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Newsletter

California University. Institute of industrial relations (Berkeley)

Vol. I No. 1

February 5, 1954

This is the first issue of a newsletter that will include articles on research projects, off-campus programs, and other incidental information concerning the Institute. No attempt has been made to cover all projects currently in progress at the Institute in this first issue, but it hoped that this and subsequent issues taken together will afford staff members a fairly complete picture of the total Institute research and community service program.

If you have suggestions for future issues of the newsletter, please send them to IIR Newsletter, 207 California Hall.

Employment Expansion and Population Growth: The California Experience, 1900-1950

Now in the final revision state, this study by Margaret Gordon is concerned with the relationship between population growth and employment expansion in California during the first half of the present century. Was it the rapid rate of population growth which was responsible for the expansion of job opportunities in the state, or was the rapidity of population growth explained in large part by underlying economic factors which stimulated the expansion of employment? Does an analysis of past trends suggest that over the course of the next several decades population growth will "outrun" the expansion of employment?

While the conclusions reached by the author cannot be adequately summarized in a few paragraphs, they suggest that population growth is not likely to "outrun" the expansion of employment over the course of the next several decades, although there may be temporary periods of maladjustment. The chief reason for this is that net in-migration, which is the most important and most unstable component of population growth, tends to fluctuate in response to changes in the rate of expansion of economic activity. In other words, it will be the underlying economic trends which will largely determine the rate of population growth rather than the reverse. Although an analysis of these underlying economic trends suggests that a moderate decline in the secular rate of employment expansion is likely to occur, we must not leave out of account the possibility that spectacular technological developments (for example, in the fields of electronics, atomic energy, chemicals, or light metals) might provide a basis for an acceleration of the rate of growth.

Reports from the 1953 A. E. A. Meeting

"Trade Unionism and Distributive Shares" is the title of a paper which Dr. Clark Kerr presented at the annual Christmas meeting of the American Economic Association in Washington, D. C., December 28-30, 1953. Dr. Kerr was assisted in preparation of the paper by Mr. Melvin Barr, Graduate Research Economist on the Institute staff. The paper will be reprinted in the annual Proceedings of both the American Economic Association and the Industrial Relations Research Association.

The paper discusses whether trade unionism can affect the distribution of national income as between wages, or wages and salaries, on the one hand, and profits or entrepreneurial income, on the other. Dr. Kerr concludes that "trade unionism in the United States has had no important effect on labor's share of national income except as (1) it has encouraged an employee-oriented national economic policy with heavy emphasis on full employment which has served to reduce the share of rent and interest, (2) it has supported effective price control, (3) it has put wage pressure on employers temporarily unable to recapture profits (the special case of the reconversion period when output was limited and the "administered prices" for durable consumers' goods were rising comparatively slowly), and (4) it has furthered progressive income taxes."

"The Economic Implications of an Aging Population" was the title of a session at the Annual Meeting of the American Economic Association held in Washington, D. C. in December. Members of the Institute staff presented three papers which collectively represent a preliminary report on the findings of the special survey and tabulations made for the Institute by the Bureau of the Census in April 1952. Dr. Robert Dorfman presented a paper entitled "The Labor Force Status of Persons 65 and Over"; Dr. Peter O. Steiner presented a paper entitled "The Size, Nature and Adequacy of the Resources of the Aged", and Dr. Melvin W. Reder prepared a paper entitled "Age and Income". The session was cosponsored by the American Economic Association and the American Statistical Association, and will appear in the Proceedings of the former Association.

Among the conclusions suggested by these papers were the following: (1) Older members of the population have to a substantial extent become separated from their jobs chiefly owing to poor health; (2) Programs for reemploying older persons cannot be expected to do much toward relieving the whole range of problems faced by the aged, although they may work constructively in many individual cases; (3) The resources of the aged are substantially inadequate even in terms of minimum subsistence levels. A significant percentage are living submarginally, a large additional group are directly dependent upon their families for support, and many more are dependent upon public support; (4) The only promising avenue for amelioration of the deficiency lies in the prospect of increased payments under social security and private pension plans; (5) The factors explaining the poor economic position of aged relative to other age groups in the population are chiefly, the lower rate of labor force participation, the lower levels of educational attainment, and the anachronistic occupational backgrounds of the present aged group. These and other findings will be published as a monograph later this year.

Two members of the Institute staff were awarded Fulbright grants for the 1953-54 year. Reinhard Bendix is in Germany and Van Kennedy is in India. From India, we have the Tokkin Teel Times, a Kennedy Newsletter. In case you have not read it yet, it is available in room 207. In our next issue of the IIR Newsletter we hope to have brief reports from Dr. Bendix and Dr. Kennedy on their research projects.

Bay Area Management Conference

The fourth annual Bay Area Management Conference sponsored by the Institute of Industrial Relations, the School of Business Administration, the Oakland Chamber of Commerce, and United Employers will be held at the Clarendon Hotel, February 17. "Business Problems and Prospects: The Year Ahead" is the theme for 1954 meeting.

E. T. Grather will chair the opening session on "Trends in Federal Taxation", and John W. Cowee, Visiting Associate Professor in the School of Business Administration, will chair the discussion of "Workmen's Compensation--Medical Problems and Processing Claims". Louis E. Davis, a member of the Institute Faculty Advisory Committee will be a discussant in the panel on "Maintaining Profits through Management Controls".

Arthur Ross will be moderator for a panel on "Outlook for Labor Legislation"; Walter Galenson will chair and Joseph Garbarino will be a discussant in a panel on "Wage Guarantees and Social Security".

