ Carey, "We've Got the Reds on the Run", *American Magazine*, Sept. 1948, p. 121.

union paper, and were strongly entrenched in the locals and districts. All the organizers were party liners."

It is therefore fair to take August 1939 or the "months" that followed, as the very *latest* time when, according to his own statement, Carey's eyes were opened and he became convinced that he and thousands of others in the UE had been deceived and misled into being dominated by Communists or Party liners.

1940-41: Carey Conceals Knowledge of Communists in UE

What did Carey do upon making his "discovery" that the UE was dominated by "Communists" and "party liners"?

We refer this Subcommittee to the excerpts of Carey's UE newspaper columns which he wrote in 1940 and 1941 and which he read to a Congressional Subcommittee in 1948 (hereafter referred to as the Kersten Committee) as indicating "his views with respect to the Communists . . . within the UE."⁷ Since he was obviously trying to satisfy that Committee of his early strong anti-communist views, these excerpts must be regarded as at least typical of his strong expressions of anti-communism at that time.

In these excerpts from his 1940 and 1941 writings, however, he did not disclose or even hint to his membership the sweeping conclusions he had reached following August of 1939 and the pervasive influence of Communists he had "discovered" in his own national office and field organization. Not a single line or paragraph in these excerpts even intimated his post-1939 conclusions or named those whom, according to his own statement, he had come to believe were communists or communist dominated. Despite this, he was piously writing to his UE membership:⁸

"The membership of our union at all times

⁷ Kersten Committee, Vol. 1, pp. 86-91.

⁸ Kersten Committee, Vol. 1, p. 87.

deserves and should have all the facts concerning every officer and action."

and:⁹

"... from now on, it would only be a reflection on the democracy of our unions for a member to withhold a charge of criticism..."

Nothing he gave the Kersten Committee in 1948 and nothing he has given this Subcommittee indicates that he made a prompt complete disclosure—as a victimized but honest anti-communist might be expected to make in such circumstances—of what he claims he first discovered about communists in the UE in 1939.

To the contrary, and except for differences of opinion on foreign and political policy, it appears that during the early '40s, Carey went right along with Emspak and Matles, the top officers of UE who Carey claims were then, and are still "communist dominated". In 1940, he, Emspak and Matles were unanimously elected the three top officers of UE with no opposing nominations.¹⁰

Mr. Carey later and now implies that Emspak and Matles are "door openers for the Communist Party."¹¹ Whether right or wrong, Carey in September 1940—after his eyes had been opened—stood on their platform, accepted their support, gave them his, and was elected to office with them—all the while concealing his new knowledge from his membership. If Mr. Carey did this on principle, then he was part and parcel of the same package he now condemns. If he did so, despite his more recently admitted knowledge of what in 1940 was then going on, because it was expedient or convenient for Mr. Carey to help him retain his high union office, you would seem justified in looking for convenient or expedient motivations in Mr. Carey's other actions—including his statement before this Subcommittee.

⁹ Kersten Committee, Vol. 1, p. 88.

¹⁰ Proceedings of UE 1940 Convention, pp. 127-129.

¹¹ Kersten Committee, Vol. 1, p. 117.

1941 UE Election: Carey Withholds National Communist Issue from Convention; Endorses "Communist" Candidates

In 1941 Carey was defeated in his quest for reelection as President of UE. He implies that his defeat at the UE 1941 convention was due to the opposition of the communists. He has written ¹² that he was defeated after twice rejecting

"Communist offers of support in my reelection campaign, in return for future good behavior."

Those who have been misled by this statement into believing that this marked his break with the Communists are not acquainted with the record either at the 1941 convention or immediately subsequent thereto. When a delegate attempted to get him to speak "on a point of personal privilege" concerning

"the rumors and insinuations that have been going on for the past several days."

Carey declined the point of privilege.¹³ Not only did he refuse to take this opportunity to present the square issue of communism in his National office and field organization to the convention, but he even seconded the nomination of one of his alleged communist opponents, Julius Emspak, in the following words:¹⁴

"I think I know Jules better than any delegate in this convention. I have had the pleasure of living with him and working with him, and I sincerely hope that he receives the unanimous vote of this convention to assure the good continuation of the splendid organization we have all played a part in building."

And finally to cap the climax of friendly cooperation, Mr. Carey, in his final remarks as a defeated president, told the convention to support the man he

¹² Carey, "We've Got the Reds on the Run", American Magazine, Sept. 1948, p. 121.

¹³ Proceedings of UE 1941 Convention, p. 109.

¹⁴ Proceedings of UE 1941 Convention, p. 111.

now implies is a servant of the Communists,¹⁵ saying:¹⁶

"I think every member of our union should give every bit of loyalty and cooperation that person is capable of to the new President of the UE, President Fitzgerald."

Thus, the record establishes that some two years after what Carey admits was the critical date of August 1939, he not only was failing to inform his own members of his alleged new discoveries, *but he was actively assisting and supporting his supposedly* communist-controlled opponents and asking others to do likewise. Your Subcommittee may find this lends special significance to Carey's admission in 1948 before the Kersten Committee that the UE had followed the Communist Party Line during his presidency.¹⁷ Once again the question is raised of whether Mr. Carey was publicly telling his members and the public the whole truth as he now says he knew it—or did it then seem convenient and expedient (for either good or bad reasons) to conceal his knowledge and mislead his followers and the public?

**September 1941: Carey Claims News Accounts
Slander All UE Officers;
Apparently Denies Fitzgerald a Communist**

If any further evidence were needed that Mr. Carey deliberately concealed and deceived his followers as to the convictions he admits he had formed during the "months" following August, 1939, it is clearly found in the following telegram Mr. Carey sent to certain UE field representatives and reprinted in his column in the UE News entitled "Let's Talk It Over," under date of September 13, 1941. This telegram reads as follows:

"I am not impressed by the sudden anxiety of the A. F. of L. or the public press over my welfare. Both have consistently maligned and

¹⁵ IUE-CIO NEWS, April 24, 1950.

¹⁶ Proceedings of UE 1941 Convention, p. 185.

¹⁷ Kersten Committee, Vol. 1, pp. 94 and 99.

slandered me and all other leaders of our union. I am sorry but not surprised that the same attack is now falling on our President-elect Albert J. Fitzgerald. I wish to declare publicly and unequivocally that the charges of Communism against him are as false as past charges against me. James B. Carey'
(Underlines added.)

It is certainly beyond our humble ability to reconcile the above telegram with any theory that Mr. Carey's campaign for reelection was unsuccessful because of any basic split with those he now calls communist dominated. And if there was no basic split what was the expedient or convenient reason which prevented it and led Mr. Carey to attempt to deceive his members, the public and the press?

Carey, Emspak and Matles Identified as Communists; Get Congressmen to Withdraw Charges Against UE

We repeat our previous statement that we here assume that Mr. Carey is not now, and never was, a member of the Communist Party. Nevertheless, his resemblance to one during the late thirties and early forties caused him to be suspected of being one, and his activities were reported by the press as being well over in the far "left-wing" group. One newspaper account lists his "public leftist hook up" under the headline of "Carey of the CIO and PAC Treads the Party Line."¹⁸

Indeed Carey was identified by witnesses before the House Un-American Activities Committee as a communist,¹⁹ at the same time as those whom he now opposes, Mr. Emspak and Mr. Matles were likewise identified.²⁰ This testimony was flippantly scoffed at and ridiculed in UE newspapers during

¹⁸ New York Mirror, October 11, 1944.

¹⁹ House Un-American Activities Committee, 76th Congress, 1st Session (hereafter referred to as House Un-American Activities Committee), Vol. 9, pp. 5455, 5459, 5461, 5761 and 5794.

²⁰ House Un-American Activities Committee Vol. 9, pp. 5467, 5459.

