

Labor monopoly.  
(1957)

# SPOTLIGHT ON UNION ACTIVITIES

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*Their Impact on*

- *Individuals*
- *The Economy and*
- *The Public*

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Excerpts of proceedings at  
62nd Congress of American Industry

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SPOTLIGHT ON UNION ACTIVITIES -  
THEIR IMPACT ON INDIVIDUALS, THE ECONOMY AND THE PUBLIC :

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## A NOTE

Union activities and labor-management developments cut across our economy, affecting Americans in every walk of life.

Because the public's concern with union-management developments is mounting daily, NAM's 62nd Congress of American Industry gave this subject special attention, inviting speakers who from their own personal knowledge and experience are in a position to probe deeply into the root causes of the nation's "labor problem".

In opening the session, Mr. M. M. Anderson, Vice President, Aluminum Company of America, said:

"The average businessman and the average employee have, within recent months, been stirred deeply by the revelations of Congressional investigations into the operations of certain labor union and labor relations consultants. It is not a pretty picture.

It gives emphasis to the need for re-examination of existing national labor policies, as applied both to the employee and to the employer."

The speakers, whose talks are excerpted in the following pages, are well-qualified to shed light on the labor situation which confronts the nation, thereby providing insights for every individual who wants to acquaint himself with the conditions that exist and to understand what is happening to our freedoms and our way of life.

Excerpts from

CAN LABOR CLEAN ITS OWN HOUSE?

by

Sylvester Petro  
Professor of Law  
New York University School of Law

Can labor clean its own house? The answer is that no one else can. But before any house can be cleaned one has to recognize dirt when one sees it; and one needs a broom, mop, water, strong soap and above all else the will and the power to clean up. All these things are now lacking, and more.

The housecleaners will have to be the workingmen of the country. The cleansing materials will have to be their own free choice and their right to refuse to join unions or to participate in strikes, picketing, and boycotts. If the workers are to have any success in the exercise of these rights they are going to need the protection which governments have so far denied them. For the sad condition of the house of labor is the consequence of the fact that governments in this country have been failing to protect the basic rights of free men in the labor field.

The basic rights of free men are the rights of private property and freedom of contract. These rights, when their exercise is protected by government, give men the freedom to control their persons and their property. They mean in the labor field that a worker has free access to all employment opportunities; that he may take work whenever the wages and other conditions are acceptable to him; refuse it when they are not. They mean that the worker's will and inclination prevail as regards whether and when he will accept or continue in employment, not the will of anyone else -- unless the worker has come to some voluntary agreement on such matters with someone else.

No man can be called a free man unless he has these rights intact. Unless workers are free men they will not keep the house of labor clean. As a matter of fact, unless they are free men with the rights of free men they will be unable to keep it clean.

For government has not been doing the job for which it was created. The basic job of government everywhere, and particularly in the labor relations field, is to protect and promote the rights of private property and freedom of contract.

Our governments have been established in order to do three great jobs:

- (1) Prevent and punish violence, fraud, intimidation and coercion
- (2) Protect the personal freedom and the freedom of contract of all persons, including workingmen
- (3) Make men secure in their persons, properties, and opportunities

In a word, we expect government to prevent some people from pushing others around.

Trade-union leaders and businessmen are undoubtedly guilty of a good many kinds of antisocial conduct. Their transgressions, however, are insignificant when compared with the failures of government. Established to protect private property and freedom of contract, our governments have themselves been guilty of some of the worst forms of expropriation and interference with freedom of contract -- not only, but especially, in labor relations. Conceived essentially in order to maintain the peace -- to prevent and remedy violence and coercion -- government has abdicated that responsibility to a great degree.

Government has taken away from workers one of the most valuable aspects of their property and contract rights. It has told them that they cannot make their own employment contracts. A worker has to accept the dictate of a governmental agency as to his "appropriate bargaining unit". Once he finds himself in this arbitrary grouping, he is forced to give up his right to bargain for himself, if a majority of the employees in that grouping so will it. Indeed, if he has been vigorous and sturdy in his objection to the union chosen by a majority, he is more than likely to find himself in a very bad way. But he will be unable to do anything about it, because the government authorized to protect his property and contract rights has expropriated him.

There is no likelihood that such a man will have any influence on the way the union is run. An organization which can control a man's activity against his will is not going to be very solicitous about him. He will have to tread very softly, if he wishes to tread at all. Not much housecleaning can be expected of him. All that can be expected is that, if conditions become absolutely intolerable for him, he will go away. When such men have no alternative but to go away, there are left only people who, as a whole, have very little stomach for housecleaning, if indeed they can even recognize dirt when they see it. When our people in government get seriously concerned with doing their job in labor relations, they will want to repeal the expropriation inherent in the appropriate-bargaining-unit and majority-rule principles.

Government action in the labor relations field cannot be taken seriously at all until our duly constituted authorities begin acting straightforwardly, vigorously and courageously against violence in labor disputes. There is no excuse whatsoever for the practically universal failure of government agents to do this part of their work. Governments are absorbing about a third of the national income, and I understand that there are over seven million nonmilitary federal, state, and local employees. In the absence of the most cogent evidence and argument to the contrary, one may therefore insist that we are spending enough to entitle us to expect basic protection against brutality, violence, and intimidation in labor disputes.

This is not a matter upon which reasonable minds may differ; everyone is against violence in labor disputes. Again, there are no difficult or complicated technical problems; it is necessary only to prevent masses of people from gathering at a strike-bound plant. It should be a great deal

easier to limit picketing to one or two persons than it has been to disperse the rioting people in Little Rock. So far, however, our governmental authorities have been dismal failures. A more or less futile court order after violence has occurred is the most that one can expect. As things are now going, an employer can count himself lucky if he doesn't have to pay unemployment compensation when union violence discourages people from working!

Any talk about a clean house for labor is absurd and ridiculous until violence and the conditions in which it breeds are extirpated. Peace and order bring one kind of person to the fore; violence and intimidation are the conditions in which another kind of character flourishes. The point doesn't need any further emphasis.

What cannot be overemphasized is the failure of government to enforce the basic and sensible laws of the land, federal and state. Both federal and state laws forbid all kinds of economic coercion in labor relations. Employers are prohibited from coercing workers in regard to their choice of unions. Unions are equally prohibited. The Taft-Hartley Act and the laws of many states, when properly understood and interpreted, declare that unions may not force membership upon unwilling employees through the use of economic pressures. This means that such plainly coercive measures as stranger picketing, compulsory-unionism contracts, and all boycotting techniques are forbidden.

It is a well-known fact, however, that the administration of law leaves untouched most of those forms of union coercion. As a consequence one may conclude with confidence that the unionization which we have known for the past ten years or more has been, to a considerable extent, coerced unionization: employees have been compelled, the national labor policy to the contrary notwithstanding, to accept unions not of their own choosing.

It is necessary to distinguish between the anti-union coercion of which employers are guilty and the coercive methods of organization pursued by unions. No one doubts when an employer fires or threatens to fire a man for joining a union that the employer is violating the law. Moreover, there is little doubt that the NLRB will prosecute such cases and, if there is any evidence at all of anti-union coercion, hold the employer guilty of an unfair practice. In fact, in the current investigations of the Senate Committee on Corrupt Union and Management Practices, the Committee is to a considerable extent merely raking over cases in which the NLRB has found employers guilty of unfair labor practices.

As yet, however, the Committee has not seen fit to inquire into the thousands of cases in which the Teamsters and other unions have been using stranger picketing and various kinds of boycotts as methods of compelling unionization. There cannot be the slightest doubt that stranger picketing and boycotts do involve economic coercion of precisely the same type as the employer's discharge or threat of discharge. Likewise there cannot be the slightest doubt that such coercive methods of organization are all clear violations of the Taft-Hartley Act.

Yet for more than ten years stranger picketing, roving-situs picketing, hot-cargo agreements, and a number of other techniques of coercive and compulsory unionization have been in constant use, all over the country.

The number of employees who have been compelled against their will to join unions must be of large magnitude. And for more than ten years, these coercive organizing methods, though plainly contrary to the law, have been held by the NLRB to be not unlawful.

It is true that in October the NLRB took a small step in the right direction by holding unlawfully coercive one narrow and illusory category of stranger picketing. According to the Board, a union violates the law if it engages in stranger picketing after it has been defeated in an election, provided that it is unwise enough to say that it is picketing for immediate recognition. If the union engages in stranger picketing before it has been defeated in an election, and if it is astute enough to say that it is picketing for organizing purposes -- not for immediate recognition -- then, according to the NLRB, it may not be guilty of unlawful coercion.

That is a pure case of twiddle-dum and twiddle-dee. There is no basis in the law generally, in the Taft-Hartley Act, or in common sense for the distinction which the Board has drawn. If stranger picketing is economically coercive in any case -- as it undoubtedly is -- then it is economically coercive in every case; for its methods, objectives, and manner of operation are always the same, no matter when it occurs or what it is called.

