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THE PHILOSOPHY OF THE UNITED STEELWORKERS!

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LEADER, DAVID J. MCDONALD

by Steven I. Pflanczer

A Thesis Submitted to the Faculty of the Institute of Social and Industrial Relations in Partial Fulfillment of the Requirements for the Degree of Social

and Industrial Relations

JUNE 1960

LIFE

Steven I. Pflanczer was born in Keszthely, Hungary, on March 19, 1926.

He was graduated from the Gymnasium of the Praemonstratensian Canons in Keszthely, Hungary, on May 3, 1944.

On the basis of undergraduate studies completed in Europe he was accepted for graduate work at Loyola University and attended the Institute of Social and Industrial Relations from February, 1957 through June, 1960.

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CHAPTER I

INTRODUCTION

Ever since the statement was made by Adolph Strasser, "We have no ultimate ends . . . We say in our constitution, that we are opposed to theorists . . . we are all practical men,"¹ leaders of the American Labor Movement deny the existence of a <u>formal</u> system of social philosophy to guide them in their actions. They recognize no kinship to intellectuals, and resent as name-calling any attempts of identification which would link their ideas to <u>isms</u> other than trade unionism. They claim to be practical men who can account for their actions with quiet dignity, dressed up in their Sunday-best of responsible citizenship and dedication to prevalent national ideals.

Testimonial statements of labor leaders, past and present, could easily be quoted to this effect, and there are a number of specific historic instances to confirm their claim of mere practicality. As to an explicit philosophy of their own, or rather the lack of it, it is usually explained as part of their common cultural heritage, as a peculiar characteristic of the "unsystematic American system,"--to use the chiding expression of Jacques Maritain, a modern Tocqueville of contemporary America.² Broadly speaking, Americans are known to shy

¹J. B. S. Hardman, "No Ultimate Ends," <u>Unions</u>, <u>Management</u> and <u>The Public</u>, ed. E. Wight Bakke and Clark Kerr (New York, 1949), pp. 31-33.

²Jacques Maritain, <u>Reflections</u> on <u>America</u> (New York, 1958), p. 101.

away from theoretical speculation and doctrines, and, of course, labor leaders are no exceptions to the rule. Consequently, it is almost axiomatic to state that the American labor movement is not inspired by a <u>formal system of social</u> <u>philosophy</u>, its activities are not carried out in function of a tight doctrinal unity.

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An equally obvious fact is, however, that neither the claimed factual innocence of their thoughts--presented as constructive contributions to the rational criticism of existing conditions--nor their programs of mere practicalities, do make America's labor leaders immune to controversy or exempt from criticism. They are active participants in the verbal skirmishes of a particularly noisy social environment, a pluralistic society, loud of claims and counterclaims, where no down-to-earth matter-of-factness, or deferential indifference to intellectuals, is an effective substitute for the articulate expression of their ideals. The way in which these men do actually explain, and also effectuate, their choices among the possible contents and directions of America's socioeconomic development constitutes the substance of their home-grown philosophies. The misgivings voiced against them are forthcoming basically from two sources.

Their traditional opponents, the spokesmen of industry and its peak-associations, content that the public utterances of some labor leaders smack of too much, and highly questionable, theorizing. Some times their propositions are even equated with "un-American" and/or objectionable social doctrines. Hence counter-charges of name-calling by labor leaders. Industry's advice to them, however, is simple: <u>Sutor ne ultra trepidem</u>¹³ Labor should stick to "laboring," and no ideological nonsense should interfere with the outcome of direct negotiations or workable compromises. The following editorial excerpt is a fairly representative sample of this attitude displayed by labor's traditional opponents: "Mr. Carey affects to be a labor theorist on a high plane and closely shares the socialist predilections of his sidekick, Walter Reuther of the United Auto Workers. It has been remarked of this pair, together with George Meany, president of the AFL-CIO, that they are so far removed from the daily scrimmage of chasing a living with hand and tools that if someone were to drop a reference to manual labor they would think he was talking about a Spanish band leader."

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The plight of the other major audience of labor leaders is of a quite different nature. The scholars and intellectuals interested in the labor movement would actually welcome a more explicit and articulate labor philosophy, since the present one, as it is reaching them, does not seem to measure up to their general expectations. It is far from being an articulate body of ideas that could be submitted, with relative facility, to critical evaluation and analysis. Thought systems, systematized views, are especially dear to scholars, and understandably so, but labor's philosophy is being shaptd by practical men who have very little, if any, inclination to present their ideas in a systematic way.

^JLitterally, "Shoemaker, aim no higher than the shoeforms!" The words of the painter Applle to a shoemaker who after having criticized a pair of slippers in one of his paintings also wanted to criticize the rest of the picture, in Plinius.

⁴Chicago Daily Tribune, May 18, 1959, pt. 1, p. 12.

Whatever the respective merits of these two opposing views, stipulating either a more practical or a more philosophical labor movement, the fact is that there are only interpretative theories of American labor's aspirations but no comprehensive studies of its leaders' philosophy exist. The desire, of course, to systematize their views is primarily a scholarly undertaking; ideology has appeal only to a negligible minority of Americans.

PURPOSE OF THE THESIS

The purpose of this thesis is to attempt a systematic presentation and analysis of the philosophy of David J. McDonald, president of the United Steelworkers of America.

The study is being conducted as part of a joint research project aiming to identify and define the philosophy of the contemporary American labor movement. The working assumption or hypothesis is that a certain number of well documented studies examining the philosophy of individual labor leaders will lead to that end. The representativeness of the labor leaders involved is a matter of selection: the research project itself is balanced in terms of craft vs. industrial union, AFL vs. CIO leaders. This particular thesis is intended to be a potential contribution to the definition of industrial unionism and its philosophy.

The writer's interest in the ideas and personality of David J. McDonald is motivated (1) by the strategic importance of the Steelworkers Union, (2) by McDonald's background in terms of professional experience and personal associations, (3) and finally, by his public respectability and reputation as a labor leader.

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1. McDonald's union, the United Steelworkers of America, is of strategic importance for both the proper functioning of the economic system and the ideological orientation of the American labor movement in general.

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The statistical data of the Steelworkers' organizational and collective bargaining achievements are the best expression of their economic power.⁵ The percentages and numbers with many digits take on added significance in view of the fact that the organization of maintenance and production workers in the steel industry is virtually complete. Rumblings in the basic steel industry make national news; the government, if faced with an emergency, does not hesitate to put an end to it. The suspense and glamour of nation-wide steel negotiations is well known. The industry's labor-management relations are characterized by pattern bargaining; the "heat" that the demands of the union generate in the real power centers is equally felt by most marginal units of the industry The use of steel settlements for the purpose of whipsawing other segments of the economy is something more than a mere possibility. McDonald and his United Steelworkers of America can influence in more than one way the workings of the economic system.

On the other hand, while McDonald's influence on the other members of the AFL-CIO's Executive Board is largely a matter of speculation for outsiders, the occasional "leaks" and strategic moves would indicate that he usually gets his way also in the inner councils of the Federation. The per capita federal dues of 1,250,000 Steelworkers run into millions of dollars and as McDonald estimates

⁵See Appendices I and II,

it, "that ain't hay."⁶ Translated into more elegant terms, these contributions mean power and influence since the Federation is strongly limited by its available capabilities in terms of membership and money. McDonald's alliance with John L. Lewis and his equally well publicized feuds with Walter P. Reuther are such instances of ideological uneasiness where the possibility of the Steelworkers' withdrawal from the CIO was certainly taken into consideration by the conflicting parties. And the merger, of course, did not affect McDonald's bargaining power to a great extent in the Federation.

2. As to his personal background as a labor leader, McDonald's career is noteworthy from the point of view of both professional experience and stimulating personal associations.

McDonald is basically a "synthetic union man," having worked only for a brief period of time in the mills, and some of his Steelworkers do actually resent his "swivel-chair route" to the presidency. His thirty years of high-level apprenticeship, however, did equip him with a sufficient degree of technical know-how to succede his boss and friend, Philip Murray; McDonald was assisting him first as his private secretary in the United Mineworkers, then later on, after 1936, as secretary-treasurer of the United Steelworkers of America. As second in command to Murray, the records of the union present McDonald as an administrator of internal union affairs, a delegate to international labor organizations, a promoter of political activity, the man in charge of concerted organizing drives, and occasionally as a contract negotiator. The outstanding events which led to the formation of his union, the strikes, and the successful

⁶United Steelworkers of America, <u>Proceedings of the Seventh Constitutional</u> <u>Convention</u> (Atlantic City, 1954), p. 264. contract negotiations are matters of modern labor history.

McDonald's career as a trade-unionist began under the protection of John L. Lewis and Philip Murray. These two men can rightly claim the spiritual fatherhood of industrial unionism in America, and McDonald was exposed to the full impact of their actions and ideas. Of special interest is, at least to the writer the idea of the Industry Council Plan usually associated with the name of Philip Murray. Among the other celebrities of McDonald's friends and associates. Sidney Hillman, Clinton S. Golden, James Carey, and George Meany are the best known union men, and, of course, Walter F. Reuther, as an ideological and personal antagonist of his.⁷ And finally, McDonald had ample opportunity to work with and appreciate the services of an equally glittering array of technical experts. The association of Robert R. Nathan and Murray W. Latimer with the CIO and the USWA are well known.⁸ Harold J. Ruttenberg, Joseph N. Scanlon. and Otis Brubaker as USWA-CIO general counsels are nationally known technical experts. and so is Vincent D. Sweeney, the Steelworkers' publicity director and editor of Steel Labor. Thus, it seems fair to assume that a significant number of events and personalities did contribute to the clarification of McDonald's ideas to warrant one's attention and interest.

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3. And finally, if the strategic importance of McDonald's union and his personal background are valid reasons for being interested in his philosophy, perhaps a third one can be added, namely, his public acceptance and respectability as a labor leader.

⁷USWA, <u>Proceedings</u>, 1954, p. 261. ⁸Steel Labor, (August 1947), p. 6.