Carey's Presidency with no distinctions made as between Carey, Emspak and Matles.²¹

In 1939 he was a State Vice-president of the American Youth Congress, an organization subsequently listed by the Attorney General as a communist front²² and which had been cited respectively as such by a Massachusetts House Committee and a United States Congressional Committee²³ as early as 1938 and 1939. He is *not* reported as being among the right wing group which bolted the Congress at a meeting which failed to pass a forthright resolution specifically denouncing communism, fascism, and nazism.²⁴ As Chairman of the Resolutions Committee of the Congress, he reportedly explained the Committee's opposition to the forthright resolution as opposition "to expulsion of any group from the Congress for political beliefs." His Resolutions Committee did sponsor a compromise resolution which Carey said was "one you can all stand upon" and which recorded opposition to all forms of dictatorship, whether communist, fascist, nazi or other types, but declared the Youth Congress open to all persons regardless of their "political label."²⁵

All the foregoing can only indicate that Mr. Carey simply could not have been a wholly naive, uninformed, and innocent person who was unacquainted with what was going on in the late thirties and early forties. Nevertheless, in 1940 Congressmen were induced by Carey, as well as Emspak and Matles, to believe that they had been misled in finding UE to be communist dominated. The 1940 Report of the UE's General Officers (Carey, Emspak and Matles) recounts how these "General Officers went to Washington" to interview members of the Un-American Activities Committee and succeeded in inducing four Congressmen to withdraw, on the floor of the House, charges made by the Committee, and to express regret they had signed the Committee's report.²⁶

²¹ Testimony of Carey—Kersten Committee, Vol. 1, pp. 19 through 25.

²² Attorney General's List of Subversive Organizations, dated September 21, 1948, p. 3.

²³ Guide to Subversive Organizations and Publications, House Document No. 137, May 14, 1951, pp. 28, 29.

²⁴ New York World Telegram, July 3, 1939.

²⁵ New York Times, July 4, 1939; New York World Telegram, July 5, 1939.

²⁶ Proceedings of UE 1940 Convention, p. 22.

Thus it appears from the record that Carey—after his own admitted critical date of 1939—not only withheld his new information from his own membership, and attempted to mislead the press and public, but in addition, he participated with his fellow General Officers in inducing Congressmen to express regret at having termed these men in 1940 what Carey is so violently calling them now. Again expediency or convenience rather than forthrightness and principle seem to have dictated his action.

1948: Carey Claims Investigation of Communism in Unions "Not Within Competence of Congress"

As late as 1948, nine years after Carey's alleged awakening to the communist problem in the UE, he was opposing efforts of the Government to identify and expose communism in labor unions and specifically in the UE(CIO). When invited to testify before the Kersten Committee which was investigating the "ideological aspects" of the UE, Carey *declined* the invitation on the ground that such inquiries by Congressional Committees "*are not within the competence of Congress.*"²⁷ He contended in this letter that "internal questions arising within the UERMWA lie only within the competence of the members of that organization," and that such investigations in the past "always had the result of giving aid and comfort to the communists."

Thus, at this late date, he was continuing to express the same opposition which he had expressed to earlier investigations of communism by the House Un-American Activities Committee which he was reported as condemning as "mouth-pieces and tools of forces which are seeking the destruction of democracy."^{27a}

After the CIO had established him as the leader of the IUE(CIO) in November 1949, his attitude

²⁷ Kersten Committee, Vol. 1, p. 11. Letter of Mr. Carey dated August 24, 1948.

^{27a} New York Times, January 6, 1939.

toward Congressional investigations changed—abruptly and typically—for he promptly began to call for Congressional investigations into the manner in which employers were assisting communist-dominated unions.²⁸

IUE Misrepresents Proceedings of This Subcommittee

If any final evidence were required that Mr. Carey and his organization are, to say the least, addicted to misrepresentations, it may be found in the misrepresentation which has been made concerning the proceedings of this Subcommittee itself.

Without even reading the record, we would have known that Senator Humphrey could not concur in Mr. Carey's charges without first giving us an opportunity to be heard. Our reading of the record clearly indicates that he did not concur in Mr. Carey's charges. Nonetheless, the IUE-CIO News of June 30, 1952, reports that Mr. Carey had claimed before this Subcommittee that GE's campaign was designed "to keep rank-and-file workers from distinguishing between free and honest trade unions and Communist-dominated unions." The IUE article at that point continues to state:

"Humphrey concurred in that. He said 'Some of these companies have aided and abetted these Communist unions in an attempt to hurt the strong free trade union movement. But, if American employers would concentrate on free collective bargaining, then we will make a big step toward ridding the country of this Communist menace'."

An examination of the official transcript of the hearing shows that this is no more than a grossly garbled version of an exchange which occurred between Senator Humphrey and Mr. Carey as reported on pp. 299 through 306.

²⁸ Mr. Carey's letter to Senators and Congressmen dated January 16, 1950.

An examination of those pages in the record will disclose that it was not Mr. Carey who first raised the question of the need to distinguish between the rank-and-file membership within the UE and its leadership, but rather it was Senator Humphrey. Moreover, and more important perhaps, the record discloses that nowhere in this exchange did Senator Humphrey "concur" in any Carey charge nor did he say that "some of these companies have aided and abetted these Communist unions in an attempt to hurt the strong free trade union movement." Senator Humphrey did say, and we agree, that the promiscuous, improper charge of "communism" aids communist infiltration.

We submit that the IUE report is not merely a casual error which might have been made by a careless reporter. We are advised that in accordance with the customary practice of this Subcommittee, the official transcript of the hearing of June 13 was forwarded to the IUE within no more than the second or third day following the testimony. Since the testimony was given on June 13, the full record was available to the IUE in ample time to have been used in the preparation of its news story.

We believe that even without the foregoing facts, this particular incident demonstrates how habitually indifferent Mr. Carey and his organization are to reporting, honestly and forthrightly, facts which are well within their possession.

* * *

We believe the above illustrations portray Mr. Carey quite clearly as a man who follows a consistent program of using deceptive and misleading means to achieve his purposes. We believe it to be a record of convenient expediency. We believe you must weigh this fact heavily in appraising his testimony about us.

* * *

Carey's testimony touches on two points we want to note briefly, both of which are relevant to your inquiry. The first of these is:

Who is Responsible for UE's Present Entrenched Position in the Electrical Industry?

Carey claims that General Electric employees have been held within UE as "resentful captives" with the connivance and assistance of GE.²⁹ He seeks to leave the impression that he has been fighting for the liberation of employees from such captivity ever since he lost the presidency of the UE in 1941. Yet, as Secretary-Treasurer of the CIO, he was a necessary party to very vigorous efforts of the CIO from 1941 to 1949 to organize the electrical industry and thus subject an ever-increasing number of employees not only to representation by the UE, but to compulsory membership therein via CIO's advocacy of compulsory union membership. Instead of leading his anti-communist followers out of the UE, as he might have, Carey continued unsuccessfully to attempt to regain control of the UE.³⁰

An interesting but much overlooked aspect of the period around 1948 is that many of the local unions of the UE began seceding and affiliating with Walter Reuther's UAW(CIO). When the UE protested that UAW was "raiding", the CIO took the position that any such raiding was "something that cannot be condoned by the national office of the CIO."³¹ (Mr. Carey, of course, as CIO Secretary-Treasurer, was a part of the "national office.") Nevertheless, the UAW remained firm in the position that while it would make no effort to *create* dissension among UE members, it would issue charters to locals where rank and file members expressed overwhelming desire to free themselves of UE leadership by legal means.³² Even in the face of such apathy of national CIO officers, UE lost thousands of its members to the UAW.³³ It is interesting to speculate on how many more thousands of members UE would have lost then or even before, if Carey

²⁹ Mr. Carey's letter to Mr. Cordiner dated May 25, 1951.

³⁰ James B. Carey, "Current Biography", Vol 12, No. 7 (July 1951) p. 18.

³¹ Daily Labor Report No. 65: A-13, April 2, 1948.

³² Daily Labor Report No. 72: A-11, April 13, 1948.

³³ New York Times, October 7, 1948.

and other CIO national officers had been willing to furnish them leadership and a means of escape promptly when such widespread local dissatisfaction with UE began. There would seem room for little doubt that after UE had been approved by CIO from 1946 to 1949, many people found it hard to believe that its expulsion was for communism alone.

We know of no evidence that Mr. Carey in 1948 assisted any employees in our industry to get out of the UE and into the UAW. An explanation for this may readily be found by those who believe that there is keen competition between Mr. Carey and Mr. Reuther for leadership of the CIO at such time as Mr. Murray resigns.³⁴ In one discussion, as we recall it, concerning the future leadership of the CIO, he has asked us why he should not aspire to such position and said that he would have thought we would help rather than hinder such aspirations.