Even if the Board had gone the whole way, had held that all stranger picketing is unlawfully coercive, one might still ask why it is that such a decision came so late. It is more than ten years since the Taft-Hartley Act was passed. During that time, as well as earlier, stranger picketing has been perhaps the most common of all trade-union organizational methods. Furthermore, the language of the statute has not been changed since 1947. The answer, of course, is that until recently the NLRB has found those parts of the Taft-Hartley Act which define unfair practices of unions to be singularly mysterious and of uncertain reach and intent. Whereas the NLRB found it easy to read the employer unfair practices as proscribing every conceivable type of employer pressure, the identically worded union unfair practices could not, the Board felt, be intended to mean the same thing.

And so, while the Senate Committee has been rehashing -- in the case of employer "corruption" -- only conduct which the Board has since the very beginning prosecuted, it has curiously refrained, thus far at least, from inquiring into the methods by which unions are daily coercing the free choice of employees. To put the matter another way, it has been preoccupied with the surface manifestations of trade-union corruption -- the cheap thievery, double-dealing, and the embezzling. It has not been concerned at all with even the deeper manifestations of corruption -- the violence and the compulsion which underlie so much of modern American trade-unionism. More important even than that, the Committee has not revealed any understanding at all of the fundamental causes of both the deeper and the more superficial forms of corruption.

The causes lie essentially, I repeat, in the errors, failures, and derelictions of government in the labor relations field. Unions have been given special privileges at the expense of the basic rights of employees and employers. While employers have been forced to take a strictly hands-off attitude, and while the contract rights of workers have been vitiated,

unions have been given the formal de jure power to control employment and employment conditions, and they have been given the informal de facto power to use violence and economic coercion as means of compelling both membership and acquiescence in union policies, programs, and tactics.

If the house of labor needs cleaning now, it will continue to need cleaning until these failures of government are corrected and until the formal and informal special privileges of unions are eradicated. No human agency can be trusted with the kinds of power which the errors in government have given trade-union leadership. Establish an environment permeated with coercion and compulsion and you are bound to attract men who excel in those modes of conduct. Those who do not excel will either have to learn or make way for men with richer natural endowments.

Workers who have become accustomed to being pushed around, who, owing to the failures of governments to do their basic job, are used to the rigorous controls of compulsory union methods, are in a position to do very little about cleaning up things. They can do nothing but bear the oppression and exploitation of their leadership. Moreover, it would be ill-advised to expect any real forward-looking action from the leadership.

If union leaders are to be kept in line, they must remain exposed, like everyone else in a free market, to the loss of their "business" when they do not perform satisfactorily. Instead of making a union the exclusive bargaining representative for all employees in a firm when it has been selected by only some, the law should see that those who object to the union retain their basic right, as free men, to fend for themselves. When men are forced in the first place to join unions, forced in the second place to go along with all plans and programs conceived by their leaders, and forced in the third place to keep their peace if they wish to keep their jobs (and maybe their health) -- it is not at all surprising to find a good many trade-union leaders less than responsive to or honest with their membership.

No one should be at all surprised either that the Ethical Practices Committee of the AFL-CIO, for all its concern with "trade-union morality", has failed utterly to deal with the violence, the coercion, and the other matters discussed here. If it had dealt with such matters there might have been a great many more suspensions and expulsions than there have been.

Power acquired by force and subject to no continuing functional check is bound to corrupt. Corporate managements are kept in line by the right of stockholders to move their equities when they are dissatisfied and by the right of consumers and other purchasers to take their patronage elsewhere without let or hindrance when price or quality are poor. If the house of labor is to be clean, the same general principles must be applied there, with the workingmen of the nation in the position of stockholders and consumers. It is as absurd to expect good, clean unionism in conditions of extensive compulsory unionism, as it would be to expect good government in a society where the divine right of kings or the dictatorship of the proletariat was the central political principle.

Common sense, will, and energy are needed here -- the same things which are necessary in any housecleaning job.

Excerpts from

THE RIGHT TO WORK

by

The Rev. John E. Coogan, S.J.  
Chairman, Department of Sociology  
University of Detroit

... Catholic clerics have been among the most severe critics of right-to-work laws. In fact, they have been so outspoken that Bishop Robert J. Dwyer of Reno has felt compelled to say, "The Church is not for Labor to the exclusion of all other claims of right and justice ... The Church has never made the fatal error of conceiving that Labor and its problems are her sole concern, or that other elements of the social structure should be ignored and forgotten."

We may hope that the revelations of the McClellan Senate Investigating Committee have changed the attitude of those clerics toward the right-to-work law.

George Meany himself said that he had not known one-hundredth part of the corruption of the unions already investigated. And it is more than likely that the corruption already uncovered is not one-hundredth part of that to be found. Probably the clerics knew no more about those evils than did George Meany and they may now cease their all-out championship of labor union demands. But as of today they must still be looked upon as our opponents.

My argument is that right-to-work laws would save the individual workman from a great moral and spiritual danger. Moreover, it would rather aid than injure the union movement itself. My argument is built on the nature of American unionism. It claims to be religiously neutral. That is, within its ranks the atheist and the believer of whatever faith are equally at home. The same neutrality is a part of its program. The organization itself takes no stand regarding religion in its choice either of means or ends. We have then a mass movement of more than 17 million men, often emotionally disturbed, passion-ridden, led commonly by like-minded officials who can demand regard only for the material and temporal in their conduct of their mighty affairs ...

A workman may join such a union and do his best to prevent or to minimize those evils. But he may properly call upon us to help save him from being forced into such an association, or from being forced to remain in such an association when he finds the loss he is being caused.

... We have only to recall the reception given Dave Beck and Jimmy Hoffa in the last shameful Teamsters convention in Miami. Those two leaders, under indictment for alleged multiple and criminal betrayal of trust, had clammed up or suffered unheard of mental blackouts in the Senate McClellan investigation. And yet their entrance into the packed convention hall met with the acclaim of a "Hail, the conquering hero comes." Those union

delegates were largely heads of families, men actively concerned in their home communities with questions of juvenile delinquency and public morals. Yet in that convention they compounded, charged and documented felonies that would have disgraced Ali Baba's 40 Thieves; and that in the name of union loyalty.

... The secularization process that our unionism effects in the activities of our workmen is notably productive of the bitter class spirit so often found. Of that spirit Msgr. Hubert A. Maino, Associate Editor, The Michigan Catholic, Detroit -- himself a consistent union champion -- complains: "If you read the general run of publications put out by labor unions you might easily get the impression that nearly all employers remain essentially similar to the industrial 'robber barons' of the turn of the century. They are portrayed as fattening on an inexhaustible flow of ill-gotten gains, while they scheme cynically to defraud the laborer of his hire and the public of its hard-earned cash." In such perennial "digging of a Grand Canyon between the employer and the employed" the unionist is shown as a sort of Sir Galahad in search of the Holy Grail.

The union spirit of hostility towards the employer is no accidental or recent creation. It was "built into" the American union movement. Ed Marciniak tells us that during the entire independent existence of the A.F.L. (that is, from 1881 to the formation of the AFL-CIO in 1955), the opening sentence of the A.F.L. constitution dedicated the organization to the class struggle: "A struggle is going on in all the nations of the civilized world, between the oppressors and the oppressed of all countries, a struggle between the capitalist and the laborer, which grows in intensity from year to year, and will work disastrous results to the toiling millions, if they are not combined for mutual protection and benefit."

... Perhaps the most damaging admission that I have seen of that bitter class spirit appeared in the pro-unionist weekly magazine, Commonweal, a year or so ago. There we were told that:

"Many times it is difficult not to get the impression during labor-management negotiations that the workers cannot wait to go out on strike and are reluctant to go back to work. It has been pointed out that men strike not so much for better wages, hours and conditions, but simply to express their deep hatred of their employers, their work and their way of life."

If such is the fruit of American unionism, why should the reluctant workman who wishes only to make an honest living, be forced into such association? Why must he join the ranks of such unionism and be subjected to the influence and discipline of its leaders?

Violence as an element in union policy is almost too well known to be mentioned here, but at the same time it gives you some measure of the moral and religious damage done union members through their loyalty to their secular-minded leaders. This violence is freely exercised even against so-called "union brothers" in a jurisdictional dispute. A classical example of the sort occurred a year or so ago in Grand Blanc, Michigan, in a battle

between pipefitters and riggers. The riggers, wearing steel helmets, fell upon their opponents with chains, wrenches, and steel pipes; eleven of the pipefitters were hospitalized, one with a depression fracture of the skull. When religion tells us that "He that hates his brother is a murderer," no exception is made for jurisdictional disputes.

In spite of such damage done to the moral and religious spirit of the unionist, many conscientious people favor compulsory unionism because they think it essential to the union movement. The fact is, as the labor economist Sumner H. Slichter tells us:

"Both the closed shop and the union shop are distinctive American institutions. Occasional use of them is found in other countries, but they are not prevalent except in the United States and Canada."

J.C. Gibson, Vice President and General Counsel of the Sante Fe Railway, says that:

"Compulsory union membership is illegal or under attack in practically every country of the free world. It is invalid by constitution, statute, or judicial decision in France, Western Germany, Belgium, Holland, Denmark, Austria, Switzerland, Norway, and Sweden. The labor party in Australia recently decided to drop compulsory unionism from its platform."