McDonald appears in the mirror of the various mass communications media of the country as one of the least controversial figures among contemporary labor leaders. After having mentioned with real journalistic gusto his good looks, his predilections for good food and golf, his well-tailored suits, and some other status insignia of the successful professional celebrity. McDonald is receiving surprisingly respectful treatment from the press. His college education is always mentioned, and so is the spotless record of his union in financial matters. His visits to the White House are duly reported: President Eisenhower likes him and respects his judgment. McDonald is a former member of the Randall Commission and served as special assistant to Economic Stabilizer Eric Johnsontributes to his political reliability and technical competence. He is known to be a "Hi, Dave" acquaintance of former President Truman, former Governor Stevenson, Secretary of Labor James Mitchell, Senator Kennedy, etc. Reportedly, he is also acceptable to management which "wants a sober, responsible, conservative man running the union, and not some Socialist element."9 Thus, the public image of McDonald emerges as that of a man with whom one is willing and able to do business---a "mature labor leader." a man of "due process." an "administrator."

While the preceding does not pretend to be anything but a highly selective biographical sketch of McDonald, it should establish him as a noteworthy figure on the American labor scene-a representative of the American labor movement's philosophy.

⁹"Labor: \$120 Million for Dave," <u>Time</u>, LXIV (July 1954), 23.

METHOD AND SOURCE MATERIALS

From the point of view of method, this thesis is a systematic survey of David J. McDonald's statements, available primarily in the publications of the Steelworkers' Union.

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The general outline of the thesis is devised to meet the requirements deemed to be the most suitable for the purpose of the joint research project, that is, the systematic presentation and analysis of the contemporary American labor movement's philosophy.

The first two chapters, dealing respectively with the GOALS and MEANS of the American labor movement, represent little more than a thematic enumeration of McDonald's principal ideas which seem to be the constitutive elements of his philosophy.

The third chapter deals with McDonald's ATTITUDES toward the economic system, the government, management, and the problem of automation. The discussion of these attitudes facilitates critical comments, provides the unifying view of his philosophy, and, finally, permits its analysis as a whole in the concluding chapter.

An essential feature of the thesis is the almost exclusive use of primary source materials: the official publications of the United Steelworkers of America. The authenticity of these documents is no problem; the two principal sources, however, require closer identification than a mere bibliographical listing would provide.

The eleven volumes of <u>Steel Labor</u> consulted by the writer are the official monthly publications of the Steelworkers' Union, covering the period between January 1, 1948 and December 31, 1958. The copies available were those of the Midwestern Edition, relating the major statements of McDonald either in toto or in an editorial context--a valuable source of information.

The three volumes of <u>Convention Proceedings</u> are the published transcripts of the Constitutional Conventions held by the Steelworkers in 1954, 1956, and 1958, during the presidency of David J. McDonald. They constitute an excellent primary source and general background material, and the writer is relying heavily in his work on the general mood and atmosphere transpiring in these volumes.

One last word of caution: the adage <u>Tantum valent quantum fons</u> definitely applies to all of the historical and statistical data appearing in the thesis. The writer's primary concern is with the accurate presentation and analysis of McDonald's philosophy, and no attempt was made to verify the exactitude of those data.

CHAPTER II

GOALS

In the historical perspective practicality, respect for the country's prevailing institutional arrangements and aspirations seem to be the salient features of the American labor movement's philosophy. Perhaps a third note should be added here, that is, dynamism and change. These are common and constantly recurring terms of McDonald's vocabulary: "Unionism is not static; it is an extension of the struggles of the past and a projection of the program of the future."10 The goals which motivate these struggles and their scope constitute the subject matter of this chapter inquiring about the ideas and thinking of the United Steelworkers' leader.

THE AMERICAN DREAM

Attempting to identify a permanent and ultimate goal in the constantly changing flux of events and situations, here is McDonald's most succinct statement with regard to labor's aim: "The Labor Movement seeks to make a contribution to American Life. Its aims are clean and honest and simple. I repeat, labor seeks only ecommic security." Obviously, this ultimate goal of contributing to American Life can be made more explicit by specifying its meaning

¹⁰Steel Labor, (October 1953), p. 3.

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11 Steel Labor, (February 1948), p. 10.

elements -- and no doubt -- economic security will be one of them.

Addressing himself to the problem of defining labor's aims in a systematic manner. McDonald's approach yields the following results. First of all, a tribute to the popular expression of America's strivings: "What are our objectives? Peace, prosperity, equality, security, opportunity, for all -- the American Dream come true? Yes, all these I mention."12 Although anxious to avoid the somewhat startling task of analyzing such an elusive ultimate goal as the American Dream, the writer cannot bypass a definition of it by James Truslow Adams in The Epic of America: "a vision of a society in which the lot of the common man will be made easier and his life enriched and ennobled. #13 This definition seems to convey rather well the underlying theme of McDonald's address delivered before a group of American businessmen. "As we view the American scene we can bring these objectives into specifics--into sharp focus--so we can examine them in the light of our joint obligation and in the light of our philosophy. What you and I can see will show us labor's objectives. The inequities we note must be corrected.14 Thus, the contribution to American Life, the American Dream, acquires a new dimension: everything that hurts the eyes in America's social landscape--as McDonald sees it--the inequities must be corrected. The tone of his statements is a moderate one but his message does contain the advocacy of changes and appeals for cooperative efforts to bring them

¹²David J. McDonald, <u>Labor's Long Range Objectives</u>. An address to American Management Association, General Conference, San Francisco, California (January 25, 1956), p. 5.

¹³Cited by Clyde Kluckhohn, <u>Mirror for Man</u> (Premier Books, New York, 1959), p. 198.

¹¹⁴McDonald, p. 5.

about, the usual, tell-tale signs characterizing broad social movements. And he goes on: "While we rightfully and proudly boast of our advances, of the standard of living of the American family, it is still a fact that 30% of our families still earn less than \$2,000 a year."¹⁵ Thus, a high standard of living seems to be also a part of McDonald's American Dream. And what follows does suggest, indeed, that his concept of standard of living is a well balanced one.

Who are these people? They are Americans. They are the aged who know no income except small social security benefits or most inadequate industrial pensions. They are the sick, the disabled who either can't work or whom nobody wants to employ. They are the tenant farmers who don't know what ownership is. They are the members of minority groups bearing proudly the cross of darker skins--cut off in many instances from the opportunities for education, employment, and political expression.

Where do these people live? They are our neighbors, many of them. Neighbors in the sense that they are created in the same image and likeness but not neighbors in the sense that they share the same open air, the same type of housing, the same kind of recreation.16

Since it is fair to assume that not all of these people that McDonald is talking about are directly connected with trade unionism, it is obvious that his definition of the standard of living is rather large in scope. While it expresses the ideals of the labor movement, its real content is the American Dream of all Americans, a reality ". . .made up of a complex combination of <u>consump-</u> <u>tion</u>, working <u>conditions</u>, <u>possessions</u>, <u>freedoms</u>, and '<u>atmosphere</u>³ and the balance or harmony among them, in relation to needs and felt wants.^{ul7} The list of

15_{Ibid}. 16_{Ibid}., 5-6.

No. of Street, or other

17 Joseph S. Davis, "Economic Potentials of the United States," National Policy for Economic Welfare at Home and Abroad, ed. Robert Lekachman (Garden City, 1955), p. 128.

needs and wants as presented by McDonald is a long one:

We will be faced with decisions that have to be made about these problems of the underdeveloped areas of America--the hovels, the slums, the lack of hospitals, schools, roads, and other needed institutions. I see these as grave problems, oOur schools are dragging far behind our economy and our ability to produce. Lack of class rooms, shortage and poor pay in the teaching profession; it is a national shame. Our highways, public work programs, our flood control, our water problems are but a few areas that are begging our attention. This, we must assume as Americans, as members of labor and management. These are a few of the objectives of American Labor--of the United Steelworkers of America.¹⁰

This is how far one can follow McDonald in his efforts to present if an or derly manner the goals of the American labor movement. Additional research along these lines results only in similar quotations without yielding any further and substantial information. The preceding, however, seems to warrant certain valid, although limited, observations about a particular stream of thought.

The ultimate goals of the American labor movement, as McDonald conceives them, appear to be devoid of any distinctive characteristics which would set them aside as exclusively or even primarily those of the labor movement. The American Way of Life, the American Dream and Standard of Living as ultimate goals express merely an ideal of "a fully successful, employed Nation in which the well-being of the people can grow and grow."19. The popular constitutive elements of the American Dream, that is, Peace, Prosperity, Equality, Security, etc., if equated with the lofty absolutes of a good life have a sinister spell of finality about them which is difficult to challenge, or for that matter, to

¹⁸_{McDonald}, pp. 6-7.

19_{Ibid.}, 12,

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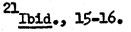
analyze. Disregarding religious beliefs, what else, indeed, should one have as an ultimate goal other than a good life? An analysis of this could go only a shade beyond impressionism, or be an endless fund of semantic quibbling; its meaning to flesh and blood is flexible. Substantially the same can be said of the American Standard of Living even though probably more philosophical or pseu do-scientific grooming could be lavished on its meaning elements. At any rate, the essential point is that McDonald has nothing new to offer in the realm of ultimate goals; he is confident that the goals and ideals of the labor movement can be expressed within the same general frame of reference that characterizes the prevalent ideology of the country. His verbal adherence to the essential cultural definitions of America is obvious, and if his philosophy is at variance with them at all it has to be demonstrated on a lower level of finality.

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The reason why the inherent fuzziness of these ultimate goals is of no great concern to McDonald is a simple one: in the process of thinking and talking about his own interpretations of them his philosophy takes on shape, some precision, and clarity. While cherishing dynamism and progressive change, he is insisting that the goals, actual or emerging, be kept within the focus of the country's ideological climate, maindful of its traditions and aspirations: "What we need is an American concept, dynamic, democratic, founded on the worksbility of our economic system and respect for the primary importance of the individual and the family."²⁰ And again, and with confidence: "A united labor movement---with a philosophy grounded in our American way of life---can be a bulwark against extremists from the left and from the right and can direct its resources and energies towards making our system more secure here at home and, by example, abroad."²¹ These two statements are reproduced here primarily for their value of illustrating McDonald's intense nationalism, a fact which, strangely enough, often serves as a basis for doubting the very existence of a discernible labor philosophy in setting goals, national standards of strivings and aspirations. However, while it is true that close identification with national ideals may have great tactical advantages for a movement and its leaders, it also has its drawbacks and is not always easily achieved. The qualifying note in McDonald's case is that his nationalism is purely territorial in concept.