If the full record indicates, as we think it does, that Carey preferred to keep UE intact and recapture it from within—rather than have it dismembered by withdrawals—it would seem apparent that the “liberation” of employees from a supposedly communist dominated labor union was not nearly as vital to him as was his own personal advancement or stature in the politics of the labor movement.

Whatever were and are Carey's motives, the record is clear that during about 10 years, he and the CIO national office permitted former UE members to remain as what Carey now calls “resentful captives” of UE. But even worse, Carey and the CIO national office allowed additional thousands of innocent Americans in the electrical industry to be led into such captivity with the assurances that UE was endorsed and approved by the CIO. *Of about 100,000 GE employees alone, who in 1950 were represented by UE, roughly 65,000 of them were in bargaining units which had been certified to the UE with Carey's tacit approval as a national CIO officer after* (according to Carey himself) it had become so clear that the UE was communist-dominated.

³⁴ *Modern Industry*, Oct. 15, 1951, p. 91. See also, *Business Week*, Sept. 15, 1951, pp. 30, 32; and *Fortune*, Nov. 1951, pp. 54, 56.

No amount of distortion or reckless charges can confuse this record so as to shift to employers a responsibility which belongs so clearly on the shoulders of CIO officers.

The next and final real question raised by Carey's testimony is:

**Can Congress Safely Rely on
Anti-Communist Unions to Keep
Communists Out of Union Leadership?**

Carey has told us many times in private of his personal great ability to identify communists. His chief counsel, Mr. Ben Sigal, has made a similar claim to this Committee that unions would be far more efficient in identifying communists than would a public Board composed only of public members. Yet when Mr. Carey testified before the Kersten Committee in 1948, and despite his many intervening public charges of "communism," he stated that he had no *personal* information that the UE leaders, whom he most frequently attacks, were communists.³⁵ He very carefully refrained from charging that they were communists—in spite of a contemporaneous statement about UE that as early as 1939 it had become "easy to spot the communists"—and stated it didn't make any difference, "because of the fact that a door opener for the Communist Party is worse than a member of the Communist Party."³⁶

In this so difficult and complex area involving the reputation, good name and right of all citizens to be free from unjust accusation, we know of no Carey formula for determining who are really "communists" which does not require that he or his associates should be acknowledged as the experts in the field.

What should be of especially grave concern to this Committee is that Mr. Carey not only claims an extraordinary ability to identify communists, but he also claims to have and acts as though he had some infallible means for quickly determining when a com-

³⁵ Kersten Committee, Vol. 1, p. 98.

³⁶ Kersten Committee, Vol. 1, p. 117.

munist of many years has honestly repudiated his past. In at least one recent instance, two UE labor organizers resigned one week from the UE and the Communist Party.³⁷ The following week one of them was hired by Mr. Carey's IUE, while the other one's pledge of support was proudly announced by an IUE official.³⁸

If Mr. Carey has some superior or special means for detecting and preventing infiltration of his ranks by his enemies it would seem that the public and his members should be advised of how he can be certain that such persons will be more trustworthy in the IUE than they were the week before in the UE.

Within various locals of the General Electric Company, there have been since 1950 more than 100 IUE officers or representatives who at some previous and recent time were officers or representatives of the UE. Thus, at many IUE locations, particularly our bigger plants, we now deal with many of the same people who were UE representatives a few years ago. Neither before nor after these men left UE to join IUE have we felt qualified to determine whether they were responsive to orders from the Kremlin. For some of these men, we had before, and we continue to have considerable respect. For some others, we had before and continue to have now, somewhat less enthusiasm.

Our experience, for whatever it may be worth to this Subcommittee, does not indicate that long-established views and habits of thought, or ethical standards change at all when a man leaves the UE and joins the IUE. Even though Mr. Carey may think that joining the IUE automatically converts a poor security risk into a good one, it is hard for us to accept that opinion as anything other than a good example of Mr. Carey's convenience and expediency hard at work.

From the expressed views of both Mr. Murray and Mr. Carey, we cannot be the least bit certain that Mr. Carey genuinely and honestly will not tolerate an avowed communist as a representative of his National IUE or one of its Locals. As late as May,

³⁷ IUE-CIO NEWS, Jan. 9, 1950.

³⁸ Chicago Daily Tribune, Jan. 12, 1950.

1949, the Executive Board of the CIO adopted a resolution³⁹ which demanded resignation of members of the Executive Board who were unwilling to carry out the instructions of the CIO conventions. At that late date, Mr. Murray was quoted⁴⁰ as saying the resolution did not interfere with a man's "political beliefs," and that

"A man can be a Communist and still be on the Board, if he adheres to the policies of the CIO."

More simply, Mr. Carey was quoted as saying it meant a man "can be a Communist, but he can't act like one."⁴¹ These comments and the resolution itself further substantiate the previous opinion we have reported to you⁴² that it seemed to us that certain unions have been expelled by the CIO

"not because they were found to constitute a danger or threat to the country, but chiefly because they had refused to follow the political and other policies which had been adopted and endorsed by the CIO."

To the best of our knowledge, Mr. Carey has not, since the formation of his anti-communist IUE (CIO) Union, indicated *precisely* what measures his national office or his local unions take to deal with the problem of communists. As late as September 1946, Mr. Carey is quoted as having said that since the CIO takes into membership employees from all walks of life, CIO could not get rid of its communists by "suppression." According to him, the CIO being democratic "cannot suppress communists" but must handle them, fellow travelers or sympathizers, "in our own way"⁴³—whatever that may mean.

In view of this, and Mr. Carey's and Mr. Murray's above-quoted views, we cannot help but wonder whether it is still Mr. Carey's actual policy to tolerate a communist within his official family or as

³⁹ Daily Labor Report No. 97: AA-1, AA-2, May 19, 1949.

⁴⁰ New York World Telegram Editorial, May 21, 1949.

⁴¹ New York World Telegram Editorial, May 21, 1949.

⁴² GE's proposal to Humphrey Subcommittee entitled "What To Do About Communism in Unions", March 21, 1952, p. 9.

⁴³ Daly, Red Blight in Union Gardens, Nation's Business, Sept. 1946.

an officer of one of his Locals so long as the man does not "act like one." However, at least one president of a non-GE-IUE Local has refused to testify under oath before a Congressional Subcommittee concerning his alleged communist associations.⁴⁴ We have been advised that when this man was promptly fired by his employer, not only did the man's IUE Local intercede, but Mr. Carey himself became interested in the case and sought the man's reinstatement. The IUE now has this case scheduled for arbitration in an effort to compel the employer to rehire the man in question. In our original report to you we noted that inquiries of this Congressional Committee had induced a major CIO International Union (the UAW) to take over the administration of one of its large Locals.⁴⁵ Ironically, however, the same investigation results in the anti-communist IUE defending an IUE Local president who was discharged when he refused to testify concerning his communist connections.

The IUE's evidence, arguments and briefs in this case should prove very interesting in light of Mr. Carey's charges that employers are cooperating with communists.

Perhaps what Mr. Carey really means to charge is that employers are cooperating with suspected communists who have not yet joined the IUE.

* * *

We, therefore, submit that this Subcommittee cannot safely refrain from recommending new legislation in reliance upon any assurances it has received that the anti-communist or non-communist unions will promptly, effectively and permanently eliminate communists from and keep them out of union offices.

⁴⁴ Cleveland Plain Dealer, April 19, 1952, p. 1; New York Times April 19, 1952.

⁴⁵ GE's proposal to Humphrey Subcommittee entitled "What To Do About Communism In Unions," March 21, 1952, p. 11.

PART II (cont'd.)

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Section 2: Discussion of Carey's False and Baseless Charges

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Carey's General Charge Was That Without the Deliberate, Active Assistance of Large Electrical Companies, Particularly GE, UE Could Not Have Survived

Mr. Carey's ridiculous general theme that many employers cooperate with and assist UE was first made while UE was a CIO union. It has been regularly repeated since IUE was formed in 1949, but it has never been substantiated. Initially, as noted below, other companies seem to have been Mr. Carey's chief target for this charge, but since 1949 it has been made with particular emphasis on GE.