Compulsory unionism continues unchallenged in only one country -- the U.S.S.R., the land of compulsion. We argue, then, that compulsory unionism is not needed here for union security. The rest of the free world almost without exception maintains the union movement without a pattern of compulsion. Why should we not be able to do as well?

Now I would like to show that in my opposition to compulsory unionism I have good company among social moralists of the highest repute. For example, Monsignor John A. Ryan, one of the greatest names in social morality, has declared:

"As a general rule workers ought not to be coerced into joining the union through contracts by which the employer agrees to employ only union members. It is better that they should be brought into the organization by methods of education and persuasion. And the employer who is willing to deal with the union, to establish union conditions of employment, and to permit unionization by persuasion, ought not to be asked or required to sign a contract for a closed shop. In such a case the open shop is a fair and reasonable institution."

To that we add a citation from probably the best-known contemporary Catholic moral theologian in the United States, Father Francis J. Connell, C.S.S.R., Dean of the School of Sacred Theology of the Catholic University of America. He tells us:

"I still hold the view I expressed in June 1947 -- that there is no Catholic principle to the effect that every worker is bound to join the union. Neither do I believe that there is any Catholic principle which condemns the 'right-to-work' law."

In specific rejoinder to the "free rider" argument for compulsory unionism Father Connell says it proves too much. It is, he says, similar to the argument that demands that taxes be paid on church property, since religious organizations too receive the benefits of government. He adds:

"I should say, rather, that if a man benefits by a union he is bound to return some benefit to his fellow workers -- but not necessarily by joining the union. He might do his share toward benefiting them by setting a high example of a conscientious, diligent worker, or by visiting his fellow workers in their sickness."

We shall cite only one further moral authority, the late Cardinal Griffin of England, a great friend of labor unionism. Ten years ago the Cardinal flatly declared:

"We do not want introduced into this country compulsory membership in a trade union, which I am convinced would do more harm than good to the trade unions themselves ... We have seen the evil effects on associations and the trade union movement through their being overloaded with vast numbers of sleeping partners."

The Cardinal realized that compulsion does not make for enthusiasm; moreover, that compulsory unionism leads to government control -- a realization that he shared with European unionism in general.

Here I find it interesting to compare the comments of Cardinal Griffin and George Meany, President of the AFL-CIO, on the consequences of union security, had through such a device as compulsory unionism. Meany, in complaining of the great falling off of interest in union meetings since the "old days", explains, "As unions grow more secure, we all add a lot of fat. It's a real problem." With this Cardinal Griffin agrees. He says:

"I do not think it is realized how much an increase in security leads to a decrease in a sense of responsibility. But it should be obvious to any thinking man. Security is generally obtained by a loss of freedom and a consequent decrease in responsibility."

Let the unions, then, sacrifice the "fat" that comes through compulsory membership. Then let them grow as large and as strong as they may, through their contribution to the common good.

I have been accused of not sufficiently appreciating the helpful influence of George Meany on the union scene. I hold him to be a Christian gentleman of great ability and integrity. He has a broader concept of his responsibilities than had his predecessors, but his authority is far from complete. Various heads and subheads of constituent unions are wilful men who brook no check. If he insists upon imposing discipline, they threaten to draw their unions out of the AFL-CIO; the experienced John L. Lewis has said the inter-union bond is only a "rope of sand". Meany could not publicly acknowledge that he would be grateful for much legislation against irresponsible unionism, but he would be the first and chief beneficiary. In any case, he is aging, is overburdened with his labors, and may be gone from us tomorrow. Who would his successor be?

Many, of course, think it would be Walter Reuther. What change would that make in the union setup? Suppose we grant that Reuther is very able, well-intentioned, and a consistent follower of his principles. But what are his principles? We are quite willing to believe that his admiration for the government of Soviet Russia, expressed during his sixteen months sojourn in that country joyously helping to strengthen the Soviet State, is no longer felt (although we don't agree that such a declaration from a man of 26 years may be brushed off as the notion of an "enthusiastic kid") But what of the fundamental life principles regarding religion and morality that made that admiration possible? An admiration felt and expressed at the height of Stalin's slaughter of millions of the most prosperous and industrious of the peasant population? Could it be that so intelligent and wide-awake a "comrade" as Reuther knew nothing of that slaughter? Or did he give it the brush-off, on the score that "If you want to make an omelet, you must first break the eggs"?

We all know that Mr. Reuther has been very energetic about rooting racketeering out of unionism. But he does not show the same hostility to violence as a union tactic. Is violence any less deplorable than racketeering? Most of us would rather be robbed than mobbed. I for one would look forward with dread to the day when Walter Reuther raised to the leadership of American labor should become the exemplar of American unionism ... Then, if ever, would we need a right-to-work law to save the American workman from the compulsory domination of that influence.

Excerpts from

IS THE PUBLIC PROTECTED BY PRESENT LABOR LAWS?

by

Hon. Carl T. Curtis  
United States Senator  
Nebraska

Last January the Senate of the United States, by an appropriate resolution, created the Select Committee on Improper Activities in the Labor or Management Field. That Committee was instructed:

"To conduct an investigation and study of the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers to the detriment of the interests of the public, employers or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities."

Since that time more than 250 witnesses have paraded before that Committee telling a story of the misuse of funds, corruption, violence, beatings, misuse of power, collusion, and gangsterism. The Committee has been diligent in seeking out the facts. It is estimated that for every witness that has appeared at public hearing, twenty-five individuals have been interrogated. A great volume of mail is still pouring in daily telling the story of wrong-doings in the field of labor-management relations.

The Committee has heard of the racketeering of the Teamsters and other unions in the Portland, Oregon area where the web of crime and corruption has even engulfed city and state officials and prosecutors charged with maintaining law and decency.

We have heard the story of Frank Brewster and Dave Beck wherein they were unfaithful to their duties in the handling of millions of dollars that belonged to the men and women who toil and who are compelled to belong to their union. The general public as well as the Committee grew weary of the monotonous repetition of the words, "I decline to answer on the grounds it might tend to incriminate me."

Witnesses told of the destruction of houses, stores and trucks and the violence that prevailed in Scranton, Pennsylvania. Another witness revealed how you, the taxpayers, had to pay more money on a Navy contract because the contractor had to pay tribute to a racketeer union official.

Upon the plea of members of the Bakers International Union the Committee investigated their operations. Witnesses told of the beating of a fourteen-year-old boy because he crossed their picket line. Among other

charges, it was proven that tremendous union sums were spent by their President, James G. Cross, lavishly maintaining his girl friend. President Cross arrogantly took the witness stand and contended that the lady in question did a special type of union organizing and that all of his expenditures were proper. His denial, of course, fooled no one. Another witness identified President Cross as the man who directed the beating of an individual who opposed his control of the Bakers International Union.

We heard the sorry tale that unfolded in the investigation of the United Textile Workers. The men and women who were compelled to belong to that union provided the money but often were used as mere pawns. Mr. Valente and Mr. Klenert, the President and Secretary of the international union, among other things, bought expensive homes for themselves and furnished them lavishly out of union funds.

We found in New York City a situation where the nation's worst element of racketeers and hoodlums were in the business of running labor unions. Unions that existed only on paper and had no members were organized for the dual purpose of securing voting strength for the hoodlum element in their conventions and for engaging in extortion and blackmailing of employers. The master-mind in this activity in New York City was one John Dioguardi, who served time in Sing-Sing, who has been arrested repeatedly and is under indictment for several offenses now, including the obstruction of justice in the prosecution of the men who blinded the courageous writer, Victor Riesel.

These men possess power and influence and they handle tremendous sums of money. They make political contributions which sometimes results in having local city, state, and federal officials beholden to them. It is said that James R. Hoffa makes it a business of contributing generously to candidates for judges of Michigan courts of law.

As a lawyer, I know of countless cases of fine men and women who have been desirous of adopting children but there aren't enough children to go around. Yet, John Dioguardi, the former inmate of Sing-Sing, the extortionist, and the thug, was able to go into court in New York City and adopt two children.

In our own Nebraska the grasping hand of power-thirsty, and money-grabbing union officials has been felt. This is particularly true in the trucking industry. The Coffey Transfer Company, located in a county seat town of about 2,500, had been in business for 26 years and it employed 22 drivers. On August 25, 1955, the Transfer Company received a demand that they compel their 22 drivers to join the Teamsters Union. The drivers didn't want to join. I will not take time to enumerate the legal moves and the red tape that followed. It took five months to hold an election of 22 drivers. When the election was held, the Teamsters Union did not receive the vote of a single driver.

However, in the meantime, a secondary boycott was applied to the Coffey Transfer. Other carriers were prevented from turning over freight to Coffey. Without freight to haul no business could be transacted. As a result, one month before the Teamsters lost their election, Coffey Transfer went out of business. Twenty-two drivers had to look for employment elsewhere.

When the Teamster's czar, James R. Hoffa, was before our Committee I confronted him with the fact that the Teamsters Union was a powerful vested interest and that the one local union to which he belonged had a net worth of \$1,600,000. No one knows what the aggregate worth of all the Teamsters Unions, together with their International Union, would amount to. I charged that the Teamsters had driven little businessmen out of business, such as the case of Coffey Transfer. Mr. Hoffa's reply was a classic -- he said, "Senator, we have driven nobody out of business. But some employers, rather than sign a labor contract, have saw fit to go out of business." In other words it was "sign or else".