Our union will always stand for human equality. We will continue to defend the rights of all minorities. The AFL-CIO, although only a few weeks old, has already expressed its united voice against discrimination and in favor of positive legislation to curb abuses of our constitutional rights. I feel confident that the influence of unions such as the United Steelworkers and others in the AFL-CIO will do much to make the equality of men a reality within the ranks of labor and our great nation.²²

To sum it up, the first large stream of thought underlying McDonald's statements about the goals of the American labor movement is shaped to reflect his conception about the content of the American Way of Life, the American Dream and Standard of Living. The scope of it is rather large and at times lacking in clarity and precision; its analytical potential can be streched to fit almost any concrete form of action. This is, however, the language of McDonald.



²²<u>Steel Labor</u>, (January 1956), p. 12.

CONTINUOUS ECONOMIC GROWTH

In looking for something more distinctive and precise than the American Dream, the writer is inevitably lead to a heterogeneous aggregate of particular aims and goals. Meticulous documentation of them results in a seemingly endless list of objectives proper to the various functional units of the American labor movement. On taking a closer look. McDonald's address reveals itself to be a discursive presentation of the Steelworkers' Federal and State Legislative Programs. These in turn are a modernized and up-to-date version of the Steelworkers Organizing Committee's fundamental legislative goals, dated December 14. 1937.²³ Both of them are usually on the agenda of the Constitutional Conventions, the official forum which establishes principles and ratifies policy. Since it is impossible to reproduce them here in extenso, the latest legislative programs of the Steelworkers are listed in Appendices III and IV for the purpose of documentation. Entirely omitted is an attempted quasi-statistical tabulation of the last three Constitutional Conventions' policy resolutions as still another source for properly grasping the constitutive elements of McDonald's philosophy.

His ideas with regard to the goals of the American labor movement can be inferred, to a large extent, only from these documents. This is especially so if rank and file interest and popular support are not to be disregarded while reading the statements of a man who is fairly conscious of the values of public relations and has respect for them.

²³United Steelworkers of America, <u>Proceedings</u> of the Eighth <u>Constitutional</u> <u>Convention</u> (Los Angeles, 1956), pp. 266-267.

What the writer is attempting to do here is to present, largely by inference, another main stream of thought underlying McDonald's ideas about the goals of the American labor movement. While the American Dream can house a host of ideas, their untidy mess of practical details seems to give credit to the remarkable insight of Karl Mamheim which would suggest that the case of the Steelworkers' leader is not an isolated instance: "The utopian striving towards a goal and the closely related capacity for a broad perspective disintegratein the trade-union movement into a mere body of directions for mastering a vast number of concrete details with a view to taking a political stand with reference to them."²⁴ The writer regards this observation as essentially true regarding McDonald's ideas which does not mean, however, that no sufficiently plausible order at all can be established from them.

Close identification with national ideals and the unwritten law of mere practicality requires him to gear these goals to the prevailing institutional arrangements and the existing administrative machineries. The records show that while maintaining the absolute primacy of matters directly affecting the labor movement of the day, McDonald is concerned with the affairs of international politics, the improvement or reform of certain political institutions at home, measures embracing the entire field of economic endeavors, and finally, and above all, the safeguards of full industrial production and employment. These are the principal areas of his interest as reported by <u>Steel Labor</u> and the <u>Proceedings</u>. Their order of importance, however, can be established only through the discovery of another major stream of thought, a theme that governs his

Zi Karl Mannheim, Ideology and Utopia (New York, 1953). p. 225.

thinking.

The theme itself is easily spotted by virtue of its frequency in McDonald's gtatements. At times it is explicitly expressed, on other occasions it is merely implied. Perhaps its most concise formulation is to be found in a Special Report to the 1954 Constitutional Convention of the Steelworkers: "It should be clear to all Americans that if any law can be said to apply to our economy, it is the requirement of growth, both to expand the material well being of our nation and to keep our expanding population fully employed."²⁵ The same report also contains the following passage, spelling out the reasons for continuous economic growth as a primary goal: "First, our economic system must create more jobs each year in order to take care of the employment needs of an expanding population. And secondly, a constantly larger volume of output must be produced and sold each year to prevent the lay-off of substantial numbers of the present labor force as a result of our constantly improved productivity."²⁶

While the tracing of this second major ultimate goal in McDonald's philosophy does not constitute in itself a startling discovery, it seems to be warranted by the following reasons: (1) it is frequently quoted and has a logical <u>nexus</u> to the ever growing and widespread standard of living which is, perhaps, less technical and has more popular appeal to both rank-and-file and others as Americans; (2) continuous economic growth is quite often presented to public opinion as one of the primary national goals of America, and if it is thought of as a panacea for many evils, McDonald shares this bias with a great number of

²⁵USWA, Proceedings, 1954, p. 314.

²⁶<u>Ibid</u>., 304.

political leaders, being, perhaps more entitled to it than others; (3) the furthering of America's economic growth is clearly within the competence of the American labor movement and its leaders; (4) and finally, while the American Dream and Standard of Living and Economic Growth are combination concepts, they still can be identified as the ultimate goals of the American labor movement which in practice, and also theoretically, integrate its institutional strivings and shape its means of everyday action.

The qualifying note in McDonald's philosophy which permits the establishment of the relative importance of his various ideas with regard to these major goals is perhaps best illustrated by the following McDonald-Reuther incident. It is an incident in the sense that the juxtaposition of their statements is logically warranted and the antagonism between the two men is well known.

During the fifteenth Constitutional Convention of the CIO in November, 1953, Walter P. Reuther made the following statement: "We are not acting as a narrow economic pressure group because we cannot answer our problems unless we help answer the problems of all our people."²⁷ Since McDonald's "seething dislike for Reuther"²⁸ was well publicized in the press by then, he felt compelled to set the record straight at the 1954 convention of the United Steelworkers of America.

There have likewise been declarations to the effect that McDonald has been spending a lot of his time needling Walter Reuther. It is true that there are many issues upon which Walter Reuther and I do not see eye to eye, but I told Walter Reuther when he became president of the Congress of Industrial Organizations that as long as he acted as a

27 <u>Steel Labor</u>, (December 1953), p. 2.

²⁸"Labor: Scorekeepers," <u>Time</u>, LXII (November 1953), 27.

trade unionist he would receive my support, but the moment that he attempted to change the Congress of Industrial Organizations into any sort of instrumentality other than upon which its principles were founded, then he would have to fight McDonald and the United Steelworkers of America.²⁹ 21

Although the exact nature of McDonald's differences of opinion with the "famous redhead" cannot be discussed here by the writer, there is nothing in the records which would make him doubt the essential truthfulness of this statement. While it is obvious that no analytical sophistication or carefully drawn categories can take away from the respective lists of goals of these two men, the ideas of the initial CIO dream, the conception of a brave new world, one without extremes in wealth and opportunity, McDonald prefers to stay closer to the traditional trade union goals that does Walter Reuther.

At any fate, the preceding analysis is being offered in the belief that the data not only warrant the identification of two major streams of thought with a definable conceptual core in McDonald's thinking as to the goals of the American labor movement, but they also justify the analysis of some of their aspects as means or as mere ingredients of attitudes.

²⁹USWA., Proceedings, 1954, p. 261.

CHAPTER III

MEANS

A marked sensitivity to the close interdependence of ends and means and the determination of the goals in terms of the realistic ability to do the job constitutes the cornerstone of American practicality. Inspired by the belief that at no time is sufficiently plausible knowledge available to tackle long-range objectives, they are usually left to be taken care of by the constant change in approach to the problems of the day. A short paragraph of McDonald's opening statement to the Seventh Constitutional Convention of the Steelworkers should serve as an introduction to this chapter on means and illustrate the point made above.

I firmly believe that we must constantly change our approach to problems. What was good yesterday is no good today, and will be useless tomorrow. I firmly believe that if we are to continue to simply accept the status quo in industrial relations, administrative and organizing techniques and all of the other things which go to operating a labor union, we would soon find ourselves falling by the wayside.³⁰

The preoccupation with perfecting the means of the labor movement in order to catch up with and get ahead of other forces, or not to fall by the wayside, is a recurrent note in McDonald's thinking.

The means of American labor unions can be divided into three categories for the purpose of description and analysis. In his San Francisco speech while

³⁰USWA., <u>Proceedings</u>, 1954, p. 11.

talking about the inequities of the status quo, McDonald himself concedes that some can be corrected by labor and management alone, whereas others will need much wider support and constitute a task for governmental action: "The inequities we note must be corrected. Some we can do by ourselves; others which are impossible for us to do alone must be done with our help through our system of government."31 A clear distinction is drawn between economic and political means, delimiting roughly the areas of collective bargaining and political activity. However, since the purpose of this thesis is to give a comprehensive view of McDonald's philosophy, it seems to be appropriate that a discussion of his ideas concerning the principles of organizational activity precede the analysis of economic and political means. The giant Steelworkers' union itself is a means of the labor movement, and McDonald's views on the nature of this tool so carefully engineered to do an adequate job, are just as important as his opinions regarding its potential economic and political usefulness. Furthermore, this is still the core area, or the very root, where important ideological differences among individual labor leaders stem.

