## Washington University Law Review

Volume 1949 | Issue 1

January 1949

## Review of "Labor Problems in American Industry," By Carroll **Daugherty**

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## **Recommended Citation**

Russell Doerner, Review of "Labor Problems in American Industry," By Carroll Daugherty, 1949 WASH. U. L. Q. 206 (1949).

Available at: https://openscholarship.wustl.edu/law\_lawreview/vol1949/iss1/6

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Nothing has been said about the portions of this book not included in the 145 pages previously mentioned. The remainder of the book contains the usual material found in labor relations and economics texts. The material is ably presented in a well organized and coherent manner. Students who study it will acquire a sound understanding of fundamental issues.

JOHN R. STOCKHAM?

LABOR PROBLEMS IN AMERICAN INDUSTRY. By Carroll R. Daugherty. Houghton Mifflin Co., 1948. Pp. xxii, 1066, xivp maps. \$5.00.

In this most comprehensive work, the author, who is Professor of Business Economics in the School of Commerce of Northwestern University, defines the labor problem, in its broadest aspect, as the lack of harmonious relationship between employers and employees over their respective shares of the products of industry.

Having established this premise he has proceeded to divide his book, like Gaul, into three parts for the purpose of his discussion. In Part One he gives historical and background material in order to provide a better understanding of the problems discussed in Part Two, an approach which is all too often disregarded by those in the field of labor relations. Part Two is devoted to an analysis of the five problems which the author considers of major importance today—the feeling of insecurity of workers in modern industry; wages and income; hours and work periods; sub-standard workers; and industrial autocracy, defined as the employer's "almost absolute power over individual workers."

A definite pattern is established in the discussion of each of these problems. First, the problem is defined. Secondly, the available data is presented in order to stake out the boundaries of the problem. Third, the results on employers, employees, and society are shown. Fourth, the causes are analyzed. And last, the remedies and solutions, both those already tried and those proposed, are reviewed.

Part Three of the book is composed of an examination of the remedies either adopted or proposed by unions for the solution of the labor problems discussed in Part Two; to the employers' approach to the solution; and to the governmental approach. A review of the first of these labor problems, that of the feeling of workers' insecurity, will serve to illustrate the thoroughness of Professor Daugherty's treatment of his subject. Chief among the things in modern society about which a man likes to feel secure, states the author, is the continuance and assurance of a means of livelihood. Hence the greatest risk encountered by the wage earner is that of unemployment, whether resulting from the law of supply and demand in the labor market, from technological improvements which obviate the need for his services, from the decline or elimination of the industry in which he labors. or from similar causes discussed in the book. In addition, chapters are devoted to the physical risks incident to industry, both of accident and health, and to the problems of superannuation. The results of unemployment on employees, employers, and society as a whole are discussed at con-

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siderable length, and various statistical data presented. The hardships of the unemployed receive an especially sympathetic treatment.

In connection with the solution of the causes of unemployment there are enumerated the labor unions' approach of restriction of output and of higher wages and shorter hours; of the employers' approach through his production and personnel policies; and of the governmental approach through unemployment insurance and relief payments or make-work plans. No panacea to forever eradicate unemployment is suggested. Indeed, while recognizing that "labor" is composed of individual workers, the author is realistic enough to regard it as a commodity, subject to the same laws of supply and demand as are other commodities.

In the first few chapters of Part Three of the book is a brief but excellent history of the American labor movement from 1792 to 1941. Two points are developed which should be of particular significance to every labor leader in these unsettled times: First, that almost without exception the strength of the labor organizations has rapidly decreased in the periods of economic depressions. And second, that many of the early national labor organizations floundered when they embarked upon the shoal-strewn seas of political activities, particularly when they attempted to form a third party.

While the student is cautioned not to let his thinking become "compartmentalized," it may be fairly said that to some extent the author is guilty of such practice—employed, no doubt, because the book is intended for use as a comprehensive school text in industrial relations and labor problems. The material is well organized and presented, but though in the main treated objectively there are sufficient overtones to make it apparent that the sympathies of the author are on the side of the worker in the "conflict between the employers and employees over the division and control of the product of industry."

RUSSELL DOERNER.†

GOVERNMENT REGULATION OF INDUSTRIAL RELATIONS. By George W. Taylor. New York: Prentice-Hall, 1948. Pp. xii, 383. \$5.35.

The principal purpose of this book, as stated by its author, is "to take inventory of the shortcomings and inadequacies of collective bargaining practices with a view toward charting a way to better industrial self-government" and "to evaluate the strong trend in our own country toward government regulation of industrial relations in order to discern whether that is either inevitable or socially desirable."

Such an inventory and evaluation is indeed timely, particularly in view of present Congressional efforts once again to overhaul the national labor policy which, as now stated, has had the benefit of less than two years trial. Such an inventory and evaluation if accurately made, might well be expected to contribute mightily to an intelligent formulation of a sound labor policy.

Among those who might have written this book, Professor Taylor is not

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