For about ten years the Burt Manufacturing Company of Akron, Ohio, have had their goods boycotted in almost every state in the Union. Architects, contractors and subcontractors were notified that if they used Burt products there would be trouble on the job site. The Burt Manufacturing Company has a certified union, to which their workers belong, the AFL-CIO Steel Workers. There is no complaint about the wages, hours and conditions of employment but the AFL-CIO Sheetmetal Workers think they ought to be the union in the Burt Manufacturing Plant so this economic war has been going on throughout the years.

When we are dealing with the labor unions of the country we are not dealing with small business. We are dealing with a powerful influence. No one knows exactly what the net worth of the unions amounts to. We do know that hundreds of millions of dollars are going into the pension and welfare funds yearly. It has been carefully estimated that the income to unions from dues amounts to \$500,000,000 a year. It is estimated that the unions together have reserves in pension and welfare funds of \$25-30 billion and collect an annual income of \$5 billion in these pension and welfare funds.

David Dubinsky's International Ladies Garment Workers Union has 400,000 members and it is estimated that the union has investments and property worth \$300,000,000.

We know that John L. Lewis' United Mine Workers owns the controlling interest in the second largest banking institution in our nation's Capital.

The present situation is such that unscrupulous labor officials have unlimited opportunities for self-enrichment, misuse of funds, disregard of membership, and the destruction of those who get in their way.

The possibilities for political influence are worthy of note.

About a half century ago, the Congress made it unlawful for corporations to make political contributions. The debates of that time reveal that one of the motivating reasons for such legislation was the protection of the rights of stockholders. It was determined that a stockholder of a corporation should not have his money used by its officers to support candidates and issues in which he did not believe. There was, of course, the additional factor of the power of the corporations and the misuse of that power. Today -- 50 years later -- we find the need for making effective the prohibition of the use by union leaders of the money belonging to the rank-and-file to support candidates and issues in which many of those workers do not believe. Likewise, there is also the factor of the misuse of such power and influence.

This is not a partisan question. It is a concern to both the Democrat and Republican parties. The basic freedom of the workers is at stake. When the Congress authorized compulsory unionism, it was never intended that it should carry with it compulsory party membership. There is evidence on every hand, not only of the spending of tremendous sums of money belonging to workers, but of the use of manpower in both primaries and general elections. These practices ought to be looked into. If there are no improper practices, that fact should be determined. The responsibility of the Select Committee cannot be met unless we investigate these political activities, including not only money contributions and the use of manpower, but the question of whether or not intimidation and violence has been used in seizing political power. We owe it to the workers of the country to study these charges and to let the public have the facts.

What does all of this mean? What inference can reasonably be drawn from the testimony that has been adduced by the McClellan Committee, part of which I have recited to you. Are all unions corrupt? Are there no union officials that are honest?

I beg your close attention when I answer those questions. The thieves, the hoodlums, the crooks and the corrupt union officials are in the minority. The unions that have abused their power and position are in the minority. I want to proclaim this fact that the rank and file of the men and women who make up our laboring force are fine, honest, God-fearing, loyal citizens of our common country. They are as much opposed to wrongdoing as any individual here. The fact that government, and business, and labor have allowed a situation to develop that makes wrongdoing on the part of union officials possible should not result in a condemnation of those fine citizens -- some sixty million of them -- who are on employment rolls in this country.

It has well been pointed out that in America we have no laboring class. We are unlike the countries of the old world where someone is born into a certain station in life and there he must remain. This land of liberty and opportunity still gives to everyone the chance to advance in his chosen work, to climb the ladder as an employee, to become a property owner, to enter a profession, and to chart his life's course commensurate with his education, his ability, his character, and his effort.

The men and women whose names are on our employment rolls are like everyone else. They are honest, they obey the laws, they attend the same fraternal organizations, and the same churches as the rest of us. They send their children to the same schools and colleges -- their sons enter our military forces. They buy government bonds and pay taxes. The American workingman of today represents the highest and best as an individual citizen.

What I have said and what the Committee has revealed is no condemnation of American workers, rather it is condemnation of a few union officials who are unworthy of their trust. The Government must share some blame for not having acted sooner.

However, we must not become victims of the fallacy that by exposing and driving out those individuals that are corrupt that we solve the problems facing us in the labor-management field. We must by law bring about

such reforms and such corrections that will protect the rank and file of the men and women who work, and the employers and the general public, from those practices and those individuals that dominate, plunder, disrupt, and destroy.

Legislation is badly needed. To a great extent it must be federal legislation because of the nature and scope of the problems involved and the assumption of jurisdiction by the federal government up to the present time.

First, there must be legislation enacted requiring a thorough accounting of union dues and welfare funds. Union officials must be held accountable in their trusteeship. The workers' money must not be spent and wasted at the whim of their officials or for the personal benefit of the officers of the union. There is no law to reach some of the shameful misuse of funds that has been revealed before our Committee.

Second, there must be legislation that will assure a greater control of unions by union members. The principle of checks and balances must have a place in the self-government of labor organizations. Government should not dominate unions but our laws should provide that voting methods, nominations, and elections of officers and delegates, and methods of holding conventions should be in the hands of the rank and file and not governed from the top down.

Third, we should outlaw the practice of exerting pressure on neutral businesses where there is no labor dispute. This is commonly called the secondary boycott. It is unfair and it often amounts to economic blackmail. The secondary boycott should be outlawed. My bill, S. 76, should be enacted.

Fourth, a more effective method for preventing the use of union funds for political purposes such as making political contributions, providing research, furnishing manpower, and the use of publications to support candidates, parties and issues, oftentimes contrary to the views of individual members.

Fifth, anti-trust and anti-monopoly laws have been enacted to protect the public from the abuses that come from the concentration of economic power. Equality before the law is a maxim that need not be argued. The public is entitled to protection from the concentration of economic power regardless of who makes up that concentration. Therefore, legal restraint should be imposed against the concentration of union power by groups of unions when that power becomes a threat to the welfare of the country.

Sixth, the responsibilities for maintaining law and order and for the prosecution of assaults, bombings, and like offenses should remain the responsibility of the state and local governments. However, the federal government should step in when hoodlums are transported across state lines for the purpose of committing violence and the federal government perhaps should step in whenever violence and property destruction occurs on a federally financed project.

And seventh, union membership should be voluntary and not compulsory. This goes to the very heart of all of the problems involved. No American citizen

should be required to belong to any organization in order to secure or to hold his job. No American citizen should be required to refrain from joining any lawful organization he chooses in order to secure or hold his job. The right to work is a basic individual right. Our courts, including our Supreme Court, have held it so. Compulsion and compulsory membership in any organization is repugnant to our concept of liberty in this country.

Compulsory union membership invites corruption and abuse of power on the part of union officers. Voluntary union membership makes for better unions and for honest and faithful trusteeship on the part of their officers. Whenever we have "union shop" contracts or other compulsory membership contracts the employees cannot withdraw from the union without losing their jobs even though they know and believe that their officers are corrupt and that their union is following a course with which they totally disagree. The right to join or not to join, and the right to resign from an organization, are not only basic freedoms but they are the way by which the members can effectively voice their protest to improper actions on the part of their officers.

The great Samuel Gompers, the father of modern American unionism, urged upon the workers of America, "devotion to the fundamentals of human liberty -- the principles of voluntarism." He went on to warn, "No lasting gain has ever come from compulsion. If we seek to force, we tear apart that which, united, is invincible." More recently Guy L. Brown, Grand Chief of the Brotherhood of Locomotive Engineers, said: "We still think that labor in the long run has a good enough product that you won't have to force men to join."

The McClellan Committee has a big job. There is much work yet to be done. We will, prior to the first of the year, file an interim report. Our hearings, however, will go on through 1958 and it is our hope that we will bring in a report that will have the support of a substantial majority of all Americans regardless of their vocation and political beliefs or their station in our economy, and that sound and fair legislation will be enacted.

SYMPOSIUM: INDIVIDUAL RIGHTS OR ORGANIZED WRONGS

As Moderator of this Symposium, Mr. Virgil Day, Manager of Union Relations, General Electric Company, had this to say:

"We have here today a lot in common with the AFL-CIO meeting now going on in Atlantic City.

Both meetings are sincerely saluting the legitimacy of the union idea. However, the two meetings seem to differ in how realistically we look at union practices as opposed to the theory of unionism.

While the gentlemen in Atlantic City are very laudably and quite intelligently concerned with the subject of corruption, they seem to be wearing self-imposed blinders with respect to the fundamental problems of which the corruption is simply a symptom.

The public also seems to share this limited understanding of the variation between the theory and practice of unionism, despite the growth of understanding as a result of the McClellan Committee disclosures.

The members of our panel have been asked to tell of their personal experiences in coming up against unrestrained union power. Flanking me here this afternoon are four gentlemen who have recently had altogether too intimate experience with the coercive and violent tactics that unions too often use to achieve their objectives.