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ORGANIZING ACTIVITY

The primary commitment of organizing by the Steelworkers is expressed as follows: When we have

The United Steelworkers of America recognizes its obligation to bring the benefits of unionism to those workers within our jurisdiction who have not yet been brought into our ranks. Both in the interest of those workers who are outside our ranks and for the maximum protection and security of the members of our union, the

31 McDonald, p. 5.

task of extending our Union must be carried forward in every plant in the industries over which we have jurisdiction."³² The quotation is a fairly representative sample of the philosophy of industrial unionism, and it does define the actual scope of job-territory within which the various techniques of job control are applied. Admitting that "in many of the great industries the period of organizing the union is quite complete,"³³ and this is largely true of the steel industry's maintenance and production workers, McDonald's primary concern is the so-called White Collar Drive, "since technical and related clerical functions assume ever larger importance in the expanded production and use of automatic equipment."³⁴ As to the extent of his spontaneous solidarity, occasionally it seems to reach far beyond the borders of the USA for the purpose of protecting the interests of his rank and file: "I don't know how you can protect the standards of the bauxite miners here if thousands of virtually enslaved men go down into the mines of Venezuela, Guatemala and Jamaica for slave wages."³⁵

The particular structural form of organization that McDonald is committed to uphold is industrial unionism. Historically, the commitment dates back to the famous decision of John L. Lewis to organize the Steelworkers as an industrial union. Testimony given by McDonald before a House Committee on Education and Labor in 1953 suggests, however, that its practical implications are still

³²<u>Steel Labor</u>, (October 1958), p. 10. ³³McDonald, p. 5. ³⁴USWA., <u>Proceedings</u>, 1956, p. 152. ³⁵<u>Steel Labor</u>, (July 1953), p. 5.

with the labor movement in the form of jurisdictional disputes, a crucial problem. Craft unions ". . . have a well established and time honored functional field . . . On the other hand, we think it is equally true that there are certain fields in which craft unionism is impractical; and we believe it discriminatory to give craft unions the unfettered legal right repeatedly to invade such fields even though there is a prior decision of the Board to the contrary. "36

The 1958 Convention Proceedings provide the following remarks by McDonald on the problem of dual unionism:

We will not forget about the craftsmen in our own organization, I assure you. We haven't forgotten them. We have had quite a bit of a hassle with certain members of the Executive Council of the AFL-CIO on this subject. Of course, we keep insisting that all of this work around the plants be done by the members of the United Steelworkers of America.

We have made our position very clear on that and as a consequence we have refused to become a party to the agreement between the Industrial Union Department and the Building Trades Department of the AFL-CIO. If we were to subscribe to the reasoning of some of these members of the Building Trades Department, we would find ourselves giving up perhaps 150,000 or 200,000 members of the United Steelworkers of America. We are just not that kind of people. It took us too long, and too much blood, sweat and tears went into the organizing of the Steelworkers Union, and we are just not the kind of people who like to give things away.³⁷

This type of thinking is behind the delayed signing of the <u>No-Raiding</u> <u>Agreement</u> authorized by McDonald's Executive Board in October, 1953 but signed by it only on March 2, 1955, that is, after due and long considerations.³⁸

³⁶Steel Labor, (May 1953), p. 12.

³⁷Steel Labor, (October 1958), p. 13.

³⁸Steel Labor, (April 1955), p. 2.

The <u>AFL-CIO Merger Agreement</u> of February 9, 1955, signed by McDonald on March 2, 1955, accentuates again the issue of industrial unionism and its practical implications as McDonald and his Executive Board look at it:

The Merger Agreement is grounded on sound, honorable and truly democratic principles. It recognizes and guarantees the integrity of each voluntarily affiliated union; it guarantees and provides equal status for industrial unions; it provides for constitutional guarantees and for internal machinery to insure the elimination of such evils as raiding, racial discrimination, communist or other totalitarian infiltration, racketeering and other corrupting influences.³⁹

As to direct statements of McDonald concerning the merger, which is a problem of functional autonomy and affiliation, none of them is truly representative or has documentary value as an isolated statement. Using his address on <u>Organic</u> <u>Unity</u>, made during the Seventh Constitutional Convention of the Steelworkers, as a systematic effort to present his ideas on the matter, the tenor of his speech is that labor unity is feasible and desirable because of the increased efficiency it creates in all sorts of trade-union activities. He desires unity for the sake of efficiency and not for personal advantage or selfish gains. "Now, let me dispel another fairy tale that has been written about. I don't want, nor would I under any conditions accept, officership in the CIO, the American Federation of Labor or any other sort of merged setup. All I want is to be President of the United Steelworkers of America."⁴⁰ Explaining his ideas about the nature of relationship in a future merged federation--in the making at that time--he uses the CIO as an example.

39 Ibid.

40 USWA., Proceedings, 1954, p. 266.

. . .it was made eminently clear that those eight union which formed the CIO were doing it simply as a means of bringing their philosophies of unionism together, and that the CIO was in no sense a governing body of the unions it would be building; that in no sense was it a parental body.

The believers in pan-unionism, however, would like to subvert this fundamental philosophy of the Congress of Industrial Organizations and make us all servants of one powerful master, whoever that master might be. And I have no reference to personalities in this sense. But the very idea is wrong, that we, the United Steelworkers of America, are servants of any group, that we can be pushed around by this man or by that man or by a dozen men . . . We take orders from only one group, and that group is the United Steelworkers of America, and no other group . . . Affiliated with? Yes! Owned by? Nol⁴¹

The merger being an accomplished fact, McDonald reiterates his determination to safeguard the particular structural form and functional autonomy of his union, which obviously reduced the significance of the merger to merely more prestige for the labor movement and largely a matter of increased political efficiency. "I repeat, we are an industrial type union and will continue to organize on that basis. We hold to the theory that in basic industry one union for all the workers is the best arrangement. There are circumstances where craft unions have an advantage from a bargaining standpoint. But we in steel will never abandon our principle of industrial unionism."⁴²

The same interview, in which the preceding statement was made, provides still another principle close to the heart of McDonald, that is, the principle of non-discrimination with regard to membership. Since it has been quoted earlier, and in a much broader context, ¹⁴³ at this point, perhaps, a less formal

⁴¹<u>Ibid</u>., 268-269. ⁴²<u>Steel Labor</u>, (January 1956), p. 9. 43

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phrasing of the very same idea will do as documentation: "Segregation may exist in classrooms, hotels and places of public assembly, but when a man goes into a mill or a factory he becomes a part of a working machine and all color seems suddenly to drain from his body and he becomes just a man."¹⁴⁴ Thus, McDonald's stand on the issue of civil rights, at least so far as it applies to industrial democracy, is unequivocally clear.

And finally, the last major value commitment of McDonald's union in the area of organizational activity concerns the eligibility of Communists and other subversives for membership. The Steelworkers' fight against Communists has been a long one and after having read all of his major speeches it is evident that McDonald is rather pround of their record. Due to a Constitutional Amendment passed during the 1954 USWA Convention, the first one under his presidency, Article III, Sec. 4 of the Steelworkers' Constitution now reads, in part, as follows: "No person shall be eligible for membership . . . who actively participates in the activities of the Communist Party, Ku Klux Klan, or any fascist, totalitarian, or other subversive organization which opposes the democratic principles to which the United States and Canada and our Union are dedicated."45 McDonald considers anti-communism as a freely endorsed and firmly held principle but he is not too happy with Section 9(h) of the Taft-Hartley Act, just as Philip Murray looked upon it as an insult to labor. Should a Steelworker resort to the use of the Fifth Amendment in order to defend himself, McDonald's Executive B card is guided by the following directive: "Invocation of a

USWA., Proceedings, 1956, p. 297.

⁴⁵<u>Steel Labor</u>, (October 1954), p. 8.

constitutional guarantee, standing alone, cannot be the basis for loss of membership in our union or for the failure of the union to protect employe rights under a collective bargaining agreement, including the right to be free from unilateral and arbitrary disciplinary action or discharge."46

Constitutional eligibility requirements cannot be mentioned without thinking of the ideological implications of the union-shop and the check-off. While the official publications of the union are full of the slogan-like pros and cons relevant to these problems, McDonald himself can hardly be expected to philosophize about the possibility that things could be otherwise than they are. The slogans are well known, and the statistical data illustrate clearly McDonald's stand with regard to the issues involved.⁴⁷

The fact that no ideal can be incorporated without some loss of its ideal character is similarly evident in the closing quotation of this section on organizing activities. It concerns the controversial problem of union democracy, or to be more precise, the way of representing effectively the rights of the rank and file in the union. The problem has arisen in connection with the Rarick affair, one of the rare instances in trade union history when an international president is openly being challenged in his bid for re-election.⁴⁸ What originally started as a protest against increasing the monthly dues of the Steelworkers became an internal political fight and ended with these closing remarks about the free, democratic election of Staff Representatives. McDonald is

⁴⁶Steel Labor, (April 1955), p. 6.

47See Appendix II, p.

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⁴⁸Philip Taft, "Opposition to Union Officers in Election," <u>Quarterly</u> Journal of Economics, LVIII (February 1944), 246-264.

speaking:

If the delegates to this Convention desire a complete breakdown of compliance with policy considerations--if they desire an increase in the size of the staff beyond the point of financial ability because of the constant and increasing demand from Local Unions to elect their own Staff Representatives and resist grouping for purposes of administration -- if they would have an increasing financial burden on their Local Unions as a result of a Staff Representative perhaps suggesting the arbitration of worthless grievances thereby shifting the responsibility of making decisions, which he, together with the Grievance Committee should make, to an arbitrator--if they would have conflicting political forces within each Local Union predicated on favor for or opposition to one or more aspirants for staff positions --- if they would have elected representatives who would be obligated only to the whims and policies of those elements. who might well be the minority of the eligible membership, which elected them, then I presume the delegates assembled in this Convention are in favor of forcing Staff Representatives to stand election. But I ask you, then, has this organization having withstood the chill winds of many adversities, well known to all of you. and having progressed--and continuing to do so with your magnificent and dedicated cooperation-been in error in the manner by which it renders service to its members?49

The delegates, of course, said overwhelmingly are to McDonald's proposal of rejecting the election of Staff Representatives, and another political problem was successfully transformed into a more administrative one.

ECONOMIC MEANS

The traditional objectives of American unions are usually expressed with the slogan-like simplicity of higher wages, shorter hours, and better working conditions. If there is, however, one aspect of the American labor movement's philosophy which has to be treated under the heading of its principal means, this is the one. Reduced to two simple words, "more now," by the otherwise loquacious Gompers, the economic philosophy of organized labor is centered around

49 <u>Steel Labor</u>, (October 1958), p. 24.