We have been wholly unable to form any definite opinion as to why Mr. Carey continues to make but never prove these foolish charges. The only possible reasons we can imagine for his continuation of this conduct and the particular vehemence with which he attacks General Electric are:

1. Mr. Carey may feel that he is not making progress fast enough in the direction of displacing the UE and he may feel that he needs an alibi before his members and the public.
2. Mr. Carey's ideas about effective labor organizing were acquired among his early associates in the old days when the CIO welcomed and used extensively the assistance of communists who, unfortunately, indoctrinated too many of the then young, aggressive labor leaders with the belief that the most effective

device for organizing was to be violently anti-employer. As late as 1948 Mr. Carey was still of the opinion that "... your seasoned Stalinist, to give the devil his due, is often a hot-shot labor salesman."⁴⁶ Although he should understand by now that the communists used this violent anti-employer device not merely for union organization purposes, but also to foment the so-called "class struggle" he gives no indication at all that he thinks the device is any less honest, fair or effective a means for organizing a union now, than when it was perfected years ago by his early associates. In fact, since he keeps advising us to the effect that he is going to "out commy the commies" and "be more militant than they are,"⁴⁷ we have come to expect and accept these irresponsible anti-employer attacks as a major part of his concept of "militancy."

3. His recent special antagonism towards General Electric can only be related to the theory he expressed to your Subcommittee that whatever General Electric does, sets a pattern in the electrical industry. Consequently, in order to be as effective as he would like to be in negotiations and other dealings with various employers, he may think it necessary to either intimidate us or give the impression to others that he can or will do so.

Whatever may be Mr. Carey's reasons, we expect that he will continue to make these charges as long as we continue to obey—as we shall—the laws of the land which compel us to deal with any union which the Government certifies to us. While Mr. Carey has given other reasons for his opposition to new anti-communist legislation it is at least obvious to us that whenever such legislation is passed he will then be deprived of his stock in trade which consists of

⁴⁶ Mr. Carey, "We've Got the Reds on the Run", American Magazine, Sept. 1948, p. 30.

⁴⁷ Mr. Carey has explained this in less precise terms when he wrote that one of the necessary techniques to unseat the communists was "the creation of a militant, progressive program far in advance of the bogus progressivism of the Communists." Carey, "We've Got the Reds on the Run", American Magazine, Sept. 1948, p. 121.

using these charges for headline getting purposes without ever having to produce any real evidence.

Prior Similar Charges Never Proved

The record shows that Mr. Carey has had, since 1948, three separate opportunities to credibly establish his charges, but has never been able to do so.

FIRST: In 1948, the Kersten Committee asked him for evidence to support his written assertion⁴⁸ that certain employers "would rather do business with Communists than with bona fide trade unions." Under cross-examination, all he could offer as proof to support the charge, was one instance each at Westinghouse and RCA where employees had been discharged who Mr. Carey asserted were anti-communists.⁴⁹ As to the only case he discussed in detail we are advised that the employer's reason for the discharge was because of the employee's chronic absenteeism for which the employee had received many warning notices and suffered prior discipline. Of course not a word of this was divulged to the Committee. As to the only other man he named, Mr. Carey said that testimony should come from "someone more familiar with the actual details." When asked for other instances of "cooperation with Communists," Mr. Carey gave an amazing reply for one who had made so serious a charge, stating weakly:

*"Study would reveal any actual number of instances."*⁵⁰

Deliberately or from sheer ignorance, Mr. Carey sought to give the Committee the wholly untrue impression that, under the Taft-Hartley Act, employees who were discharged because of activity in support of his faction of UE could not process unfair labor practice charges before the NLRB, because UE at that time had not filed (as had not Mr. Carey) the necessary non-Communist affidavits.⁵¹

⁴⁸ Kersten Committee, Vol. 1, p. 13.

⁴⁹ Kersten Committee, Vol. 1, pp. 29 thru 38.

⁵⁰ Kersten Committee, Vol. 1, p. 36.

⁵¹ Kersten Committee, Vol. 1, p. 31.

SECOND: In 1950, Mr. Carey sought and, after his staff had conferred with Congressman Kelly, was successful in getting a Subcommittee of the House Education and Labor Committee established to "Investigate Activities of Managements in Support of Communist-Controlled or Dominated Unions."⁵² We, of course, prepared to appear before the Committee, but we never heard from it, and the matter died quietly after Mr. Carey had enjoyed his expected newspaper headlines. Our unofficial and unconfirmed information was that the Committee abandoned the project after referring Mr. Carey's charges about us to a former official of the NLRB who advised that the charges would not hold up.

THIRD: Following the GE union elections in 1950, Mr. Carey again presented many of these same charges to the NLRB as reason for setting aside elections which IUE lost at Schenectady and at Erie, Pa.⁵³ Again Mr. Carey captured his headlines, we prepared for a full scale investigation of the charges, and again we were given no opportunity to present our side of the case when Mr. Carey quietly withdrew his objections to the elections after⁵⁴ preliminary investigations had been conducted by the Board.

There is no doubt that if Mr. Carey's charges could have been proved, these two elections would have been set aside. Since these were the only two large elections he failed to win, is it likely he would have withdrawn his objections if there was even a remote hope they would have been sustained?

Even apart from the elections, the NLRB has been and continues available to protect Mr. Carey's IUE union from any alleged employers "active assistance and encouragement" of the UE. We invite him to file any such charges with the expert agency set up by Congress for that purpose where a full investigation and determination of the facts may be had based on evidence and not speculation, conclusions and opinion.

⁵² Daily Labor Report No. 29: A-9, Feb. 2, 1950; IUE-CIO NEWS, January 23, 1950.

⁵³ Matter of General Electric Co.; 5-RM-114, etc., 89 NLRB 726.

⁵⁴ Telegram to GE from NLRB, reprinted in GE Employee Relations Newsletter, July 14, 1950.

Carey Condemns Courts, Judges, and Employers Alike for Following the Law Where He is Concerned

Your record should certainly reflect the fact that not merely employers, but even judges have been crudely and arrogantly insulted by Mr. Carey on occasions when they have failed to act exactly as he thought they should. Where judges have ruled in favor of the UE and against IUE on legal questions presented to them, Mr. Carey has been reported as urging that the jurist "be sent pink carnations shaped like sickles";⁵⁵ of urging local IUE officers "to defy irresponsible actions of irresponsible and ignorant judges",⁵⁶ and has assailed the jurists as "stupid", "two-bit injunction judges", and "ignorant judges."⁵⁷ He is also reported as having said in outlining his program of defiance of judicial decisions: "I might advise you that the CIO is not without influence in this country."⁵⁸

SPECIFIC CAREY CHARGES

It would unnecessarily burden this Subcommittee and lengthen your record if we were to attempt to correct each and every falsehood or distortion in Mr. Carey's testimony before you. Practically everything he said here about GE's purposes and policy was either an outright falsehood, a gross distortion of fact, or an ingenious and speculative opinion.

Therefore, in our written statement concerning Carey's specific charges we are limiting ourselves to those charges which seemed to be of most importance or of most interest to the Committee.

We want it clear, however, that we intentionally elected to appear in person before you rather than accepting the alternative you suggested of submitting no more than a written statement. We are here in person to give you every opportunity to question us on any and all doubts, suspicion or confusion you may have as a result of Mr. Carey's testimony. We

⁵⁵ Daily Labor Report No. 217: A-3, Nov. 8, 1949.

⁵⁶ Daily Labor Report No. 230: AA-1, Nov. 29, 1949.

⁵⁷ New York World Telegram, Dec. 5, 1949.

⁵⁸ New York World Telegram, Nov. 30, 1949.

not only are willing to have the facts fully explored, but we *urge* you in all fairness to give us the opportunity to set at rest any slightest doubts created by Mr. Carey which you may have concerning the good faith and honesty of our views and conduct. We will remain with you as long as you wish to make impartial inquiry into the facts.

With this understanding, let us consider the specific charges made by Mr. Carey to support his broader conclusion.

GE's Alleged "Divide and Rule" Principle

Mr. Carey claims GE has for many years followed a "divide and rule" policy designed to: (1) discourage unions and keep its employees "incapable of concerted action"; (2) encourage multiple union organizations so that "a dozen or more unions will fight each other"; (3) encourage factionalism.

NRLB and other records refute these charges.

We were one of the earliest large industrial companies to recognize and deal with unions—some of our union relations go back to the early 1900's. IUE's large Lynn Local is nothing but the outgrowth of a union recognized by us during the first World War.