You'll need no reminder that these examples are by no means isolated, but are part of a far too general picture of the use of compulsion and intimidation to achieve objectives which are in themselves unsound. Here, then, are stories of unions using unjustifiable methods to achieve unjustifiable ends, told by men who have had too intimate contact with these practices."

He then introduced the following members of the panel:

George Bronner, Grand Rapids, Michigan  
Jack Boory, Philadelphia, Pennsylvania  
W. B. Prosser, President, Perfect Circle Corporation  
N. Floyd McGowin, President, W. T. Smith Lumber Company  
Sylvester Petro, Professor of Law, New York University  
The Rev. John E. Coogan, S.J., Chairman, Department of  
Sociology, University of Detroit  
Hon. Carl T. Curtis, U.S. Senator, Nebraska

Remarks by George Bronner

I am a tool and die maker employed by General Motors at the Grand Rapids Stamping Division Plant I. I am a rank-and-file member of the UAW-CIO and of the Society of Skilled Trades. My membership in the UAW-CIO is by compulsion; in the Society of Skilled Trades by choice. The compulsion comes from the fact that the company employing me and the UAW have a contract which compels employees to join the union. So membership in the UAW is the first requirement of getting a job.

Many of us welcome the opportunity to express our personal feelings about the "organized wrongs" with which the rank-and-file workers have to live.

When a citizen of the United States is compelled to join any organization against his or her will -- in order to get a job -- it is certainly a direct violation of the very principles upon which this country was founded, the freedom of the individual.

He is forced to contribute to the union treasury, without any knowledge of what his money will be used for. He is forced to contribute to candidates for public office -- candidates he doesn't approve of; to welfare funds, pension funds, general funds, including the Guaranteed Annual Wage funds from which he will never get a fair return based on his hourly rate that was taken from him by contract.

Under this closed shop the members have lost all control of the union their money supports. They have nothing to say about how the union treasury will be used and can ask for no accounting from the labor leaders. These huge union treasuries have been built to the point where the power it gives the union leaders can hardly be described.

It can be, and is, used for selfish personal interests. It can be and is used for the personal political ambitions of these individuals -- either personally or through their hand-picked political candidates.

All this is done, of course, with the hypocritical pretense that what they do is done for the benefit of the rank and file. The rank and file know better. And the rank and file have learned this too, in spite of the vicious propaganda against the Taft-Hartley Act by the labor bosses. The rank and file are finding out that it is their defense, when they need it against the domination of their own leadership.

Under union processes, if a member opposes a policy of the leadership or even questions it, he is listed for what the union calls an "educational program". The teachers they use are goons and strong-arm squads -- and if the member doesn't learn as they want him to, his family is exposed to the "education program" too. They are threatened with economic retaliation -- with loss of employment -- through union trial for "conduct unbecoming a union member". Larceny by the leadership is not, of course, considered unbecoming.

It is by these tactics that the leaders of organized labor enforce their rule -- by fear, by felonious assault to do great bodily harm, and every so often death is added if it is necessary to achieve their ambitions.

As to the financial status of labor unions, the leaders are accountable to no one for the tremendous sums they take in. The corporations act as their collectors not only for union dues, but for insurance, hospitalization and any additional assessment against the worker's paycheck the union may make.

The rank-and-file worker believes -- in spite of the headlines some of the labor leaders make to the contrary -- that management has undeniable rights to manage, and that such functions of management are not items for collective bargaining with the union ... such things as the price of the finished product, profits, taxes, funds spent for research and advertising, to name a few.

But when a company and a union negotiate a contract which makes union membership compulsory -- in the name of what the company may think is labor peace, giving the union complete control over the economic life of the worker -- the worker, no matter what his personal feelings, is almost helpless. He lacks the leadership and the resources to fight for the things in which he believes.

But when a company keeps faith with its workers as individuals, you would be surprised at the loyalty to the company that will be found.

Two illustrations out in our section of the country should prove this.

... The Kohler strike is notorious, nearly four years old. The UAW has spent about 14 million dollars of workers' dues in an effort to break the company. But over 90% of the company's old workers are at work, while only 31 people now support the union efforts.

... Another example is the Perfect Circle strike. If the company had surrendered to the union their people would have had no opportunity to loyally support the company's stand. But in spite of all the violence the UAW could bring to bear, the courage of management and the loyalty of their workers prevailed.

So if we are to bring justice out of this mess, management must better understand the degree of loyalty and support that may exist among their employees, and all the desperately needed leadership can't come from the rank and file. It will take management leadership too.

Remarks by Jack Boory

I'm a taxi driver -- or was -- in the employ of the Yellow Cab Company in Philadelphia. Working at night, breakfast time for me was usually in the afternoon. On Monday, December 10 last year, I went to my usual neighborhood restaurant, "The Coffee Corner", for breakfast. This time there was a picket line in front with signs saying they represented Local 410 of the Restaurant Workers Union.

I went in and talked to the waitresses and kitchen help to find out who was striking, and what the picket line was about. They told me that nobody was on strike, that the union was trying to make their boss sign a contract forcing them into a union, and that if he did they would quit. The contract, the boss told me, was the "Sweetheart" type. No benefits for the workers -- just a check-off of their wages that would go to the union bosses. I didn't see any reason to pay any attention to a picket line like that, and decided to go right ahead eating there.

When I took my cab out that night a union member got in and began to talk about the strike at the "Coffee Corner". I told him there was no strike, that I thought the union was wrong, that the workers there didn't want a union, and what right had anybody to force it on them? He took my number and got out of the cab.

The next day I was terminated by the Yellow Cab Company. This means, normally, a one or two-day layoff and usually follows union procedure.

Not this time.

The next day I went to our union headquarters, Local 156 of the Teamsters, and talked to the vice president about getting back to work.

He said, "Call me tomorrow". So I did.

This time he cursed me -- called me a scab -- and told me not to come back for any withdrawal card or reference. So I still have my union book and, unfortunately, I'm still a member of Local 156 of the Teamsters.

I continued to eat at the "Coffee Corner". I live alone, I don't like to cook, and like everybody else, I get hungry. Every time I went there I was subjected to the abuses of the pickets.

When the owner of the restaurant tried to get an injunction against the pickets, I offered to be a witness. After that, the pickets really went to work on me.

"Gimpy" Blavitt stopped me going into the "Coffee Corner" -- tried to start a fight -- and threatened to throw acid in my face. With the kind of language he was using I can't give you any direct quotes. But he really raved at me -- told me I'd never need glasses again when they got through with me and that I wouldn't live to see another birthday. I went in anyhow and he spent another half hour yelling at me through the door.

Another night, after a movie, I was going into the "Coffee Corner" and Blavitt was there with a picket sign. He grabbed me, swung me around, and

said, "You can't go in there." He said my union, the Teamsters, had ordered that no cab driver could go in there under penalty of fines and loss of time. I told him to get his hands off me and went on in.

At the hearing on the injunction, Blavitt pointed me out to all the union leaders. All through the hearing they were talking -- gesturing -- and pointing at me. After the hearing, I received a threatening letter.

I'm now an ex-Scoutmaster, too. On the night of a meeting, a member of the troop committee was stopped outside the building and asked if he knew Jack Boory. Then he was given a letter with my name scrawled on the front.

Inside was a sheet of note paper. Pasted on this was a picture of Victor Riesel. The message was made up of words clipped from a newspaper and said, "This could happen to you," and another part said, "You can't run away from it."

At first I thought it was just some crank, but I mentioned it to one of the owners of the "Coffee Corner". He told the Senate Committee, and they wanted to see it and talk to me about it. I gave it to them and they still have it.

One Saturday night, I'd been to a Scout affair and was still in my uniform when a reporter from the Philadelphia Inquirer, Harry Carafin, and a photographer came to see me to get a story. He did, it was in his paper, and the following Monday I lost the job I had then.

Soon after, Local 156 of the Teamsters decided they wouldn't recognize the picket lines of Restaurant Local 410 anymore and the picket lines disappeared.

What may happen now, I don't know. I was asked to leave my position as Scoutmaster. The officials and parents felt that should an attempt be made on my life, the boys with whom I worked would be exposed to the same kind of treatment.

So, now I'm not only an ex-cab driver, I'm also an ex-Scoutmaster, a work enjoyed for a number of years.

When I look back over all these events, the abuse, the threats, the physical pushing around I took, plus the loss of two jobs, I still can see nothing I did that wasn't right, and nothing that I wouldn't do again.

Remarks of W.B. Prosser, President, Perfect Circle Corporation

On July 25, 1955, the UAW-CIO called strikes at the four Indiana plants of Perfect Circle for which they had bargaining rights.

There is no question in my mind but that the decision to strike our plants was made by the top UAW-CIO officials to force the union-shop issue.

On November 29, 1955, after four months and four days of union-inspired violence and lawlessness, the strike was settled. It was settled on essentially the same terms as offered to the union before the strike began, and upon which agreement had been reached with another CIO union at a fifth Indiana plant. These settlements did not include the union shop.