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a vast array of technical paraphernalia: the economic means of collective bargaining, with the most spectacular one among them, the strike, looming in the backgound of every possible negotiation. "Our workshop is the collective bargaining table. It is there where we meet our challenges, not only for advancing the interests of our respective individual groups, but with sensitivity to the welfare of our communities, our Nation and to society itself."⁵⁰ And looking for the animating spirit of collective bargaining, the finding of Briefs will certainly do as nomenclature: "the ethos of job dependency."⁵¹ This, of course does not mean that the categories of higher wages, shorter hours, and better working conditions are not serviceable enough for the purpose of presenting the principal ideas of McDonald concerning the economic means of his union.

The primary components of a high standard of living, the most concrete goal of the unions, are high wages. Collective bargaining is the means to get them. In the case of the Steelworkers, the demands are formulated by a 170 member International Wage Policy Committee, an instrumentality created by the Second Constitutional Convention of the union in 1944.⁵²

The 1957 Wage Policy, with regard to higher wages, reads as follows: "The economic needs of the members of the United Steelworkers of America, their greatly increasing productivity, the record profitability of the industry, and the economic situation of the country as a whole, all require that substantial wage increases be negotiated. Every effort shall be made to obtain as a

⁵⁰McDonald, p. 2.

⁵¹Goetz A. Briefs, The Proletariat (New York, 1937), p. 224.

⁵²Steel Labor, (November 1946), p. 11.

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minimum. at least as much as the basic steel wage increases . . n^{53} On the other hand, the 1958 Wage Policy illustrates what happens when such groundswell forces pervade the economy as an inflation, a recession, or a recovery from it. "The economic needs of the members of the United Steelworkers of America, their greatly increasing productivity, the record profitability of the industry, and the urgent need for expanded purchasing power to help improve the dire economic situation of the country as a whole, all require that substantial wage increases be negotiated. Every effort shall be made to obtain as a minimum, at least as much as the basic steel wage increases . . . "54 Thus, the economic needs of the workers, productivity, profits and the actual economic situation of the country are the recognized criteria of McDonald's wage negotiations, the purchasing power theory of wages serving as the primary ideological basis. An ideology which is built around the idea of sharing fairly in the profits of a profitmaking employer is equally useful in both "economic" or "dire economic" situations of the country as a whole. The theory is one of the most serviceable principles of temporary accommodation. "Higher wages for thousands of (aluminum) workers can well give the economy another added lift as our members in aluminum stand a better chance to buy the goods and services available, thus helping to provide a better standard of living. And that, after all, is our prime purpose as a union.^{#55} And again. ". . . only people have purchasing

⁵³<u>Steel Labor</u>, (July 1957), p. 4. ⁵⁴<u>Steel Labor</u>, (June 1958), p. 2. ⁵⁵<u>Steel Labor</u>, (August 1958), p. 3.

power to keep the wheels of industry turning . . .and it is our firm conviction that we should press with all the strength, vigor and skill we possess for greater benefits for our people."⁵⁶ It is McDonald's firm conviction also that "a period of recession is no time for a backward step" and during such a period in 1958 he "blasted suggestions from some quarters," reports <u>Steel Labor</u>, "that the union forego the third package of wage benefits scheduled to go into effect July 1 under the current basic steel agreement."⁵⁷ This is a matter of principle for him; the United Steelworkers of America "has absolutely no intention of yielding what this union has rightfully gained for its members, nor does this union intend, now or at any other time, to regard contracts as meaningless documents to be disregarded at will."⁵⁸

The closing sentence in the above quoted wage policy, "Every effort shall be made to obtain as a minimum, at least as much as the basic steel wage increases," represents a characteristic of the steel industry--pattern bargaining. Testimony by McDonald before a House Committee on Education and Labor in 1953 makes it clear, however, that the union is merely adapting itself to the situation: ". . .long before the advent of the union, employers themselves had voluntarily established a pattern of uniform wage movements in the basic steel industry which they felt best met the facts of life in their industry."⁵⁹

⁵⁶<u>Steel Labor</u>, (June 1958), p. 2. ⁵⁷<u>Ibid</u>. ⁵⁸<u>Ibid</u>. ⁵⁹<u>Steel Labor</u>, (May 1953), p. 12. 33

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McDonald, of course, takes up the challenge by instituting measures which enable the union to cope with the situation as it exists. The result is a vast program of administrative moves and procedural rationalizations inspired primarily by the old SWOC principle of <u>equal treatment to all</u>. The heart of the matter, in the basic steel industry which sets the pattern for the other industries, was the adoption of a uniform method of establishing wage rates. The work on adopting such a method began with a Directive Order of the National War Labor Board, dated November 25, 1944, and resulted in the creation of the Steel Manual which now governs wage negotiations throughout the entire steel industry.⁶⁰ The innumerable and intricate technical details of this undertaking are usually referred to by McDonald and his Steelworkers as <u>wage inequity programs</u>, recently initiated also in the Iron Ore Mining, Basic Aluminum, Can Manufacturing, and Metal Fabricating Industries.⁶¹ Their aim is simple: uniform wage rates throughout the entire jurisdictional field of the union.

McDonald takes special pride also in the wiping out of the so-called "southern differential" which at one time was as great as $17\frac{1}{2}$ cents per hour: "From the very beginning, we have never seen any logic to the Southern differential. For that reason, we have never let up in the fight to eliminate it. I am happy to be able to stand before you today and report that, from now on, Southern Steelworkers are no longer second-class citizens."⁶²

⁶⁰Vincent D. Sweeney, <u>The United Steelworkers of America</u>, <u>Twenty Years</u> <u>Later, 1936-1956</u>. No place of publication, n.d.

⁶¹Steel Labor, (October 1958), p. 14.

62 Sweeney, p. 145.

In addition to the policy of equal treatment to all, the idea of the socalled "basic steel package" dominates the thinking of McDonald and his Steelworkers. The basic steel agreement is used as a yardstick for the other industries with which the USWA deals with regard to both hourly wages and fringes, such as cost of living adjustments, supplementary unemployment benefits, insurance and pension plans.

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Pattern bargaining requires careful planning and coordinated efforts, hence the policy aimed at the establishment of uniform expiration dates for all agreements. The relevant section of the above quoted 1957 Wage Policy reads as follows: "Since our basic steel and other major contracts will terminate June 30, 1959, the maximum duration of any contract negotiated hereafter shall be two years."⁶³ The 1958 version sets the limit as "one year."⁶⁴

Still another aspect of this type of collective bargaining activity is reflected in the remarks of McDonald to his Wage Policy Committee in Washington on June 11-12, 1957. While explaining that the Steelworkers are engaged in some thirty-eight different types of production, he announced that ". . .plans are in the making for a series of regional meetings this fall which will put the United Steelworkers bargaining problems on an industry-by-industry basis."⁶⁵

As to the so-called hidden costs embodied in the various forms of economic security--escalator clauses, SUB, insurance, and pension plans--the statistics

63_{Steel Labor}, (July 1957), p. 5. ⁶⁴Steel Labor, (June 1958), p. 2. Steel Labor, (July 1957), p. 4.

provide sufficient prima facie information. Their broad philosophical significance will be referred to later on in a more suitable context. One single remark of McDonald, however, can illustrate here the principal theme of his thinking about these economic means.

I don't advance the Guaranteed Annual Wage or the Supplementary Unemployment Benefits, as our organization chooses to call it, as an absolute answer to the automation problem, nor do we advance it as a panacea for the many other problems underlying causes of unemployment. But; labor will need convincing to show it that current state joblesspay benefits are high enough, that they are for a sufficient duration, or that there is something basically unsound about some form of supplementary payment from the industry in which they are employed.⁶⁶

The basic philosophy of McDonald concerning shorter hours is set forth in the following manner: "One of the major goals of the United Steelworkers of America is reduction in the number of hours of work while maintaining and increasing the take-home pay of our members. The timeliness of this goal is accentuated at the present time by the accelerated pace of automation in industry. This goal can be implemented by a shorter work week, a shorter work day, and periodic extended vacations provided in our contracts."⁶⁷ The March 9, 1959 issue of <u>Time</u> has this to say about the idea of extended vacations: "Last week McDonald came out with an idea that he hoped would please his steel workers, and not cost too much for the companies. He suggested a three months' vacation with pay for each worker every five years. 'At current rates,' said McDonald, 'this would cost the industry no more than 12¢ an hour per man and would create 25,000 to 35.000 new jobs in basic steel.' Employment, McDonald noted, has not

66 McDonald, pp. 14-15.

67<u>Steel Labor</u>, (July 1957), p. 4.

risen as fast as production since the recession; consequently, his featherbedding idea would take up some of the slack.^{#68} Thus, the idea appears to be somewhat unusual, to say the least; nevertheless, it is being seriously contemplated by McDonald as a possible economic means to achieve a higher standard of living.

And finally, the last one in the traditional scheme of economic means is the area of better working conditions. The term itself has very real and important meaning but is is basically a combination concept referring to minute details and every-day facts of life in a particular industrial plant. Standing for an aggregate of acceptable minimum standards, it is rather difficult to handle and analyze as a basic idea of labor's philosophy. Paradoxically, however, this is the most crucial area of American trade-unionism, and also probably the battle-field of its most significant achievements. The primary instrumentality of better working conditions is the grievance procedure, the focal point of the worker's interest in the affairs of his union. The settling of grievances is, to McDonald's mind, the major cause of industrial peace. Consequently, mutual understanding and cooperation are promoted as the supreme values of industrial relations--the only realistic safeguards of better working conditions.

With my associates, I have toured about one hundred mills and factories all over the United States, seeking to find the causes of industrial peace, and I think we have found the causes of industrial peace. The causes of industrial peace are found primarily whenever men understand one another, when men deal with one another in true honesty and true dignity.

The management officials in these mills to which I refer are not weaklings. They are not pantywaists. They are strong men. They are men

68 "State of Business: Three Months' Vacation," Time, LXXIII (March 1959).

of steel. But in these situations the management and the union have learned how to work out their problems. Management in these situations have been instructed by their superiors to settle grievances right down at the bottom where they originate, to get them out of the road before they develop into sores and cankers.⁶⁹

His address on David J. McDonald Day, in April, 1954, further emphasizes the speedy settlement of grievances, and also places the use of strikes in a proper perspective.