In the 1930's, while others were still fighting unionization in the courts and elsewhere, we were among the first large companies which were willing to bargain on a single national basis for widely scattered plants represented by Mr. Carey's various local UE(CIO) unions. We did this although we recognized that this permitted those locals greater "concert of action."

While many employers have vigorously fought unionism, we are proud of, and honestly try to preserve an NLRB record of non-interference with the right of our employees to be represented by whatever unions they wish. In the hundreds of NLRB election campaigns held within GE over more than fifteen years we are confident that the NLRB records will disclose scarcely an instance where General Electric interfered with our employees' rights to choose

their own unions without interference from us. Following the NLRB elections of 1950 we were thanked by the Board's representative for our "splendid cooperation" with NLRB officials.⁵⁹

Such a record could never have been established if we had not scrupulously carried into practice our firm policy that our employees are free to organize unions if they wish to and we will not interfere with their legal right to do so. We have always advised our employees of our complete acceptance of this principle.

As to encouraging multiple unions, Mr. Carey knows that only last January both GE and IUE joined together in NLRB cases⁶⁰ to oppose efforts of UE (Ind.) and IBEW (AFL) respectively, to split up IUE bargaining units at our Bridgeport and Pittsfield plants. Moreover, the records of the NLRB will also show that in practically every one of our many NLRB representation proceedings, we have consistently urged a single bargaining unit as opposed to multiple bargaining units in our plants. The only exception to this is the general one recognized by the Board and industry generally, that salaried employees and hourly paid employees have diverse interests and should be in separate bargaining units.

As to encouraging factionalism, the only previous such charge we can recall was made by two of Mr. Carey's present top lieutenants who were then leaders of UE, not IUE Locals. They charged us with trying to "bust" their *UE union* when we published a message to GE employees entitled "Why Joe Wants Your Union." We have available for introduction as exhibits and as part of our statement, photostatic copies of union messages published in 1948 which you should note are signed by a Mr. Callahan and a Mr. Kelly who at the time were leaders in the UE. Mr. Kelly soon after was the first head of the IUE-GE Conference Board, which is in charge of our national negotiations, and Mr. Callahan is the present head of it.

⁵⁹ Matter of General Electric Company 2-RC-4101 (1952).
Matter of General Electric Company 1-RC-2441 (1952).

Why these men who were so soon to become important officials of the "anti-communist" IUE so resented our message about the dangers of communism we have never been able to understand, especially as they are normally responsible citizens for whom we have a great deal of respect.

The Fantastic Charge Concerning the Wallace "Third Party" Movement in 1948

Mr. Carey claims that GE in 1948 "studied and foresaw the developments of the Wallace Third Party movement"; that GE abetted UE's campaigning for Wallace within our plants so as to keep UE too busy to handle grievances and other union business; that, with our connivance, UE failed to process grievances and got things so fouled up that GE was thereby excused from granting wage increases in 1949.

The only reason we note this ridiculous charge is that it demonstrates how ingenious, inventive and unrestrained Carey is in devising his charges without any substance at all. Not a single thing we did or said would have formed any basis for so wild an assertion of fact as his claim ^{60a} that:

"GE's labor relations department studied very closely the beginnings of Henry Wallace's fantastic 'Third Party' venture. GE understood more clearly than thousands of Americans, that Wallace's Progressive Party was no 'Third Party' but a creation of the Communists at the direct instigation of the Kremlin."

Needless to say, we had made no such study and we had no such special knowledge. We quote the charge only to ask, "How can anyone believe or accept as reliable, a person who would offer such a speculative, theoretical and false a statement as one of fact?"

GE did not "look the other way" as Wallace leaflets were distributed in our buildings. We have consistently prohibited distribution of political literature

^{60a} Humphrey Subcommittee, Vol. 6, p. 357.

of any kind within our plants.

In appraising the accuracy of Mr. Carey's charge about 1948 conditions in our plants, your Subcommittee should note that Mr. Carey testified before the Kersten Committee in September of 1948, at the very time when, according to him, this alleged program was in full swing. At that time Mr. Carey was charging other employers, but not GE, with collusion with the UE. If there was any such alleged GE program why didn't Mr. Carey tell the Kersten Committee about it? Why has he never mentioned it before?

Carey's Charge Convicts His Own IUE Local Officers of Neglect of Duty

If your Committee really wants to find out whether, during 1948, grievances and other union business were neglected in GE plants, we suggest you call before you some of Mr. Carey's top present or former Local IUE leaders such as Mr. Fred Kelly, of Lynn, Mass., Mr. John Callahan, of Pittsfield, and Mr. Fitzmaurice, of Cleveland, or a former IUE Local leader, Mr. Dollas Smith, of Fort Wayne. These men have been vigorous, aggressive but in our opinion, honest union leaders. During 1948 and 1949 they represented large and important UE Locals which in 1950 they were able to deliver ready made, lock, stock and barrel into Mr. Carey's camp.

If Mr. Carey's description of UE negligence, apathy and preoccupation with the Wallace campaign in 1948 *were* true, it would do no more than convict of neglect of duty those very IUE leaders who were then UE leaders but who shortly thereafter presented him with most of his GE following.

False Claim GE Saved Millions in Wage Increases in 1949

It is furthermore untrue, as Mr. Carey implies but skillfully avoids saying, that the 1949 general pattern of union negotiations provided auto, steel and rubber workers new *wage gains* while "GE em-

ployees received not a penny more in their pay envelopes." By creating the false impression that major union agreements in these other industries provided for wage increases in 1949, Mr. Carey claims GE was saved millions of dollars that year by what he called UE's "crusade to elect Henry Wallace president."

Mr. Carey knows full well that 1949 was the year when the pattern set by the major auto, steel and rubber agreements was one which provided only for new or improved pension and insurance arrangements and *not* for wage increases.⁶¹ For the most part, any new wage increases negotiated in 1949 within these industries were only among smaller companies. General Electric, unlike many of the other companies with which Mr. Carey likes to compare us, *already* had employee pension and insurance programs substantially equal in benefits to those which began setting the pattern in late 1949. In addition, when the trend of major union negotiations became discernible, GE, in October negotiations⁶² with the UE, offered to improve these pension and insurance plans so as to make the total of their old and new values equivalent to the plans which appeared to be developing in the steel industry and elsewhere.

This offer legally had to be terminated when the IUE-CIO was formed in November, 1949 and raised the question of which union was the representative of the majority of our employees.

Thus it was the claims asserted by Mr. Carey, himself, and the resultant confusion and turmoil, which resulted in no change in GE's benefit plans in 1949. As to new wage increases, no increases were in the picture at GE or elsewhere throughout industry.

Claim that GE Aided UE in NLRB 1950 Elections

We believe that any qualified representative of the National Labor Relations Board familiar with

⁶¹ See U. S. Dept. of Labor, Bureau of Labor Statistics Monthly Reports on Current Wage Developments, for the year 1949, and January, February and March of 1950.

⁶² Letter to UE dated October 20, 1949.

our 1950 elections will advise this Subcommittee that it was only the action taken by GE, in filing petitions with NLRB, which made it possible for Mr. Carey to get elections as quickly as he did and at many locations where at the time he probably had no membership at all.

This arises from the fact that under NLRB regulations a union, in order to secure a Board election, usually must show an existing membership of at least 30% of the unit it claims to represent, when it files its petition.⁶³ IUE filed a petition for a single unit covering approximately 100,000 employees, but which the Board ultimately found constituted 100 appropriate bargaining units.

Mr. Carey, from all we could observe, did not have any substantial membership at many of our locations. Moreover, it was our firm opinion that the single nationwide bargaining unit he claimed would never have been found appropriate by the Board. In this situation, and by simply taking no action at all, we had an obvious and easy way to embarrass Mr. Carey, delay the elections and put him to great financial expense—if we had wanted to use it.

We proved we had no preferences nor desires to assist UE when, merely to afford our employees an opportunity to vote promptly for their choice of unions, we took Mr. Carey off the hook by filing our own petitions for an NLRB election. This, under NLRB rules, made it unnecessary for the IUE to show any membership at all.⁶⁴ This relieved Mr. Carey of the need to spend either the time or the thousands of dollars he otherwise would have had to spend in order to sign up sufficient membership cards to get an NLRB election on the strength of his own petition.

