

employees they attack a position which is defended by many employers and by another section of employees. The motive of labor leaders, of course, is obvious. They have sought to accomplish, with government support, what they have never been able to secure through their own efforts—complete unionization of industry according to their ideas. Many motives have been ascribed to the administration. The true one, I believe, is its desire to use labor as another medium of attack in its general campaign against business and business leaders—a campaign which is being waged, ostensibly, to win a better state of life for all of our people...

“With a basis of conflict authorized by law and urged by the administration, the leaders of organized labor took off their gloves and went to work. Legally, the employer no longer has any interest in the collective activities of his men—regardless of how the nature of those activities may affect the business of his organization. He is compelled to take a position of complete neutrality, and to refrain from expressing so much as an opinion—even where the situation threatens his very existence.

“Labor leaders, however, are entirely unrestrained. They use their freedom, or rather their legal license, to the utmost. They tell employees that President Roosevelt wants them to join the union, that union membership is an essential of the New Deal program to bring the abundant life. They tell half-truths and direct lies about the employer and his business. They threaten employees who are reluctant to join the union with the penalty of an exorbitant increase in the initiation fee. They harass employees who refuse to join with the claim that the shop will be closed to non-union workers. Threats are made and carried out against the physical safety of workmen who refuse to join unions. Strikes are called where only a small minority of employees belong to the union, and sometimes are made effective by transporting large numbers of union members from other plants and other industries to serve as pickets. Violence and lawlessness are the rule in the conduct of strikes. This is the physical expression of the concept that

conflict is necessary between the employer and the employee...

“If unions had demonstrated that they could make a business organization a better, more efficient producer, every plant in the country would be unionized today through unanimous demand of employers and employees. Unfortunately, national unions as constituted thus far have had a reverse effect. Has any of these unions ever said to management, ‘We will help you to turn out a greater total product at less unit cost and thus increase your earnings so that you will be able to pay your employees more, make more yourself, and sell at lower cost to the public?’ No, unions say little more than, ‘We demand that you pay more wages’ and frequently, also, ‘We demand shorter hours and less production per man.’”

**Paul H. Douglas:  
Why Workers Turn to Unions**

*At the time a professor of economics at the University of Chicago, Paul H. Douglas addressed The Economic Club of Chicago on December 1, 1937 and defended and explained the union movement.*



“I do not believe in using artifices to conceal issues. But it is proper that after having tried to understand the fears which lead many employers to oppose unionism, we should also try to understand the desires and fears which cause large numbers of manual workers to turn towards it.

“This is not an easy effort for us to make. It is probable there is not a single person in this dining hall tonight who now makes his living by working with his hands at a manual labor task. The price of the dinner and the requirement of the boiled shirt have seen to that! It is nature, therefore, that we

should consider our own fears and troubles most vividly and that we should find it somewhat hard to visualize just how men in cotton shirts and overalls react to the life about them. Some of us, however, have been manual workers in the past and by an effort we can recall how we felt when we were in those circumstances. Those of us who have never been in such a place can at least try to think how we would feel were we there. If we do this, we will recognize that manual workers are men like ourselves. Most of them are married and have children and want to do for them what we want to do for those who are dear to us. They want to protect them from want, from fear, from cold, and to give them a chance to be happy, to enjoy life and to have an opportunity for self-advancement. They want to feel self-respecting and to be treated as persons rather than as 'hands' or numbers. What then is going on in their minds which has led, during the past year, them into unions?

"Let us first take the issue which lies at the core of labor difficulties, namely, the question of wages. While a comparative minority of highly skilled workers do receive high hourly rates, the earnings of the unskilled and semi-skilled are quite low in terms of so-called American standards of living. For example, it is probable that the average hourly rate for unskilled labor in the country is not far from 40 to 42 cents an hour, while in many sections it is far below this. This means that with a 45-hour workweek, the average full-time weekly earnings would be only \$18 or \$19, and with a 50 hour workweek, but \$20 or \$21. Even if those men worked every day in the year, therefore, their annual earnings could not much exceed \$900 or \$1,000, while irregular employment, unemployment, sickness, etc. pull this average down in practice very much further. Now, if any of us were to try to support a family on \$18 a week, I am willing to prophesy that we would want to combine with our fellows in order to push up the scale and enable us to provide more food, some warm clothing, and a less squalid house or apartment for our families. And even if our earnings went up to \$25 to \$30 a week, we would still have the same desire.