If the company is arbitrary and provocative in its actions and attitudes, there is no way to keep the pot from boiling over eventually. If the company and union cannot settle grievances and complaints quickly and fairly so as to give workers the feeling that they can obtain consideration on a fair basis and while the problem is still ripe, then the tendency to strike will be strong.

. ...when balanced against the hazards of strikes and the cost of lost work to the participants, the delay of grievance procedures and of the decisions of arbitrators are preferable to illegal strikes in disregard of contract obligations.⁷⁰

The strike itself, however, is such a basic economic means of the union that the right to strike is taken entirely for granted by McDonald. The tenor of policy resolutions on strikes, a steady feature of conventions, reads as follows: "We recognize that unity of all workers is the solid foundation on which progress and the strength of our democratic labor movement depend."71 The reference is made primarily to the pledged support of strikes conducted either by Steelworkers' locals or by other unions. As to the nation-wide strikes, McDonald takes considerable pride in the civic responsibility of his union. Referring to the three major strikes in the basic steel industry (1946, 1949 and

69_{McDonald}, p. 13.

⁷⁰Steel Labor, (April 1954), p. 15.

⁷¹USWA., <u>Proceedings</u>, 1956, p. 151.

1952) since the union was founded in 1936, he states: "In each case we postponed our strikes when so requested by government. In each case, we accepted governmental proposals for settlement of the dispute, despite the extent to which these proposals denied what we considered reasonable requests for improvement in working conditions."⁷²

Perhaps one more note can be added here on economic means; it refers to the possible use of court injunctions; "We are opposed to the concept of having differences in labor-management relations dragged into court. We seriously doubt that a law suit improves relations between the parties involved."73

POLITICAL MEANS

David J. McDonald is rather candid about labor's involvement in the political struggles of America: "Well, you know in our land it is impossible to separate politics from economics. We know that."⁷⁴ Acting upon this insight into actual workings of the American system, his ideas concerning politics in general are similar to the principal tenets of labor's "Gompersian" heritage. The Officers' Report to the Steelworkers' 1958 Convention reads as follows:

Political action is the life blood of democracy regardless of its source. It is the medium by which the political thinking and aspirations of our people are gauged. It is the barometer of guidance used by those who write our laws on all levels of government. Those segments of our national economy which make the best showing in the field of political action are most likely to receive the greatest attention in the legislative halls of America. Our approach to the

⁷²Steel Labor, (May 1953), p. 12.

73_{Ibid}.

⁷⁴USWA., <u>Proceedings</u>, 1956, p. 298.

field of political action is not a selfish one. It is not in any sense geared to the thought of helping our membership at the expense of any other group. Instead its aim is to help bring about the election to public office of those people who earnestly desire a more abundant economy for all Americans and the rest of the world. We fully realize that no particular group can long prosper at the expense of others. We must all prosper together or we suffer together.⁷⁵

This program, while going beyond Gompers' principle of "rewarding our friends and punishing our enemies," nevertheless shops short of any final political commitment; it merely emphasizes the importance of political activity. The following statement indicates McDonald's attitude toward politics in a more

practical manner:

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I can almost hear it. What about politics? Will there be a labor party? Will labor take over the government? I could ask the same questions of you about business. But since these are legitimate questions--even if based on a malconception of labor's aime-I will state emphatically that labor wants no third party, now or ever, and that the new federation of AFL-CIO feels that its needs, your needs, and the needs of the rest of the country can best be served in the framework of our existing two parties and we will work with both of them.

The new federation--like our International Union--is non-partisan and we mean just that. Many critics of labor--and we have a few for your information--accuse us of siding with one political party. And I say that we have endorsed more Republicans for various public offices across the nation than our critics, who equally claim to be non-partisan, have endorsed Democrats.⁷⁶

McDonald's stand with regard to the issue of the third party is the same since July 7, 1943, the date of birth of the CIO's Political Action Committee. The influence of Philip Murray and Sidney Hillman is, no doubt, responsible for the shaping of his ideas in this respect. Murray's article on "Labor's

⁷⁵<u>Steel Labor</u>, (October 1958), p. 4.

⁷⁶ McDonald, p. 16.

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Political Aims," later known as <u>CIO Publication #102</u>, and Sidney Hillman's testimony before a House Committee on August 28, 1944 are the two most outstanding documents of the CIO-PAC's aims. McDonald, first as an alternate to Van A. Bittner, then as a full-time member of the CIO-PAC's Executive Committee, is to be found among the conservatives concerning the issue of the third party.77

As to the principle of non-partisanship, his claims can be substantiated by referring to the activities of the USWA's Constitutional Conventions. The Policy Resolutions are consistent in endorsing this principle. Among the honorary speakers addressing these gatherings one can find both Democrats and Republicans. McDonald's numerous visits to the White House represent still another aspect of his non-partisanship. He might call as a friend or casual visitor: although a confirmed Democrat. his relationship to Republican President Eisenhower is reportedly based on mutual respect and esteem. Pending steel negotiations could be another occasion. He considers these visits as politically wise and necessary: "The leaders of your organization do not hesitate to talk to anybody in the national administration whom we feel can be of assistance not only to the United Steelworkers of America but to our world economy."78 He states clearly also the reason for this high-level lobbying: "I told you in my opening remarks that we had gone to the President of the United States, to the principal Cabinet officers and to the top economic advisers to President Eisenhower and attempted to influence them with our thinking in regard to the state

⁷⁷Joseph Gæer, <u>The First Round</u> (New York, 1944), p. 60.
⁷⁸USWA., <u>Proceedings</u>, 1954, p. 11.

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of the nation's economy."79

The fact of openly endorsing candidates for public office is equally in the records. The following is a transcript of McDonald's phone conversation with Adlai Stevenson during the 1956 USWA Convention.

President McDonald: Thank you very much, Governor. Now, before the day is over, or at least tomorrow morning, we will present a resolution to the United Steelworkers of America endorsing you and your wonderful running mate, Estes Kefauver. As is typical with the Steelworkers, as you know, Governor, we won't stop with the endorsment. We will go out and go to work and spend some money for your election. Thank you very much. Governor Stevenson: Thank you, Dave, thank you very much.⁸⁰

Thus, if work, money and votes are the ingredients of realistic participation in the nation's political affairs, the United Steelworkers' leader is willing to make good use of them, and obviously, McDonald's conception of political non-partisanship is similar to that of the so-called independent voter. They do not want to be identified with any political party in the long-run while reserving the right to support effectively the candidates of their choice at the moment when ne commitment would mean no action at all. Realistic participation, however, requires an extensive administrative machine if both Capitol Hill and John Doe are to be reached. The Political Action Committee and its various organs and cells do this job for American labor. Its aims and existence are justified by McDonald as follows: "Our interest in developing the Political Action Committee means we want good government."⁸¹ Or, at a later date, as already a member of the CIO-PAC's Executive Board: "The PAC is a democratic

⁷⁹Ibid., 316.

⁸⁰USWA., <u>Proceedings</u>, 1956, p. 289. 81steel Labor, (July 1946), p. 5. American Organization dedicated to the preservation of the capitalistic system. As an organization, PAC asks only that you register and vote. That's all.⁸² About the actual help and assistance given to the administration, in order to make it a "good government," the records are very discrete. An occasional reference by McDonald to "our boys in Washington and in the various state capitals" suggests only the traditional lobbying activities. The results of their work are briefly appraised in the Officers' Report, or occasionally a delegate might boast about some minor local achievement on the Convention floor.

Still another form of political assistance is the testimony given by McDonald, or the other officers of the union, before the various Congressional Committees. The frequency of these hearings is a function of the legislative agenda but the Steelworkers are eager to comply whenever called upon to testify. These hearings represent a forum of primary importance where McDonald, and labor leaders in general, can present labor's opinion by arguing its case with the help of objective and technical criteria or the sheer political power of their constituencies. The issues at hand are concerned with the most efficient means but from the point of view of McDonald they are goals to be achieved. Consequently, the writer is referring to them among the goals of the American labor movement, and will comment on them in the fourth chapter of this thesis. Congressional hearings are preparatory to legislation, and legislative objectives constitute the crucial data for evaluating the American labor movement's attitudes toward the government, the economic system, and management. The legislative objectives of McDonald's union are listed in Appendices III and IV.83

⁸²<u>Steel Labor</u>, (August 1946), p. 12.

83See Appendices III and IV, pp.

The truly significant problem of presenting McDonald's political ideas, from the point of view of means, is centered around what Selznick calls "the recalcitrance of the tools of action."⁸⁴ The problem is that of the political indifference of the rank and file, the difficulty of activating its enlightened self-interest.

One of the easiest ways of furthering labor's political aims is to solicit financial contributions from union members to campaigning candidates. At the time of elections oral or written appeals are made to the rank and file for that purpose; the formal effort put forward by the union is usually called a <u>Dollar</u> <u>Drive</u>. The following is such an appeal written by McDonald and published in the January, 1950 issue of <u>Steel Labor</u>.

All the backward forces of the United States, all the Dixiecrats, all the reactionary Republicans, all the servants of great wealth, are fighting tooth and nail to stop the advance of human welfare in this country. Every agency of entrenched wealth is in this fight against the people and against the CIO. Every landlord who ever chiseled a rent increase is fighting us. Every employer who ever bought a tear gas bomb is fighting us. Every politician who voted for the Taft-Hartley Act is fighting us. They are fighting us with their newspapers, with their radio propaganda, with their lobbies and their money. All we have to work with is the dollars of our CIO members. These dollars will be enough to do the job--if we give them---and give them now!⁸⁵

Still another aspect of McDonald's struggle for political efficiency is suggested by the January, 1952 issue of <u>Steel Labor</u>: "On the political front, Mr. McDonald advised using new, indirect techniques of the type used by highpowered advertising agencies. He explained that the direct approach of "hammering away' for PAC is not reaching persons who consider themselves middle-class.

⁸⁴Cited by Christian Bay, <u>The Structure of Freedom</u> (Stanford, 1958), p. 290 ⁸⁵Steel Labor, (January 1950), p. 2.