We invite the Committee to check the accuracy of the above statements with NLRB officials familiar with the 1950 elections. Its complete accuracy, however, should be apparent from the fact that Mr. Carey withdrew *his* petition and elections were conducted pursuant to the GE petitions.⁶⁵

⁶³ NLRB Statement of Procedure, 29 CFR 101.17.

⁶⁴ NLRB Statement of Procedure, 29 CFR 101.17.

⁶⁵ Letter from NLRB to GE, dated February 17, 1950.

Mr. Carey told your Committee that "UE was enabled to withstand IUE-CIO's first assault and then entrench itself, an advantage that rendered UE's subsequent defeat much more difficult."⁶⁶

If his theory is sound, our action—while not taken for the purpose of helping either UE or IUE—was the only thing that prevented UE from getting additional time to "entrench" itself while Mr. Carey tried to get elections based on his own petition.

In this connection and in connection with the check-off question discussed below, Mr. Carey falsely claims that we filed our petitions at all locations *because of doubts we had as to who* was the bargaining representative desired by a majority of our employees.

This is not so. Our petitions for elections were based only on the fact that there had been conflicting claims for recognition made upon us by IUE(CIO) and the UE. At some locations, it was true that we could not tell whether a majority of our employees wanted IUE or wanted UE. At others, our people had seen not so much as a single IUE handbill or an IUE organizer and we had no indication at all that any employees were the least bit interested in the IUE, although Mr. Carey's original demand for recognition claimed representation rights at all UE locations. We made no distinctions as between the two kinds of local situations, and sought elections for each merely on the theory that conflicting claims for recognition, arising from Mr. Carey's over-all demand and UE's continuing demand for bargaining, had been made upon us. Thus, IUE was given the unusual opportunity of having elections held at many plants without having to spend a nickel for organizing purposes. We even filed for plants on the West Coast, where practically everybody advised us that IUE had no following and wouldn't win a single election—as they didn't. While it was not our *purpose* to aid either side by this procedure, there can be little doubt that the *effect* of our filing was of immeasurable assistance to the IUE.

⁶⁶ Humphrey Subcommittee, Vol. 6, p. 361.

On this score, the UE wrote us⁶⁷ charging that the Company had "bailed out" the IUE

"by petitioning for elections in 52 plant locations when the IUE was unable to show evidence of membership in any plant and did not even claim a paper charter in 34 of the plant locations where you petitioned."

Carey's Charge of a "Collusive Check-Off Agreement" as Aid to UE During the Elections

Since 1950, Mr. Carey has been making a charge of "collusion" concerning the new check-off cards used in 1950.

If this Committee will refer to Mr. Carey's response when Senator Humphrey asked him what he meant by "collusive" arrangements,⁶⁸ you will observe that Mr. Carey carefully avoided giving the normally accepted meaning of the word and the one which is given by Webster's dictionary. The reason for this is quite obvious since "collusion" is normally accepted and is defined as "A secret agreement and cooperation for a fraudulent or deceitful purpose."⁶⁹ Consequently, when Senator Humphrey asked what Carey meant by a collusive arrangement, Mr. Carey was forced to give his own special and unique definition in order to avoid testifying falsely.

Had Mr. Carey been honestly frank with the Committee, he would have told them that he received his first information concerning the fact that new check-off cards were to be used by GE and would be used at only some locations, from Mr. George Pfeif, Manager of GE's Union Relations. This information was communicated to Mr. Carey voluntarily when the latter had called Mr. Pfeif upon an entirely different matter. The conversation occurred the very day or the day following GE's decision to accept the new check-off card forms. Mr. Carey,

⁶⁷ UE letter dated February 10, 1950.

⁶⁸ Humphrey Subcommittee, Vol. 6, p. 364.

⁶⁹ Webster's New Collegiate Dictionary (1951).

when given the information by Mr. Pfeif, voiced no objection whatsoever but expressed his thanks. Moreover, Mr. Sigal, Counsel to the IUE, called Mr. Pfeif two days later and asked for the details concerning the new cards which Mr. Pfeif gave him. It is thus obvious that whatever legal differences Mr. Carey may have had with us as to our duty under our contract to honor new check-off cards, he knows full well there was no secrecy, fraud or deceit connected with the transaction. Yet "collusion" is the word he chooses to use to seek his headlines, and mislead this Subcommittee.

Mr. Carey further implies that our initial withholding of check-off funds injured his IUE locals⁷⁰ despite the fact that as a result of our prompt filing of an action of interpleader in the Federal courts, his organization was able to make a prompt agreement with the UE to settle the litigation between them after we were discharged from the case. Under this settlement IUE collected approximately \$225,000 in check-off funds and UE received approximately \$175,000—the amounts being determined by the outcome of the elections. Where neither union won the election the monies were returned to the employees.

It is obviously difficult to explain in a brief form what were essentially legal questions which arose in General Electric with reference to the check-off when similar questions involving other companies still remain unresolved after nearly two years of litigation. For the convenience of the Subcommittee we have discussed those problems in a footnote which, because of its length, is attached at the end of this statement.⁷¹

Carey's Charge of Assistance to UE in Winning 1950 Elections

It should be sufficient to repeat here, that, with some embellishment, the charges given this Subcommittee concerning the 1950 union elections are the same ones Mr. Carey made to the National Labor Relations Board as reason for setting aside the Sche-

⁷⁰ Humphrey Subcommittee, Vol. 6, pp. 366-367.

⁷¹ See Appendix.

nectady and Erie elections. The time for him to have proved those charges was in 1950 and the proper forum to have done so was before the National Labor Relations Board. It appears fairly obvious that it far more suits his purpose to have withdrawn the charges, which leaves him free to renew his unsubstantiated claims in the newspapers at any time he thinks it would be profitable to trot out his good old rabble rousing, employer-baiting speech No. 281.

In addition to this weakness in Mr. Carey's charge, is the fact that, out of the 100 or more bargaining units involved in the 1950 elections, Mr. Carey made and continues to make these charges of deliberate, intentional and flagrant discrimination in favor of UE with reference to only two of the Company's plants. It must be obvious to anyone that it is inherently improbable that any plan to favor and promote UE, had one existed, would have been limited to only *two* out of the *hundred* bargaining units in question and to only two of various bargaining units where IUE lost.

Still further facts Mr. Carey neglected to mention to the Subcommittee are that IUE filed a petition for another election in 1951 at Erie and then withdrew it and that a second election was held at Schenectady in 1951. In this election the IUE received a substantially smaller proportion of the votes than it had received in 1950. Not even Mr. Carey has claimed that GE interfered in the 1951 Schenectady election where IUE suffered a much clearer defeat than it had in the 1950 elections which he so likes to talk about and misrepresent.

Incidentally, in informal discussions, right after the 1951 Schenectady election, one of the IUE officials commented to the effect that the second loss for IUE at Schenectady only confirmed his conviction that no union election can be won without an effective local organization no matter how many handbills were distributed which had been written in Washington. We felt at the time, and now, that this remark was as applicable to the earlier 1950 election as it was to the election of 1951.

We are quite frank to admit that as positive as

we are in our policies and instructions prohibiting employees from engaging in union organizing activity and electioneering during working hours, and prohibiting the distribution of literature on Company property, and as diligent as we were in trying to enforce them, we suspect that both UE and IUE followers were very ingenious in devising ways to violate these rules. Mr. Carey in meetings with us has openly boasted how, in his own organizing work in our plants he has succeeded in seeing that IUE literature and other materials were distributed contrary to our rules and best efforts to prevent such campaigning within the plant by any union.

Any employer or foreman who has gone through a normal Labor Board election—let alone one where emotions ran as high as they did in our plants in 1950—will tell you of the great difficulty there is in enforcing a no-electioneering policy. We had such a policy. We repeatedly stressed its importance to our supervisors and they, in turn, exerted all human efforts to enforce it. We are quite confident that in an election of the size and scope of that which we had in 1950, we did not only a good job, but a very superior job in carrying out these policies. Of the approximately 10 unions in addition to the UE and IUE which participated in these elections, Mr. Carey's is the only one which has made this charge about us.