"The average worker in industry feels indeed that he can do little in this direction by himself. For any one man or any few men are easily replaceable by an employer. If men protest individually, others can be quickly moved into their jobs and the protestants left out in the cold. But if the group as a whole combines for united action, they cannot be easily replaced. Consequently, men and women turn to unionism as a means of obtaining collectively what they feel they cannot secure individually. And I am quite sure that if we were in their place, we would, in the main, do just what they have done, and are doing.

"One has only to remember how the United Mine Workers in 1898 raised the wage scale from around 10 cents an hour and \$6 and \$7 a week to a more decent scale and of how the unions in the men's and women's clothing industries have transformed some of the most sweated trades in the country into occupations where the workers can support themselves on a self-respecting basis.

"Secondly, there is the question of hours. Whatever may be the abilities of the workers to bargain individually with management on the question of wages (and they are not as great as sometimes stated), there is no such possibility in the case of hours of work. A factory cannot have some of its workers coming to work at 7 o'clock, and then have others stroll in at half-hour intervals...This means that the individual worker has little or no control over his working hours and in the absence of unions must largely accept such terms as the employers offer. The workers feel, therefore, that by combining together they can have a voice in determining the length of the working week and that they can get shorter hours, and hence, more time for leisure through unions than if they individually have to accept the terms handed down to them by their employers.

"Thirdly, large groups of workers believe that management is constantly trying to speed them up and get a much larger volume of work for little or no increase in their daily pay. If the workers are on piece rates, they are afraid that the rates will be cut

if some of the men turn out more units. And as practical men, we know that has happened in innumerable cases. Moreover, while time rates particularly protect the workers in the handicraft trades where the worker sets the pace, they do not do so in the mass production industries where the machines set the pace.

“In the fourth place, many men join unions in order to protect themselves from being victimized by their foremen. The foreman wields enormous power in modern industry, and if he becomes prejudiced against a worker he can make it extremely unpleasant for the man and often force him to lose his job...

“Finally, a great majority of the workers have now become aware of the unfortunate but widespread practice of espionage on the part of employers. I do not know how many of you have read the fourteen volumes of testimony taken on this subject by a subcommittee of the United States Senate...The average workers know all about this and resent it. There is nothing that we in this room would personally resent more than being spied upon by people who were passing themselves off as our ostensible friends and associates, and of having our lawful and legitimate acts then used to deprive us of our position...

“That is not the way that Americans want to live, and I ask you if it is any wonder that the manual workers should seek to combine so that spies and stool pigeons may not be able to take away their livelihood?”

## **Herbert Hoover: On Intrusive Government**

*Former President Herbert Hoover answered The Economic Club of Chicago's invitation with a visit and an address on the problems of government intrusion on December 16, 1937, as the nation struggled through the long depression.*

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“Your letter echoes the anxiety of millions of Americans for the security of their jobs, their savings, the opportunity to better themselves and their children. They are thinking of the long years before they are entitled to an old age pension. I approach that summons with great humility. The questions range far above partisanship. The progress of democracy requires that we present different points of view. We must pound out reason and the basis of cooperation on the anvil of debate.

“By the economic middle class I take it you mean all the people who have to support themselves. You mean the people who have sacrificed years of devotion to learn to do their jobs skillfully. They are the creative people. They are the people who want to get forward. They are the quiet, decent people who are busy keeping things going. They seldom appear in the press except when they die. Unless this great group have a chance the whole will fail. They have to carry the burdens of the unfortunate...

“We possess the resources and the equipment to produce more than mere food, shelter and clothing for the whole of our population. We are still able to contend for the right to govern ourselves. Ours has been a great adventure in free men and free ideas and free enterprise. That experiment has not failed. At present, it has become muddled...

“What is imperative for the moment is relief from pressures which stagnate billions of industrial and