"Times are changing." Mr. McDonald declared. "the kind of thinking we used in 1935 won't do us any good in 1952.⁸⁶⁶ An earlier report of June. 1948 implies the final aim of political activity, the seating of labor's friends in Washing-"Mr. McDonald said the steel union is 'a potent force' in 100 Congressionton. al Districts. He declared the USWA can 'without the assistance of anybody else' elect 34 Congressmen, with 66 other districts where the union will play a vital part in the campaign."87 The results of political activity, however, are rather discouraging as McDonald is forced to look at them on the day of his inauguration to the presidency of his Steelworkers. March 11, 1953. "There is a new administration, a new Congress in Washington. I think I am absolutely correct when I say that I think we can expect nothing in the way of advancements from the administration or the Congress. As a matter of fact, we will have to fight with might and main to keep them from taking things away from us. But, it seems to me that there is another great legislative field which is practically untapped, and that is the field of state legislation."88 The unsatisfactory performance of Congress in Washington prompts McDonald to insist on the establishment of efficient political organizations on state levels. The Illinois Steelworkers Political Education Committee, formed on February 1, 1958, in Chicago, can be used as an example. It intends to operate on the basis of a "10 point program which would include dissemination of political and legislative information, maintain a tabulation of elections and voting records, encourage

⁸⁶<u>Steel Labor</u>, (January 1952), p. 8. ⁸⁷<u>Steel Labor</u>, (June 1948), p. 4.

88Sweeney, p. 142.

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registration of voters, express labor's point of view on legislation, endorse candidates, train leadership from within labor, establish active PAC units and educate union members on the legislative process."⁸⁹ Briefly; these local units are called upon to initiate an extensive education program attempting to transform the individual steelworker into a politically alert citizen. The technical difficulties and the methods applied in order to overcome them are no different from those of any other organization having the same purpose. McDonald's comments concerning this slow and tedious process of political education amount to little else than a monotonous insistence on the importance of political activity and the voicing of his dissatisfaction with past performances in the field.

In conclusion, this chapter dealt with the ideas of McDonald about the systematic and total conquest of his union's job-territory, the main forms of the successful economic exploitation of the same for the benefit of its members, and finally, the political means which should protect and further its survival as an institution. The purpose behind these means was earlier described as the maintenance of a high standard of living in a constantly growing and expanding economic system.

89 <u>Steel Labor</u>, (March 1958), p. 14.

CHAPTER IV

ATTITUDES

In view of the preceding, there should not be any doubt by now about McDonald's determination to integrate the labor movement into the American Dream as an instrumentality of its realization. The way, however, in which he intends to do this can be made more explicit by examining his attitudes toward the economic system, the government, management and the problems of automation. Since McDonald's attitudes are largely implicit in his choice among the possible goals and means of American labor, the following should amount to a partial synthesis of his ideas, paving the way toward the critical analysis of his philosophy as a whole.

THE ECONOMIC SYSTEM AND THE GOVERNMENT

Recalling McDonald's remark about the close relationship between politics and economics, it seems to be convenient to describe his attitudes toward the economic system and the government in the same section of this chapter. The discussion itself will provide further and adequate reasons for proceeding in this manner.

The presentation of McDonald's attitudes toward the economic system can be introduced adequately by the following excerpts from an address delivered at a Philip Murray Award dinner in 1954.

It seems to me that the true test of the worthiness of a social order is its ability to satisfy the just needs of the members of that society, not the needs of a select few. To the extent that a given social order meets this requirement--economically, politically, socially--it is a success; to the extent that it fails to meet these ends it is a failure.

Economically speaking, it seems to me that the people in this country are entitled to a true, effective opportunity of securing among other things the following benefits: 1--An adeauate income to provide a decent plane of living. 2--The assurance of the continued opportunity to earn that income. 3--Ample opportunity to enjoy the fruits of that income. 4--Protection against the disasters of illness and accident as well as freedom from want after retirement.⁹⁰

As to the first paragraph of the quotation, it is relatively easy to recognize in it the principal theme of the catholic social doctrine about justitia socialis, which, of course, implies the eventual readjustment of incomes. scholars, tracing the philosophical influence on American labor along denominational lines, do not fail indeed to identify McDonald among the representatives of this principle on the AFL-CIO's Executive Board. Far more important, however, than the mere ideological tagging of his ideas, is the fact that McDonald's attitude toward the desirable performance of the socio-economic system involves the idea of making society responsible for the economic security of the individual. One might recall at this point McDonald's conception of the unions' ultimate goals, deemed entirely compatible with the American Dream, the correction of inequities within a continuously expanding and dynamic economy. That is. although willing to go along with those who see no other way of eating more pie than by baking continuously a bigger one, McDonald is determined to quarrel about the distribution of the one at hand since there is no other way of

90 <u>Steel Labor</u>, (April 1954), p. 8.

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achieving economic security <u>now</u>. He makes clear his qualified approval of the American socio-economic system in the exalted moments of his inauguration to the presidency of the USWA: ". . .we have proven to all of those who will just take a moment to consider that democratic capitalism, combined with industrial democracy, is without question the best way of life for mankind."⁹¹ However, he expects the system to be dynamic and resilient. And this is how and where the actual blending of his attitudes toward the economic system and the government occurs. The emerging attitude of McDonald can be expressed, at least tentatively, as follows: government intervention in economic affairs seems to be an indispensable condition of modern democratic capitalism. A step by step analysis of the proposed legislative action by McDonald, centered around the problem of economic insecurity, should substantiate this contention and permit the adequate tagging of his philosophy: liberalism.

What are the principal causes of economic insecurity? The second paragraph of the above quoted statement of McDonald provides the answer in an indirect way: (1) inadequate income, (2) unemployment, (3) lack of leisure hours, vacations.and (4) illness, disabling accidents and lack of funds after retirement. After proper organization, the Steelworkers' legislative objectives provide a solid basis for the analysis of McDonald's attitude in question.

To combat the evil of inadequate income the government is supposed to assist the economic system (1) by providing adequate protection for a strong labor movement, (2) by passing satisfactory minimum wage laws, and (3) by helping to maintain full employment.

91 <u>Steel Labor</u>, (April 1953), p. 6.

The adequate protection of the labor movement is proposed through the repeal of the Taft-Hartley Act, the elimination of its Secion 14(b) which encourages "right-to-work" legislation by the States. The pro-employer bias and dilatory procedures of the NLRB constitute other complaints; also, the Walsh-Healy and Davis Bacon Acts are deemed to require corrective measures in order to fulfill their protective function. The plight of metallic and non-metallic miners and quarrymen is also not forgotten. Two statements of McDonald should convey his feelings with regard to the government's responsibilities in this The first one is a criticism of the Taft-Hartley Act: "It is area. elementary that a labor statute should be clear and simple so that those who are to live under it can understand its terms, and be guided by its rules. The Taft-Hartley Act is not clear and it is not simple. It is not a labor law. It is written like a lease or a mortgage."92 The second, an equally vehement rejection of legislative wrong-doings in the form of the right-to-work laws: "The 'rightto-work'--what right? To slave, to plow the field after a day shift to raise beans for the family? To take the son or daughter from school to thread the needles so that body and sould can be kept together?"93

Minimum wage legislation is largely a matter of principle with McDonald but it is definitely the government's responsibility to cope with it. The following are excerpts of his testimony before the Labor Subcommittee of the Senate Committee on Labor and Public Welfare. "Our membership would be little affected by an increase in the minimum to \$1.25 an hour. Even our basic steel minimum

92 <u>Steel Labor</u>, (April 1949), p. 3.

93_{McDonald}, p. 5.

affects only one per cent to two per cent of the employees--mostly janitors and sweepers . . . We feel that although an increase in the minimum will have practically no immediate impact upon their wages, Steelworkers cannot be isolated in their economic progress."⁹⁴ His position on minimum wages involves also the extension of the Fair Labor Standards Act's coverage to all workers engaged in interstate commerce or in activities affecting interstate commerce.

The inadequacy of income, finally, must be fought through the maintenance of full employment at any time; unemployment is the second major cause of economic insecurity for the worker in McDonald's scheme of things. And the problem, indeed, merits the double emphasis. The question is: how does the maintenance of full employment become the responsibility of the federal government? Under normal circumstances government spending is merely one of the factors contributing to the healthy functioning of the economic system. McDonald seems to be a firm believer in this.

The three great mainsprings from which our economy derives its fuel are Business Investment, Private Consumer Buying and Government Expenditures. In our private enterprise economy the first two of these sources of fuel must be the keystone, and they are, of course, both related to the factor of demand--to markets, to ability to purchase.

This is not to say that government has no role. The rate of government expenditures—and the other side of the coin, the rate of government taxation--are intimately tied up with the extent of Business Investment and of Private Consumer Buying.95

In full agreement with the necessity of reasonable profit margins, and as an institutional champion of adequate purchasing power, so far at least as his

⁹⁴<u>Steel Labor</u>, (June 1955), p. 12.

⁹⁵<u>Steel Labor</u>, (April 1954), p. 8.

steelworkers are concerned, McDonald explains thus where the money is supposed to come from in order to sustain full employment and full industrial production. He has no objection to taxes, providing that the tax structure is revised "so as to eliminate loopholes and inequities and shift the major burden of cost onto those most capable of paying."⁹⁶ Broad mometary measures, the occasional juggling of interest rates and inflationary trends are left entirely to the government to be taken care of, as expected, but always with the explicitly stated warning: "If, however, American Industry and our National Government do not pursue policies calculated to prevent inflation, we have made certain contractually, that Steelworkers' real wages will be maintained."⁹⁷

Should, however, the normal business and consumer spending fail, for one reason or another, to achieve full employment and production, McDonald commands an imposing battery of specific proposals to fill the gap; the maintenance of full employment becomes the responsibility of the federal government. To be sure, these proposals are an integral part of McDonald's standing legislative objectives, obviously deemed to be quite normal production targets, the safeguards of healthy economic development. They experience, however, a sudden revival in his mind if triggered by the tell-tale signs of a pending economic slump. If previously considered as the prerequisites of normal economic growth, now they become a <u>condition sine qua non</u> for averting a major economic disaster. Comparative reading of the Steelworkers' Federal Legislative Program and their

⁹⁶<u>Steel Labor</u>, (October 1958), p. 15.
⁹⁷USWA., <u>Proceedings</u>, 1956, p. 202.

gconomic Program⁹⁸ will find such items on the agenda as Flood Control, River valley Programs, Protection of Natural Resources, Assistance of Distressed Areas, Expansion of Public Educational Facilities, Slum Clearance and Public Housing, Government Development of Atomic Energy for Public Power, etc. These proposals are submitted to the President and his Cabinet Members, together with specific ideas about the necessary administrative machinery to carry out their implementation. Thus, McDonald is not afraid to involve the government in the economic affairs of the nation.