Mr. Carey also refers to the fact that IUE representatives were not allowed within certain plants of the Company, while UE representatives had free access to employees. This contention conveniently ignores the fact admitted in Mr. Carey's testimony that immediately upon the formation of the UE, there was a large nucleus of UE Locals which came over immediately to the IUE. In many of such Locals, Carey adherents long before had captured the important offices and machinery of the Local union. Because of this, they enjoyed during the electioneering period, any advantages which came from holding union offices and which UE may have enjoyed at plants where its followers still retained control of the Local.

When our contract expired on April 1, 1950, we established and announced procedures in all plants where we had conflicting local claims for recognition.

These procedures permitted equal opportunities and right for *all unions*—IUE, UE, and others—to represent their respective members or followers pending the outcome of the elections. We advised the NLRB in writing of the policies we were following and requested advice if any policy we planned to adopt was improper.⁷³ We received no such advice.

Carey's Objections to GE's Correction of IUE Falsehood

Mr. Carey charged that GE aided UE by publicly contradicting a report made by an IUE representative during the 1951 UE-IUE election at Lynn, Massachusetts. He claimed that this was in sharp contrast to the Company's refusal to correct a lie made by the UE during an election at DeKalb, Illinois.

The case Mr. Carey refers to at Lynn, Massachusetts, involved a falsehood of a type totally different from those discussed below, which both UE and IUE made elsewhere and which we ignored. The false information given our Lynn employees concerned alleged promises or agreements *we* had made or positions we had taken in national negotiations. Moreover, the report implied we were then negotiating with IUE to grant future benefits when we had told IUE that the Lynn plant was not covered by our national negotiations because of the then pending election. We, therefore, corrected a falsehood which misrepresented GE's policies and its position in important respects and which might, if not corrected, have occasioned challenges to the election.

The alleged falsehood told by UE at the DeKalb election which Carey thinks we should have corrected was of an entirely different type. This falsehood related to the UE's own assertion as to what would be the effect at DeKalb on a pending wage increase if employees voted for the IUE. The UE statement made no reference to a Company view or policy on the subject. Since our experience shows that it is impossible for us to attempt to correct all of the lies, exag-

⁷³ Letter to NLRB reprinted in GE Employee Relations News Letter, March 8, 1950.

generations, and distortions which characterize both the campaigns of UE and IUE when an election is pending, we ignored the UE misrepresentation which IUE asked us to correct at DeKalb.

In refusing to make the correction demanded by the IUE at DeKalb, the Company was only carrying out its normal policy to ignore falsehoods where they do not misrepresent an important, significant policy of the Company. Very shortly prior to the time IUE had asked us to correct the UE statement at DeKalb, UE had made a similar demand upon us that we correct a false statement made by the IUE in a different election at our Bucyrus, Ohio plant. Just as we ignored the IUE demand made at DeKalb, so we had previously ignored the UE demand made at Bucyrus. We really saw little difference in the gravity of the misrepresentations which were made by each of the unions, but in neither case, since the statements did not misquote or misrepresent our views, particularly with reference to pending negotiations, did we issue a correction. (We have with us the original of the telegram sent to us by UE in connection with the Bucyrus election and which we ignored. We will be happy to either read it to the Committee or introduce photostatic copies of it as part of the record, as you may desire.)

Obviously, the type of falsehoods which were involved in the Lynn election were different from the type involved in both the DeKalb and the Bucyrus elections. Only this, and not the identity of the union which made them, explains the reason why a correction was issued in one case and not in the other.

That the Company has not attempted to injure Mr. Carey in his union political fortunes is made amply clear by the timing of the very message to which Mr. Carey most violently objects. A reference to the text of our message entitled, "A Plague On Both Your Houses" will show that we deliberately refrained from publishing the message until after the election of UE officers in 1948, in which Mr. Carey was again defeated. As the message expressly states, we delayed its publication solely to make sure that nothing we said might in any way influence the outcome of those elections.

Carey Accepts Voluntary GE Concessions But Objects to GE Making Voluntary Concessions to UE

Mr. Carey charged that GE voluntarily made concessions it was not obligated by contract to make to the UE during the 1951 UE negotiations. One of these, Mr. Carey charged, "shielded UE from loss of bargaining rights for the remaining year of the contract term." ⁷⁴

The contract clause Mr. Carey refers to was the same clause we agreed to remove from the IUE Contract at about the same time. It was originally put into both UE and IUE contracts in 1950 because the Company felt that in the continuing bitter rivalry between UE and IUE, our employees should be free to change their bargaining representatives at any time notwithstanding the existence of a contract. When IUE, in 1951, was unwilling to go along with this principle, we naturally believed it unfair to attempt to compel the UE to go along with it. We believe it was really *our* insistence in the first place upon the insertion of this clause in the UE contract which made it possible for the IUE to get a number of consent elections held during 1951 at UE plants although UE's contract was still in effect and normally would have barred such elections. However, when toward the end of the second year of its contract, UE decided it could delay elections until they might anyway be held, the NLRB upheld the UE's contention that the clause ⁷⁵ was ineffective in any event, and the contract had really "shielded" UE all along under the NLRB's rule that normally elections will not be held while a one or two year contract is in effect. In that case, again, both GE and IUE argued in briefs filed with the NLRB, that elections properly *could* be held at some four UE locations; UE successfully argued otherwise.

Reference to this NLRB case provides a clear illustration of the fact that in the war between these two unions, the Company is often forced to take a position which coincides with the position taken by one of them.

⁷⁴ Humphrey Subcommittee, Vol. 6, p. . . ; Mr. Carey's mimeographed statement, p. 33.

⁷⁵ Matter of General Electric Co., 8-RC-1524;
Matter of General Electric Co., 8-RC-1533.

In pursuit of our established policy of neutrality, we have made and will continue to make our decisions on the *merits* of the particular case at hand. It has been only coincidence and not intentional that in most of the cases we have had before the NLRB, our positions and arguments have coincided with those of the IUE and against the UE. In the future, if our views on the merits of the cases happen to coincide with the positions taken by UE rather than IUE, we have no doubt that Mr. Carey will ignore, as he now does, our past record and charge us with "collusion" or giving assistance to UE.

Miscellaneous Charges of UE Preference During 1950 Election

Carey's miscellaneous charges under the dramatic but misleading and false heading of "GE's Appeasement of Communism in Action" go back, of course, to the 1950 elections at Erie and Schenectady. Enough has already been said about those elections to establish the absurdity of the claims made.

The vague, unsupported charges that GE instigated unidentified "strangers" or mysterious telephone callers, or GE's "business friends" to threaten and intimidate employees into voting against the IUE, is just too shabby and dishonorable to be dignified by our comment. We are certain it could not have impressed this Subcommittee. However, if any of you wish to ask questions concerning that charge, we shall be glad to point out how unsupportable it must be.

Carey Charges or Implies GE Has Bad Record for Harboring Atomic Spies and Traitors

If Mr. Carey believes that any GE employees engaged in or having access to atomic energy secrets are traitors or spies, he should certainly communicate this information promptly to the FBI or the Atomic Energy Commission. His statement must obviously be related to spies or traitors who are not known and who have not yet been exposed. So far as we know, there has not been a single instance of a GE employee who has worked in our atomic energy operations who has been

found to have engaged in espionage there.⁷⁶

All our atomic energy operations are conducted in strict conformity with security regulations of the Atomic Energy Commission. Employees having access to our Government's atomic energy secrets are most carefully investigated and screened in advance.

On so vital a question, we can only interpret the failure of this Subcommittee to insist that Mr. Carey list the names and identify the atomic energy spies and traitors allegedly "harbored" by GE as indicating that you too understand that Mr. Carey was seeking headlines and was not reporting facts.

FINAL MISREPRESENTATIONS

Mr. Carey, in his testimony, referred to a message we published in 1948 which we entitled "A Plague on Both Your Houses." He implied that we had "damned with equal fervor" ⁷⁷ all unions whether they are communist or anti-communist. In light of our foregoing presentation, it should not surprise you to learn that in speaking of this message Mr. Carey did less than give you all the facts within his knowledge which might have helped you understand the true meaning and intent of the message.

If the Subcommittee will read the message Mr. Carey refers to—and we have appended it to our statement for your convenience—you will note that we were directing our remarks to the factional fight which in 1948 was going on within the UE (CIO). You will further note that we were condemning the collectivists of both factions who we believed, and still believe, would head us ultimately to the same freedom-losing, poverty-promoting end.