The many incidents of violence around the struck plants and at the homes of Perfect Circle workers gave the strike world-wide publicity. The climax of violence -- and publicity -- came October 5, 1955, when a mob of 1,500 or more union demonstrators, many brought in from other cities and states, stormed the gates of our New Castle plant. As the mob advanced on the plant, the small contingent of city police on guard duty was forced to retreat inside the plant. Bullets from rifles and shotgun fire wounded four persons in the plant, one woman critically.

When pickets broke through a fence and started for the plant building, shots were fired from inside to repel the attackers. This was done under the direction of the city chief of police, and was necessary because of the announced intent of the mobsters to storm the plant, beat up everyone inside, and wreck the machinery.

Some semblance of order was restored that afternoon when Governor Handley -- then Lieutenant Governor -- arrived with a large detachment of state police. They removed all personnel from inside the building and closed the plant. It was reopened one week later, but only after a state of martial law had been declared.

There are many other details of violence which could be related -- shots fired into workers' homes, night riders, ambushes, wanton destruction of property -- but time will not permit a complete account.

Before the strike began, the union's international representative warned us that the strike would be a dirty one and that they would use any method it took to win. Another union spokesman said they would strike unless they got the union shop -- and they had to have a union shop because they couldn't persuade enough employees to join the union voluntarily. We were also told the entire \$25,000,000 UAW strike fund was available to prove to Perfect Circle that we couldn't defy the UAW-CIO.

We could avoid a strike only by granting a union shop. This we were unwilling to do because of our firm belief in the principle that no person should be forced to join -- or not join -- any organization in order to work, whether that organization be a political party, a church, a fraternal order or a labor union.

We knew we could minimize violence by closing our plants. Yet while we fully recognize the right of employees to strike, we also respect their equal right not to strike. Further, we believed that the strike would not be widely supported by our employees. For these reasons, we announced that we would continue to operate, and would do our best to see that those who wished to exercise their right to work would receive as much protection as we could legally provide.

And thus the stage was set for a strike marred hundreds of times with violence.

- ... Violence which started with hundreds of irresponsible, imported pickets who swarmed around our plants in an attempt to keep workers away.
- ... Violence which moved out into the communities where workers lived, using threats and actually bodily harm to their families in order to deter them from working.
- ... Violence which had the sole objective of intimidating our people and local law enforcement agencies so that we would be forced to submit to the union's demands.

I contend that the difference is only one of degree between a union leader who plots the overthrow of local government to attain his ends and the Communists who plot the overthrow of our Federal Government to attain their ends.

There are those who say unions need a union shop in order properly to represent the workers' interests. It's my belief that unions will be better-managed and come nearer representing the opinions of their members if they have to merit confidence in order to maintain membership. I submit that neither industry nor unions can be entrusted with monopolistic power.

In our own case, it was not for the benefit of the workers that the union wanted a union shop. Our wage offer was higher than any in the piston ring industry. The wages and benefits our employees received were well above the average for the industry. Two of our major competitors who granted the union shop years ago offer lesser employee benefits than we, and have wage rates that average 20 to 25 cents per hour below ours. There is no question in my mind but that the union shop is being demanded solely to increase the union bosses' power over the American worker. When the power is complete, no authority in the nation can refuse the union's demands.

There are, in my opinion, four reasons why the strike against us failed.

First, it was not supported by a majority of the employees involved. We are fortunate in having a very fine work force. Our good relations with employees is the result of years of working together. The mutual respect between management and employees built up over the years was probably a bigger factor in the successful settlement of this strike than anything done during the strike.

The second reason was the repudiation of the union by the employees. When the strike was called, many members resigned, greatly reducing the union's strength. In three of the four plants, decertification petitions were circulated and filed by the employees. When the elections were finally held -- nearly four months later -- all three locals were ousted. With only one local left, the union was inclined to settle in order to save that one.

The third reason was the violence and the publicity surrounding it. The citizens of our plant communities reacted unfavorably when the union imported large numbers of pickets and flouted local law enforcement agencies. This, as well as the pressure of unfavorable national publicity, was disturbing to the top union officials with the pending merger of the CIO and AFL just around the corner.

The final reason was the failure of their legal maneuverings. Many unfair labor practice charges and other legal actions were hurled at the company by the union. But when these had run their course, and the company had been cleared in every instance, the union was ready to throw in the towel.

Would we take the same stand again? My answer must be yes. We could not keep faith with our employees to refuse a similar stand if called upon to make one. After all, our employees consider it was their battle as much as ours, and perhaps their greatest concern was that the management would give in and let them down.

I think management has a vital responsibility to its employees, to the public, and to stockholders in this union shop issue -- first, to make sure employees understand the entire problem and what they have at stake, and second, to stand firm on the rock of principle and defend the right to work free from compulsion.

Remarks by N. Floyd McGowin, President, W.T. Smith Lumber Company

The corporation of which I am president is a family company which operates saw mills in two Alabama towns about twelve miles apart. One is the county seat. The other is a small village in the middle of the pine forests.

In 1945, when the International Woodworkers of America sought to organize our plants we felt the law was on their side and offered no opposition. After National Labor Relations Board elections, we entered into a series of contracts with that union and its locals.

We agreed to a check-off and collected employees' dues and sent them to the union. This resulted over the years in the maintenance, at the employees' expense, of an absentee union with headquarters in Portland, Oregon which never established itself in the industry in Alabama.

Late in 1954, the union gave notice of termination of the current contracts and negotiations began. We offered an increase in wages, but refused to continue to support this absentee union by checking off employees' dues. The union representatives, none of whom lived in Alabama, agreed to accept less money than we offered but insisted that we collect their dues. An impasse was reached solely on this issue. In July 1955, the plant at Chapman, employing 537 men, and the one at Greenville, employing 118 men, were struck and all operations ceased, although no economic demands for benefits to the employees were involved.

In the village of Chapman pickets habitually armed with sticks were stationed on a 24-hour seven day basis, not only at the various entrances to the plant but also at all locations where roads ran into the town.

Dynamite blasts were heard around the countryside. When one blast was set off near the home of an employee who had continued to work, he took his family and left the state. One bomb blasted the home of the plant superintendent.

When an independent contractor tried to move logs which had been cut and left in the woods at the time of the strike and were sold to other mills, he was met on leaving the woods by a large group of pickets, one of whom -- the president of the local union -- warned him that "those stray bullets didn't have any eyes," as an NLRB trial examiner found.

In October, rumors that operations would be resumed intensified the intimidation.

When we actually reopened both plants with a minimum number of employees, violence ran rampant and continued throughout November and December. Workers were beaten, their homes dynamited and their automobiles destroyed. Forest fires -- as many as 34 in one night -- were deliberately set. Our log trucks were ambushed by rifle fire. The railroad company found it necessary to send supervisors and policemen to switch the freight cars because their crews were intimidated by pickets. The air hoses on railroad cars on our siding were cut night after night -- as many as 36 in one night. Police escort was necessary for every lumber truck entering and leaving Chapman.

The culmination of the violence came on January 9, 1956, when dynamite was placed under a steel drum used as a make-shift stove around which employees warmed themselves in an off-plant area. About five minutes before work time the blast went off, injuring eleven men. One man's face was blown open and his eye blown out.

During January and February we were able to continue operations despite dynamitings and shotgun blasts into workers' homes. On February 27, three men from Oklahoma were apprehended by police near Chapman. At their trial it was testified that in their car were found sticks of dynamite taped together, fuse, caps and a map marked with directions to the home of a former union member who had returned to work, and the names and addresses of international and local union representatives, and of a Mississippi attorney who had represented the union at the Board hearing. These men were found guilty of conspiracy to commit murder and sentenced to ten years each.

The union filed five charges against the company, all of which were dismissed without hearings by the NLRB General Counsel. The Board found, on the other hand, with the approval of the Court of Appeals, that the union had been guilty of unlawful coercion of employees in 13 instances. The Trial Examiner stated in that case:

"I cannot logically conceive that the Taft-Hartley Act as it has been interpreted by the National Labor Relations Board does not also include protection of the right of striking employees to change their minds during the course of a strike, and return to work," and held that "striking rank and file employees have a protected right to abandon the strike they have joined."

In a second case against the union the Court of Appeals made a new law by holding that picketing of railroad tracks was an illegal secondary boycott banned by the Taft-Hartley Act.

But successful litigation did not repair the damage of this long strike against an employer who had not resisted the organization of its employees, never committed unfair labor practices and complied strictly with the law throughout. The sole objective apparently was to compel a check-off of union dues. Yet this strike changed a peaceful community into a terror-ridden armed camp. Moreover, it lost for the union the recognition it had been accorded for ten years. It demonstrated clearly the calculated use of violence and coercion by a union. While always unjustified, we felt it was particularly useless here in a strike in which the employer's conduct was found blameless and where no employee benefits were involved.

Excerpts from

THE GROWING SHADOW OF LABOR IN PUBLIC AFFAIRS

by

Cola G. Parker

Chairman of the Board, National Association of Manufacturers  
and Director, Kimberly-Clark Corporation

In the affairs of men and nations, things don't just happen -- they are made to happen. Great social, economic or political changes -- which can disrupt the fabric of a nation, alter the direction in which it is headed, and destroy ancient goals, ideals and principles in order to set strange ones in their place -- are brought about, not by chance, but by the work of individuals or groups who know precisely what they want and precisely how to go about getting it.