Wendell Gibson, of the Economic Section of the Stanford Research Institute, will speak at the luncheon on the subject "Planning for Industrial Research". The concluding dinner session will be highlighted by Clark Kerr's speech on "The Next Ten Years in Labor Relations".

Dr. Clark Kerr was installed as 1954 President of the Industrial Relations Research Association at the Association's annual Christmas meeting in Washington, D.C., December 28-30, 1953. He succeeds Dr. Ewan Clague, Director of the Bureau of Labor Statistics. Dr. Kerr was a member of the Association's Board of Directors from 1947 to 1950.

Labor Seminar

The first meeting of our new Labor Seminar series was held Monday, January 11, at International House. Plans for the series were developed with the labor members of our Community Advisory Committee. The Labor Seminar is designed to be a continuing discussion group where leaders of the local labor organizations have an opportunity to discuss topics of interest to organized labor. Varden Fuller has agreed to chair the meetings.

Mr. Eliot J. Swan of the Federal Reserve Bank of San Francisco led the discussion at the first meeting on national monetary and credit policies with respect to the role of the Federal Reserve System. The second meeting, at the Faculty Club, February 8, will be devoted to a discussion of the guaranteed annual wage. Joe Garbarino of the Institute staff will lead the discussion.

Attitudes of Children Toward Labor-Management Relations

Masop Haire and Florence Goldfarb Morrison have just completed a study of children's perceptions of labor-management conflict. Because of the increasing role of the public in regulating and approving kinds of labor relations, it seems important to know what the next generation thinks. The study is aimed at finding out what the attitudes are early in life and how they grow. For example, one might ask, "when does a child first see a union as such? "how does the union look to him?"

It is interesting to see that at age 11 children already see labor-management conflict quite clearly, that the children of high socio-economic families are already much more anti-labor than those of low, and that the difference tends to increase as they grow older, though both groups move in the general direction of a more pro-labor viewpoint. In the cases where home and school environment conflict in this population, the children take on the attitudes of their schoolmates rather than of their parents.

Arbitration Conference

The Institute of Industrial Relations, the American Arbitration Association and the School of Business Administration are presenting a conference on Arbitration and Labor Relations on Thursday, February 11, at the Sir Francis Drake Hotel, in San Francisco. Carl Schedler, Associate Director, Federal Mediation and Conciliation Service, Washington D.C., will speak on "New Directions in Labor Relations and Mediation". E. T. Grether will chair a session on "Recurring Problems in Grievance Arbitration". Arthur Ross will act as moderator for a panel discussion on "Labor Relations Outlook - the Local View".

Coming Reprints

- "Mobility and Trade Union Membership," by Seymour Martin Lipset and Joan Gordon.
- "Karl Marx' Theory of Social Classes," by Reinhard Bendix and Seymour Martin Lipset.
- "Productivity and Wage Control," by Arthur M. Ross.
- "Social Origins and Occupational Career Patterns," by Reinhard Bendix, Seymour Martin Lipset, and F. Theodore Main.
- "Industrial Peace and the Collective Bargaining Environment," by Clark Kerr.
- "The Legitimation of an Entrepreneurial Class: The Case of England," by Reinhard Bendix.

Workers Education Conference

Plans are now being made for the Workers Education Conference, which will be held in Fresno, March 13 and 14. Tom Tippet, Education Director for IAM, has agreed to give the keynote speech, and George Mann, Chief of the California Bureau of Adult Education will participate in a discussion of public school adult education facilities available for various forms of workers education.

Unemployment Insurance

The California Department of Employment recently published A Sourcebook on Unemployment Insurance in California. The book was prepared under the joint auspices of the Department of Employment and the Institute of Industrial Relations. This publication incorporates some of the materials developed by the

Governor's Commission to study the Unemployment Insurance Act. E. T. Grether acted as chairman of that Commission, and Walter Galenson served as consultant both to the Commission and in the preparation of the Sourcebook.

An appendix in the volume entitled "The Unemployed Worker During a Period of 'Full' Employment" was written by Joe Barabino. This appendix is the result of a study conducted jointly by the Department of Employment and the Institute of Industrial Relations. Much of the original statistical analysis was performed by Milton Lipton, formerly of the Institute staff.

This appendix has been issued as Reprint No. 50 in the Institute reprint series.

Community Relations Calendar

February 8: Labor Seminar

February 9: Human Relations Seminar

February 11: Conference on Arbitration and Labor Relations

February 12: Seminar with visiting German trade union group

February 17: Bay Area Management Conference

March 2: Industrial Relations Round Table Seminar

March 2: Supervisors' Forum

March 4: Dinner with representatives of Bay Area Public Schools

March 6 & 7: Cooperation with United Automobile Workers, CIO, presenting Regional Education Conference

March 13 & 14: Workers Education Conference

March 14: Television Show, "Inquiry" - 3:30 p.m., KPIX

March 20 & 21: Cooperation with Northern California Central Labor Councils presenting Conference on Health and Welfare Plans

Human Relations Seminar

The next meeting of the Human Relations Seminar on February 9, will feature Donald MacKinnon, Director of the Institute of Personality Assessment and Research. His topic will be "The Early Interpretation of High Level Talent".

The Human Relations Seminar, now in its fifth year, was established to give Bay Area personnel and industrial relations executives an opportunity to discuss human relations aspects of personnel problems and practices. Since its establishment, Mason Haire has served as chairman of the group.