

Substantial Progress in Co-operation

Employees and managements working together to their mutual interests under several different plans

By Franklin Snow

LABOR, having found that strife and strikes are unprofitable and that in industrial peace lies the greater prosperity for the workers, has extended the olive branch of peace. It has been accepted, and even snatched at, by management in all industries.

Co-operation between the operators and employees in big and little business is succeeding the former attitude of hostility and suspicion so rapidly that the reversal of the old conditions is becoming epochal in its scope. Although methods differ as between various industries, and in fact between companies in the same line of activity, the underlying motive is the same—the desire to produce a harmonious condition in manufacturing plants, railroads, steel mills and shipyards.

Concessions, from necessity, have been made by each group but the obvious advantages to be gained in the end have led both parties to the agreements to recede from their formerly established principles. From the employee's standpoint, the stabilization of employment has been the greatest attraction, with the added probability that the year's earnings would at the same time be increased. To management, the freedom from strikes with resultant loss to stockholders and a general slowing up in business if the industry is a "key" one, together with the knowledge that a satisfied workman is the best employee and the best producer, was the magnet. Both sides yielded in adopting one or another of the varied forms of co-operation agreed to, but to each there was an admittedly selfish motive in the recession, for through its adoption certain definite gains were forecast.

Ramifications of the co-operative plans developed in the industries which have been parties to this surprising and beneficent change have included the positive application of the Golden Rule to management and men jointly; the formation of bi-partisan committees to govern the work, adjust wages and revise rules and working conditions; the practice of making partners of the men through sale of stock on a generous basis with a liberal purchase plan; group insurance for employees; and, on the men's part, a promise to produce more and to show a greater interest in the company's welfare in return for a voice in the labor policies and a greater security of employment in "hard times."

Stabilization of Employment

Labor, speaking officially—which may be assumed to mean the American Federation of Labor—has not shown an overwhelming enthusiasm toward some of these developments. The membership of the Federation is decreasing rapidly, it is reported, from the wartime peak and it is reasonable to anticipate a further drop as the men tend to work in closer harmony with their employers. As the co-operative movement spreads, their need for union membership and "protection" diminishes. In passing, it may be noted that few corporations which have adopted plans of this character have paid any attention to the membership or non-membership of their men in national unions. Craftsmen could be organized or not as they saw fit, the companies insisting only that their pledges to arbitrate be recognized by the men in times of stress.

From the workman's standpoint, the bait held out to him has been tempting. Stabilization of employment and the consequent removal of the great fear of the industrial worker—the layoff—free insurance and ownership of dividend paying stock bought often at 20 per cent below the market price, have been advantages which outweighed the somewhat empty honor of carrying a union card as his only protection and ally. Carrying as it does a rather definite assurance that whether he wishes to or not he will be called out on strike at the whim of an officious trouble-making union leader, the opportunity to substitute, or supplement, the union card with a co-operative agreement appeals strongly to all workmen who have gone through the rigors of a railroad or another type of industrial strike.

It is through the stabilization of employment that management has the greatest gift to offer, and it is one to which the employee is by no means insensible. Those who have watched the progress of a railroad strike and have talked with the victims who have been called out in response to the "99 per cent vote" in favor thereof, know beyond peradventure of doubt the attitude of the average laboring man toward strikes. Those who have heard the admissions of the men who have thus been called from their work know that the workman with a family will go a long way in accepting any plan which will preclude the possibility of his family going hungry and of his children being kept home from school because they have no shoes to wear. And in accepting the plans proffered by management, the laboring man does not have to renounce his union membership nor does he have to promise definitely that he will refrain from participating in an organized strike.

"Come, Let Us Reason Together"

The beauty of the plans developed lies in their simplicity. Neither party to the agreement makes a complete surrender of its prerogatives. Nor does either side bind itself positively to predetermined rules and stipulations. The majority of the co-operative plans are based merely on the Biblical injunction, "Come, let us reason together." Through an amicable discussion of current problems experience has shown that trouble which might be breeding can be detected and remedied. The manager learns of the conditions which dissatisfy his men; the workmen learn of the broader problems confronting management. The joint conference committees, usually composed of an equal representation of management and men, meet on scheduled dates and if no definite business is before the meeting join merely in a general discussion of the business. And what workman does not feel a secret exaltation at being the duly-elected representative of his fellows to step into the boss's office once a week and express his opinions freely on the alleged shortcomings of the very superiors to whom he is talking without fear of censure or reprisal?

Opinions may and doubtless do differ as to the causes of this remarkable development in the co-operative movement between capital and labor. The theorists who picture it as a growing evidence of brotherly love are clearly en-