We reiterated at the same time, however, our often-expressed policy of accepting and believing in the idea of free labor unions, and emphasized that we would continue to deal in good faith with any union certified

⁷⁶ To the best of our knowledge only one GE employee or former employee has been named in reports concerning atomic energy spies. This employee never worked in or had access to the Company's Atomic Energy Works and left the employ of the Company in 1947.

⁷⁷ Humphrey Subcommittee, Vol. 6, p. 373. Mr. Carey's prepared statement asserts that this advertisement "damned with equal fervor communism and anti-communism, democratic unionism and totalitarian unionism." p. 35.

to us by the government as the choice of our employees.

A little later (in December, 1948), when this message began being misinterpreted, as it was before this Subcommittee, we promptly made it clear by a similar message to employees that "A Plague on Both Your Houses" was directed *only* at those union leaders who believe in a "collectivized society".

In this later message which we entitled "What's The Trouble?" we made it clear beyond any possible misrepresentation that our original message was intended to indicate our disapproval of any so-called "left-wingers" or "right-wingers", "who believe in a collectivized society", and specifically distinguished such leaders from others by stating:

"There is a third group, of course, which is composed of those American union leaders who wisely reject both of the false economic theories and the freedom destroying measures of the collectivists. . . . We did not and do not mean in any way to cast any reflection on this group of Americans soundly seeking the good of their fellow citizens."

Other messages of ours which we would not expect Mr. Carey to call to your attention and which we published at approximately the time in question are entitled "Why Joe Wants Your Union", "What Is Communism?" and "We Withdraw A Statement". Anyone who reads these messages will have no doubts concerning our antagonism toward communism and our desire that our employees be fully warned against the intention of communists to capture their unions.

Again, Mr. Carey's failure to call these messages to your attention is consistent with his practice of withholding pertinent facts within his possession which would create an entirely different picture than the one he desired to leave with his audience. We have appended these messages to our Statement for your information.

Mr. Carey likewise read to this Subcommittee *two sentences* of an Employee Relations News Letter in which we commented on the fact that the eagerness of certain unions to strike during times of emergency

over issues they hadn't been able to obtain in normal peacetime bargaining had the effect of providing "just as much help to Joe as if these union officials were, in fact communist agents."

In the full message which is appended to our statement, you will note that the sentences immediately preceding those which Mr. Carey read to you, make clear our intention to criticize only those certain union leaders who:

. . . knowingly or unknowingly—are simply trying to take unworthy advantage of the country's need for critical military items.

Whether it is their intention or not, the effect of their efforts gives undeniable aid and comfort to the enemy. This is what the public has been led to expect from unions labeled as communist-dominated. . . . (Underlines added)

We believe the underlined text above makes our intention clear. We likewise believe the conclusions stated are undeniable. It is incontrovertible that the strikes in our critical industries are presently having the effect of "giving aid and comfort to the enemy"; it continues to be our opinion that it is taking "unworthy advantage of the country's need" for a union to conduct a strike over an issue which the same union has been unable to secure during more normal peacetime bargaining.

We think it abundantly clear from the above, that neither of the messages referred to by Mr. Carey were intended to condemn all labor unions or to "smear the entire labor movement" nor did they do so.

When read in their entirety it is clear that while we approve of labor unions and many of their leaders, we were exercising the too infrequently used right of criticizing union officials for policies or practices which are inimical to the interests of the country and the balanced best interest of all of us.

Such considered observations as these, we shall continue to have the courage to make public—no matter how much discomfort they may cause in some circles. Moreover, no amount of distortion or other misrepresentation would stay us in what we believe is the exercise of our privilege and the discharge of our duty to do so.

PART III

CONCLUSION



We respectfully submit that the total testimony presented to this Subcommittee establishes conclusively:

1. that the long record of Mr. James B. Carey with all its inconsistencies and contradictions, his habit of distorting and concealing facts, and his habit of attaching to words his own, rather than their normal meaning, all serve to disqualify him as a credible witness on the issue of responsibility for the presence of any communist-led union in the electrical industry today;
2. that there is no evidence sufficient to create even a slight suspicion that Mr. Carey's ancient charges about GE might be accurate or supportable;
3. that if responsibility for UE's continued presence with us is to be placed anywhere by this Subcommittee, the record requires that it be found to rest in the national office of the CIO of which Mr. Carey was a part, and where UE was approved for so long, its entrenchment assisted and where it was so well protected from efforts of fellow CIO unions to provide any other kind of a union in the electrical industry;
4. that the much publicized efforts of the CIO and the "anti-communist" unions to "clean house" have not been sufficiently thorough and consistent, nor have they gone deeply enough into local conditions so as to justify Congress in relying upon such efforts as an excuse for not legislating upon the question of communism in labor unions;
5. that the proposal made to this Subcommittee by the IUE (CIO) to deal with the problem of communism in unions by administrative ac-

tion of a tripartite Board is far more dangerous, and unworkable than any other proposal made to you. There is even some question in our minds as to whether it may have been made to divert this Subcommittee from making a more realistic recommendation. We suggest this possibility only because the IUE (CIO) proposal is represented as being fully consistent with the position of the CIO, whereas the CIO, as late as 1949, opposed publicly and in the courts the use of such administrative authority by the Atomic Energy Commission;

6. that nothing but the vaguest of reasons and generalities have been offered to this Subcommittee as grounds for not adopting the legislative proposal we have made to you or similar proposals made or endorsed by others. Out of these proposals it is possible to devise fully adequate means for protecting the rights of individuals and unions while guarding the country and employees from the dangers of communist-led labor unions.

Appendix

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FOOTNOTE 71

Briefly, the pertinent facts related to the check off question were as follows: Our employees had authorized us to deduct money from their pay checks and pay that money to a designated Local of the UE. At Schenectady, for example, the cards directed us to pay the monies to "Local 301, U.E.R.M.W.A.—C.I.O." When UE was expelled from the CIO, this raised the question of whether those cards—since they specified affiliation with "C.I.O."—became wholly null and void.

But for this question as to whether UE's continued affiliation with the CIO was essential to the continued validity of the check-off cards, it was our opinion that we would have been obligated under our contract to continue payment of the money to the UE. This would still have allowed the two unions to fight over the proceeds, as they were then doing at many locations where injunctions and other legal procedures were being used to tie up each others' funds.

This, however, would have left unsettled the possible claims of employees that no check-off payments should be made for either union since the IUE(CIO) union obviously was not "U.E.R.M.W.A." and since "U.E.R.M.W.A." was no longer a "CIO" union. We particularly felt we would be in no way justified in paying money to an open and avowed "IUE" Local, because the check-off cards which our employees had signed, directed us to pay to "U.E.R.M.W.A." and, while employees were free to cancel their check-off on 30 days' notice, very few had done so.

Therefore, we stopped any payments of money deducted under the old check-off cards and offered to pay into court all future monies collected under those ~~old~~ cards because of our doubt as to their continued validity.

Let's look then to the reasons why the new form of cards demanded by the UE were acceptable to us at some, but by no means, all locations.

The reasons we regarded the new check-off cards as satisfactory for some locations were as follows:

(a) Our contract with the UE and each of its Locals continued in effect until April 1, 1950. This contract had been entered into in 1946 and amended and modified in 1947 and 1948.

(b) We were bound by this contract to deduct union dues and pay them to the designated UE Local on a form which was mutually agreeable to the Company and the Union.

(c) When we explained to the UE the reasons, outlined above, which raised the question of the continued validity of the check-off cards, the UE demanded that, pursuant to the contract, we accept a new form of check-off card which would remove the doubt created by the no longer accurate reference to the UE's affiliation with the CIO. We were forced to admit that, once the question raised by the no longer accurate reference to "CIO" was resolved, we could have no bona fide objection to checking off as required by our 1946-48 contract. We, therefore, accepted the new check-off forms only because contractually obligated to do so.

(d) In agreeing to the new cards, we stipulated that they would not be effective beyond April 1, 1950, the date UE's contract with us expired pursuant to our termination notice. We also made it clear that the new agreement would be applicable only at those locations where there was complete absence of any conflict as to who constituted the officers of the UE Local with which we had our contract. This was because we required assent by Local UE officers to the use of the new cards. Obviously no effective assent could be secured at any location where we could not determine who were the legally elected UE officers.