The future of America is being shaped today -- not so much by external influences, not so much by the cold war and the pressures it brings to bear on us, not so much by the rapid strides of science and technology -- although all of these have their influences and effects -- but more by the conflict within our own society between those who revere individualism and liberty and those who seek to set up some new form of social and economic organization in which the individual will be subservient to and dependent on the state.

Most of us in this country tend to take our form of society and our liberties pretty much for granted. Do we not have a Constitution which assures the perpetuation of individual rights and freedoms? Isn't political power safely in the hands of our two great parties, both of which are dedicated to upholding and preserving this Constitution? Doesn't everyone in the land, almost without exception, loudly proclaim his devotion to liberty; isn't our pledge one made to the Flag and the Republic for which it stands; do we not all support the free economic system which has brought us so much material abundance and social progress?

Why then should we be concerned? What force is there which could seize control of the nation and carry us off down a strange and unknown road?

If we believe such a force does not exist, or that it never can become strong enough, we had better look around and take careful stock of what we see. Such a force has been in the making for a long time. It already has moved us slowly -- and almost imperceptibly at any given moment -- far from our traditional belief that the individual is responsible for himself and master of his own destiny, far from our ancient doctrine that it is the duty of the people to take care of the government and not of the government to take care of the people.

This force now openly proclaims its intention to dominate completely our political life -- to the end that its own basically socialistic ideas of taxation, of government finance, of centralized authority planning and

directing our economic life, may be fastened more firmly on the nation. It seeks to accomplish its purpose through the agency of, and in cooperation with, either or both of our existing political parties, if possible; if not, through the establishment of its own political organization, already well under way.

Some fourteen months ago, just before the election of 1956, it was my privilege to speak before an audience in Detroit on the subject of union political activity. After describing the tremendous and nationwide political machine which union leadership was building up, with money wrung from its members in dues or so-called voluntary contributions, I had this to say:

"My own feeling is that the union effort will fall short in this campaign (the campaign to defeat President Eisenhower last year). I do not believe the union leaders will accomplish their purpose, and perhaps not even a major portion of it. But it will not be for lack of trying on their part, and it will not be because of anything businessmen have done to bring the truth home to the people of this country. It will be because of what their own union members do when they get behind that little green curtain on Election Day.

"But this is only the beginning ... The union political organization will grow and be perfected. And the union leaders will try and keep trying, until they win. In 1958, they will be more effective than in 1956, and in 1960 they will know better what to do and how to do it than in 1958. Unless halted, organized labor eventually will dominate the American political scene. Our history will become the history of Socialist England all over again."

Organized labor's reaction was to accuse NAM of having "nightmares" and to accuse me of using the "big lie" technique. But the union politicians did not, and could not, deny the facts I then presented. The AFL-CIO News quoted George Meany as saying "that the former head of General Motors runs the Defense Department and that other big business leaders occupy virtually every key post in our national government" and that "if Parker thinks labor would like to change this situation, he is right."

But these diversionary tactics cannot obscure the basic objectives of the union leaders, openly proclaimed; to elect their own hand-picked candidates to law-making bodies and posts of government, so that they -- the union leaders -- can work the strings to direct this nation down the road of state socialism.

Let us not deceive ourselves! A major part of the political pressure for centralized government, for shackles on free enterprise, and for ideas making the individual completely dependent on the state is coming today from the leaders of organized labor. Left-wing intellectuals, such as those in the ADA, may formulate these ideas, but it is the union leaders who supply the drive and political potency. By the same token, virtually all opposition to the things businessmen generally stand for is coming from the same source. All that is needed to bring this nation to the point of no return on the road to some form of state socialism is large scale political victory for the union machine.

I have given you the picture as it looked in October 1956. Now, how does it look today? What has union leadership been doing meanwhile to extend and improve its political reach? What must be done, now and in the future, to prevent this reach from becoming a firm grasp, to preserve for posterity the kind of nation in which individuals can live their own lives, plan their own careers, enjoy the fruits of their own efforts, and progress as far and as fast as their energies and abilities can take them?

The picture today, I am sorry to say, looks even more threatening than it did fourteen months ago. True, the all-out effort of the AFL-CIO's political machine to defeat President Eisenhower for re-election failed. True, many Congressional incumbents who were marked for political oblivion by union masterminds were returned to office. True, the prestige and stature of some union leaders in the eyes of the public and their own members has been severely dimmed by the revelations of the McClellan Committee. Yet, organized labor's hunger for political power and its determination to obtain it have diminished not a whit.

With political power, such annoyances as the McClellan investigation can be killed in their tracks or diverted against those the politically potent bosses wish to get rid of. With political power, corrective legislation which would hamper the monopolistic practices of union leadership can be prevented or repealed. With political power, the union leaders themselves can call the signals and whoever chooses to stand against them does so at his peril.

From their point of view, the 1957 campaign was by no means a failure. The union political machine virtually took over the states of Washington and Oregon. It made serious inroads on the traditional political alignment of Maine. It elected a Senator to its liking in Pennsylvania. But, most important and significant of all, it put thousands of people of its choice into local offices at all levels of government, including county, city and town offices, school boards and park commissions. And, of course, it gathered a wealth of experience and political know-how. It learned what to do and what not to do and has since been busy putting that knowledge to good use in preparation for 1958.

This was a so-called "off year" in politics. But it was not an off year for COPE, the AFL-CIO's Committee on Political Education. Although there were no national offices at stake, there were plenty of state and local offices. And there were few contests of importance in which COPE -- aided and abetted by an army of political workers on union payrolls -- did take an active part. The over-all results of these efforts are difficult to measure, but there was not much in the election returns to afford cheer to conservatives. In New Jersey, where a significant contest for Governor took place, the state CIO hailed the election of the candidate it supported as a "monumental victory" and announced an immediate drive to cash in on one of his chief campaign promises -- the payment from the state unemployment compensation fund of benefits to union members on strike, and therefore voluntarily, not involuntarily, unemployed.

Looking to the future, permanent committees are being set up within local unions and central labor bodies. The purpose of these committees is to get every man and woman on the union rolls registered -- and then to see

that they vote and vote "right" in the eyes of the union leaders seeking political power. Constant misinformation on candidates and issues is being fed them in an effort to get them to vote the union way. The union papers, the union radio and TV programs, handbills and circular letters in the tens of thousands continually drum into the eyes and ears of union members the pseudo "liberal" line.

Also, the drive for political contributions is unremitting. In addition to the regular "dollar for COPE", the union bosses seek long-range commitments for the 1958 state and Congressional elections. The contributions are supposed to be voluntary, but every kind of persuasion is used to induce union people to donate, even though many of them know the money will be used in a political cause to which they do not subscribe.

AFL-CIO President George Meany recently justified these activities in the following words:

"We are very, very seriously engaged in political activity because the enemies of labor have proved to us that they can hamstring us; that they can deter labor from its objectives; that they can destroy us by the use of the legislative weapon. So in the very nature of things, we have to use that weapon, and to use it we have to go into the political field more and more."

Apparently the way has been cleared for unions -- and possibly for corporations and trade associations -- to go almost as far as they like. A Federal court jury in Michigan recently found the United Automobile Workers not guilty of violating the Federal Corrupt Practices Act, even though the union leaders admitted they spent money from members' dues to promote the election of candidates they favored in the 1954 campaign. Unless new legislation is passed, the prohibition contained in the Act against political expenditures by unions and management would seem to be a dead letter.

We can be sure the unions will take full advantage of this new situation to pursue their objective of political control of the nation. But in my opinion management would be well-advised to exercise more restraint. Whether a jury would be equally lenient in a similar case involving a corporation or trade association is an open question. However, I believe businessmen can, with less hesitancy, become more active personally in the political parties of their choice and in the life of their communities. They must do so if we are to preserve in this country the kind of climate under which individual freedom and free enterprise can flourish.

It is in the local communities that the work must be done, and the union leaders know it. In addition to its open political efforts, the AFL-CIO has issued a book of instructions called "Labor's Role in Community Affairs: A Handbook for Union Committees". This tells how local union officials can become community leaders, active in the Boy Scouts, the Community Chest, the Council of Social Agencies, the Parent-Teachers Associations -- all the other agencies and groups which make up the rich life of the average American community.

Here again there is nothing reprehensible about this. Union officials are entitled to, and should, play their full part as citizens of the community. But it should be emphasized that such activity should be as citizens not just as union leaders. And unless businessmen and others are equally active and equally zealous, as citizens, it takes no crystal ball to see how the policies and objectives of these vitally important community groups will be oriented. The union people have an axe to grind, and it's not always the axe of community betterment.

This kind of community activity pays off in politics too. It makes the union leader an important and influential figure, and it helps the union machine do the job at the polls.

Make no mistake about it! When November 1958 rolls around, the unions will be a formidable factor in virtually every precinct. They will work harder, hit harder, and be more effective than ever before.

The eventual result is a matter of grave concern for all of us. But the outlook is by no means one of despair. I am convinced that the American people are no more ready to accept political domination by union leadership -- and a slow slide into socialism -- than they are to vote socialism in directly. But they must be kept alert to the danger. We cannot safely count on union members, or others, using sound judgment when they get behind the green curtain if they are fed an unrelieved diet of distortion, misrepresentation, and outright lies by the vast union propaganda machine.

It is the duty and the responsibility of businessmen to see that the people get the facts. Your employees, your townspeople, your friends, and even your families look to you for guidance. And if you are silent, or indifferent, they are apt to conclude that what the union propagandists are saying is right. If you speak up courageously, you will find your words listened to and respected.

It is no accident that the present drive of union leadership for political domination comes as the climax of a long and bitter campaign to discredit the motives and good faith of the businessman, to besmirch his character and integrity. This was a necessary first step in the union leaders' campaign, but I really believe the only place it has succeeded in any marked degree is in the businessman's own mind. It has made him reluctant to speak up in many instances; beguiled him into believing that no one will pay attention to him or be influenced by what he says. Believe me, it is not so.

Our fellow citizens, our employees, our civic leaders, still have a lot of faith in what we say -- a lot of confidence in our opinion, if we will but make it known. They will be eager to join with us in efforts to preserve this nation from domination by union leadership.

If we will meet with them, talk with them, and organize with them, the union grasp for power can be defeated. But it cannot be defeated by wringing of the hands and gloomy speeches. The only way to defeat organization is with organization. And organization is the specialty of the businessman!

Let us then get busy and organize -- each in his own way and in his own community. The bread-and-butter work of politics demands organization. That is what the unions are doing to elect their candidates. • That is what we must do to support candidates who refuse to knuckle under to union demands. The future of our country depends on how well we do it.

It was, I believe, Edmund Burke who said: "The only thing necessary for evil men to triumph is that good men do nothing."

Excerpts from

THE WASHINGTON SCENE

by

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Events in Washington are building up to what is generally expected to be one of the roughest and toughest sessions of Congress in many years.

Some of the problems have been before Congress for a long time -- and again will be the subject of hot controversy during the session starting on January 7.

Others developed as the Russian satellites beep-beeped their way around the earth. And many more undoubtedly are being incubated for future turmoil on Capitol Hill.

1. Anti-trust measures, such as the one which would destroy the good-faith defense in meeting price competition -- and another which would require advance notice to the government of contemplated business mergers above a fixed dollar amount. They can affect small business even more unfavorably than large business. The former was passed by the House last year by the overwhelming vote of 393 to 3 but did not get through the Senate.
2. The administered price hearings by a Senate Judiciary Subcommittee. Chairman Kefauver (D., Tenn.) and his staff are on a fishing expedition. They hope to regulate rigidly not only prices but also the size of business. This is part of a 50-year-old struggle, with the left-wing always trying to place more burdens on business.
3. Hells Canyon, a purely socialistic power scheme, as well as other proposals to put the Federal Government deep in the electric power and atomic energy businesses.
4. Attempts to white-wash the unions through unnecessary regulation of employer-administered welfare plans.
5. Increases in the general field of social security (an election year bonanza).
6. Attempts to keep an unnecessary number of Wage-Hour laws, to expand coverage of the present law, and broaden federal authority over local business.
7. Inflationary pay increases for federal employees, even though the budget and the debt ceiling can't stand them. The President wisely vetoed inequitable pay increases last year. But the unions will

push these attempts next year in the hope of forcing more increases on business. The unions even are trying to pass a bill requiring collective bargaining for federal employees.

8. Attempts to expand the regulatory powers of the Securities and Exchange Commission and to enact discriminatory amendments to the Lobbying Act.
9. Efforts to apply progression to the corporate tax system, under which taxes would multiply as income increased. Progression already applies to personal income taxes, going as high as 91% on income above \$200,000 a year.

You are aware, of course, that a heavy progressive income tax was listed by Karl Marx as point number two in the Communist Manifesto's ten-point plan for undermining capitalism in preparation for a Communist coup.

These, and many more threats to industry, are pending in Congress. If enacted, they would do irreparable harm to the nation's industrial structure. But, industry also is presented with the opportunity of advocating desirable legislation -- which would contribute mightily to the nation's economic future.

First, there is the opportunity to work for desirable tax legislation ...

Hearings also may be held on another bill which would successfully deal with the vicious judicial doctrine that, by legislation, the Federal Government occupies a certain field to the exclusion of the states -- even though Congress never said so.

What do you have at stake? Well, the very existence of your business may be at stake!

This was demonstrated in some Supreme Court decisions (including the famous Garner case of December 1953). Although Garner's employees didn't want to belong to the Teamsters Union, his small business was destroyed by "organizational picketing". He could not get legal relief. The local court's injunction was set aside by the highest court.

Under this doctrine -- if there is the mere possibility of a federal remedy -- no matter how remote or inadequate it may be -- the state is barred from acting.

This goes to the heart of our jurisprudence, and the general question of states' rights may be the hottest of all next year.

The remedial legislation originally introduced by Representative Howard Smith (D., Va.) was designed to meet the problem caused by a Supreme Court decision which struck down an anti-Communist Pennsylvania statute on the ground that a federal act had pre-empted the field. The legislation has strong bi-partisan support in both the House and the Senate.

There is still another opportunity -- not so much for business as for the American employees and the public: As a result of the McClellan Committee

hearings, corrupt union bosses are for the first time on the defensive. Moreover, there is a growing realization of the cause of such corruption -- uncurbed monopolistic powers in the hands of a selfish few.

As Lord Acton long ago said: "Power tends to corrupt and absolute power corrupts absolutely."

And as the great legal scholar, Dean Roscoe Pound, recently found: The labor unions stand today where the king and the government stood centuries ago. Special privileges and legal immunities are a principal cause of union monopoly and resultant corruption.

A majority of the Senators on the McClellan Committee, including the chairman, are dedicated and fearless men who fully realize the dangers of union power. They are worthy of every encouragement and it is hoped that they have "only just started".

In this connection, it has been predicted that when or if the real enemies of our American way of life are publicly exposed, Dave Beck and Jimmy Hoffa, by comparison, will look only "like a couple of kids with their hands caught in the cookie jar".

If the truth is brought home, we can hope ultimately for fair legislation which will apply the same rules to these huge concentrations of union power as apply to everyone else.

Maybe the day will come when citizens again can get relief in their states against wrongful or unlawful acts -- and when union restraints of trade will be dealt with in the public interest.

Congress never declared that unions are exempt from the anti-trust laws any more than it ever said that it occupies a legislative field to the exclusion of the states.

It is high time that Congress clarified these decisions of the courts. In fact, it has been said that our real problem isn't the Congress -- it's the Supreme Court!

These two objectives (proper application of anti-trust and states' rights doctrines) could be accomplished without even opening up Taft-Hartley.

Other much-needed reforms would be accomplished by enactment of pending bills to end the indefensible secondary boycott and organizational picketing, place proper curbs on the use of union funds for political and other purposes, end compulsion, put collective bargaining back where it belongs, and last but not least, provide a bill of rights for the working man, including the secret strike ballot.

Organized labor leaders can be expected to oppose most of the legislation favored by industry -- and to advocate most of the legislation opposed by industry. Why is this the case? Simply because the political brains of the AFL-CIO don't want private enterprise to continue. Because a few union bosses want to be at the top of a New Order.

With their manpower and financial resources (if you doubt the latter, just look at the labor temples dotting the landscape in Washington -- which is also the Labor Capitol of the World) they will do everything they can to obtain enactment of their legislative program next year. And, if they don't get all of it next year -- they will keep on trying every year thereafter.

The socialistic breadth of the AFL-CIO legislative program is amazing. Here is a summary of the program as officially announced:

Reduction of federal income taxes for low and middle-income families only.

A complete "overhaul" of Taft-Hartley. (The past record indicates the labor bosses want a return to the lop-sided Wagner Act, plus all their special privileges and immunities under federal preemption of states' rights and the anti-trust laws.)

Extension of and increases in the various wage-hour and social security laws.

Vast increases in federal spending under such programs as school construction, aid to areas of unemployment, Hells Canyon, TVA and atomic power, public housing, federalized compensation systems and pay increases for Government employees.

That's only a part of the program that the union bosses are clamoring for Congress to enact. And remember that they are working free of rules, while the hands of industry are tied by one-sided laws.

Obviously, the enormity of the challenge is beyond description.

WHAT MUST BE DONE!

A group of nationally known labor-management experts, acting on their own authority, recently spent a year studying the extent to which union activities have resulted in monopoly abuses.

In their report, which cites case after case of unregulated power, the study group indicates the following objectives must be sought in order to protect the interests of the public and of union as well as non-union employees:

Real bargaining at the local level and an end to the domination of bargaining by international unions;

An end to compulsory union membership in any form;

An end to organizational picketing to force people into unions;

A ban on boycotts and on clauses in contracts which provide for boycotts against other employers;

A ban on economic waste in the form of "featherbedding", restrictions on output, unneeded employees, and refusal to allow new machines or processes to be used;

A modification of the doctrine of federal preemption so that state and local authorities can reassume their responsibilities in labor-management matters;

A prohibition against the use of union funds and union staff employees for partisan political purposes.

From page 30 of the report  
"Monopoly Power as Exercised  
by Labor Unions"