The legal justification of this <u>modus operandi</u> and attitude is provided by the Employment Act of 1946, constantly referred to in McDonald's statements and the documents of his union. His special report of 1954, entitled <u>Steelworkers</u> <u>and the National Economy</u>, considers government leadership in economic affairs as vital "for the purpose of keeping America prosperous."⁹⁹ The report, an enthusiastic expression of McDonald's confidence in America's economic future, praises the government's "built-in economic stabilizers, enacted during New Deal--Fair Deal days,"¹⁰⁰ and has this to say about the role of the government: "When the United States Congress passed the Employment Act of 1946 and President Truman signed it into law, the Federal Government was not merely authorized to provide this leadership--it was mandated to do so."¹⁰¹ Although the Act does merely specify that the means used to promote maximum employment and production

⁹⁸See Appendices III, IV, and V, pp.
⁹⁹USWA., <u>Proceedings</u>, 1954, p. 292.
¹⁰⁰Ibid., 291.
¹⁰¹Ibid., 292.

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must be consistent with the needs and obligations of the government, and with the essential considerations of national policy in general, McDonald assumes that his specific proposals are the answers to cope with the situation. At any rate, they would definitely involve the government in the workings of the ecopomic system.

Since the country's ideological climate is not too hospitable to ideas of an "omnipresent government," the implementation of these proposals should be realized with the help and joint participation of the unions and management. McDonald suggests the establishment of a ten member "Advisory Committee" to report periodically to the President on wages and prices. McDonald, Reuther, Lewis, Harrison and Hutcheson could be the labor members of this anti-inflationary committee, and the country's industrial leaders should designate their own representatives.¹⁰² Still another and more ambitious administrative machinery would meet with the approval of the Steelworkers' leader, explained by him to the members of the Economic Club of New York in April, 1958:

I would like to see the President of the United States create immediately a commission which, for lack of a better name, could be called a "Continuous Prosperity Commission," letting the commission consist of just a few of the truly great leaders of American Industry and a few of the top leaders of American Labor. Let these men do some long-range planning for the future.

It is evident that we cannot discount the role of the government in our economy.

But more than we now realize that no civilized country can revert to the days of heartless governmental "hands off." We recognize clearly the government's role in actively fostering the common good.

102 Steel Labor, (July 1957), p. 4.

I cannot hide concern over the fact that unemployment goes up and up, knowing the snow-ball effect of this trend. I cannot sit idly by and agree that this is a reasonable, sensible or equitable way to pay for so-called "rolling adjustments" in the economy.103

Although the long-range "planning" of the liberal is somewhat tempered by the pluralistic nature of these proposed boards, the fact of planning is clearly implied, and repeatedly so: "Establishing realistic goals for our economy would enable us to see when and where we are lagging and even suggest appropriate actions in support of the unanimous desire to keep our economy expanding and prosperous."¹⁰⁴ Furthermore, it is difficult to see how the government either could be kept out of this planning or its presence could further the harmony between labor and management. At any rate, McDonald is inclined to take whatever risks are involved.

Returning to the third point of McDonald's outline about the factors of economic security, he is referring to the opportunity of freely enjoying the fruits of an adequate income. The reference is made primarily to the so-called "atmosphere elements"¹⁰⁵ of the workers' standard of living, their leisure time, working hours, vacations, etc. While direct governmental responsibility in these matters is rather difficult to perceive, future technological development and widespread automation may affect the economic system to such an extent that McDonald's idea will appear more timely; the justness of the economic system will be tested also in these terms.

103<u>Steel Labor</u>, (April 1958), p. 2. 104<u>Steel Labor</u>, (May 1958), p. 3. 105 And finally, the disasters of illness and accidents, the problems of unemployment and retirement be coped with by a successful economic system, claims McDonald. While the contractual "fringes" of his Steelworkers constitute a source of considerable pride for him, it appears that the very same men, as mere industrial citizens, should be entitled also to other and more substantial benefits. First of all, ". . .a national health insurance system in which contributions are based on income, to provide complete prepaid health care with free choice of doctors and patients and with control of medical decisions in the hands of the medical profession.106 Similarly, the scope of his proposed unemployment insurance program should be also nationwide.

Although we feel that the ultimate answer to the shortcomings of the present unemployment security system lies in the establishment of a Federal Employment Security System, we support federal legislation providing uniform minimum standards among the States with regard to benefits, duration, eligibility, and disqualification.

The benefits and provisions of our Supplemental Unemployment Benefit Plans should lead the way for the Government to provide all laid-off workers with two-thirds of their pay for periods of unemployment up to 52 weeks.107

These two ideas together with an innumerable host of relatively minor improvements of existing social legislation should indicate to a reasonable extent McDonald's expectations from both the economic system and the government.

The preceding is presented with the explicit intention of documenting a climate of opinion, an attitude, which is identifiable on the American scene as political liberalism. Its salient feature is a considerable blending of the

106_{USWA.,} Proceedings, 1956, p. 265.

107<u>Ibid</u>., 254-255.

main tenets of the free enterprise system and the encreaching expansion of governmental functions in a modern political democracy. It has to be pointed out, however, that there is still enough free-enterprise spirit in McDonald which makes him a liberal of conservative vintage who is far from considering government intervention indiscriminately as an unmixed blessing. While this qualification will appear fairly plausible after having described his attitude toward management, it is obvious if one is considering McDonald's views on the government's role with regard to the labor movement. That is, however, another matter which can be dealt with in the concluding chapter.

MANAGEMENT AND THE PROBLEM OF AUTOMATION

This last section of the thesis deals with McDonald's attitudes toward management and the slowly emerging but insidious problem called automation. The structural unity of the discussion which follows is relatively easy to maintain since McDonald is a dedicated promoter of the idea of close union-management cooperation. The concepts of cooperation, mutual trusteeship, and the Industry Council Plan define his attitudes toward both management and the problem of automation.

With regard to cooperation, McDonald's address to the American Management Association is a valuable source. His introductory remarks set the tenor of the entire speech.

You are finding new ways, new methods and techniques, you are adjusting yourself to fit the everchanging American scene through research and exploration of ideas by programs of continual education, and its practical application in the management of your concerns.

This approach of exploring the facts, of educating your members through classes and seminars with uninhibited discussions, granting to all an opportunity to exchange knowledge and information which

leads to a program of action, we in the United Steelworkers of America have been employing successfully for some time.

Aside from our basic approach to problems, we have other things in common. We are both organized--you to better serve the interests of management and we in labor, the interests of labor. These two elements unite to form a segment of industrial society. Neither management nor labor separated and alone, acting by themselves, can achieve the end of that limited society--namely, the profitable production of goods. They must join in common effort to achieve that common objective.108

There is the entire ideological basis of McDonald's attitude toward management. A few perfunctory remarks about the interests of two autonomous groups supposedly reconciled through the overriding importance of a common objective which cannot be achieved without cooperation. Hence the emphasis on those traits which unite rather than divide in a somewhat simplified world of industrial society. Its simplification is brought about by slogans: ". . . America does but two things; she buys and sells, "109 claims McDonald. The buyers clamor for the goods of a high standard of living; the sellers must produce more and more to satisfy them; and those directly involved in the productive process have a definite responsibility to cooperate if they wish to be rewarded by sharing in the returns. Thus, the existing differences must be minimized through workable compromises; the facts of life themselves will produce a dynamic pattern of accommodative adjustments and also a mutually acceptable solution to the problem of respective prerogatives. The heart of the matter is to isolate and to hammer away at the issue of the basic community of interest. This is where McDonald's conservatism, of the CIO brand, comes to the fore, and shapes his attitudes as

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108_{McDonald}, pp. 1-2.

¹⁰⁹Steel Labor, (October 1958), p. 2.

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We have been looking around. There is something in the world today, and we have been seeking for a phrase to describe it. The best I have been able to come up with is something like this: We are engaged in the operation of an economy which is a sort of a mutual trusteeship. What do I mean by that? The days of the Andrew Carnegies and people like him are gone. The great corporations of our country are no longer owned by small family groups. Hundreds of thousands of stockholders own the great corporations of America, particularly in the steel industry. . . . The United States Steel Corporation has almost as many stockholders as it has employes. Those stockholders, through the operation of some sort of voting system, employ a group of managers. Those managers are simply employes of those corporations. Then there is another group of employes, known as the working force. Both of those groups have this mutual trusteeship who operate this steel company, or all of these steel companies. This is their mutual trusteeship, and in the operation of this mutual trusteeship they are obliged to give full consideration to everybody involved.110

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This is the original passage of McDonald's address to the 1954 Constitutional Convention of his Steelworkers--a new phrasing of cooperation in their ideology. It is primarily directed toward management, and McDonald is constantly using it as the expression of his own good will and attitudes. While "mutual trusteeship" as a principle is certainly no panacea for resolving concrete issues its twin components, that is, cooperation and responsibility, enable McDonald to blend labor's strivings into the prevalent aspirations of the country as a whole. It suggests rather than raises a basic issue, that of equal partnership, while creating at the same time good will and respectability. Partners are certainly entitled to more than hired hands, and McDonald sees labor's mission in such a light. If the goals of the labor movement, a high standard of living in a continuously expanding economy, are to be achieved, then, McDonald claims,

110 USWA., Proceedings, 1954, p. 12. Businessmen and leaders of industry must believe in an economy of abundance. Too often some leaders in business and industry do not show the vital belief in the private enterprise system necessary to meet the challenge.

Here is one great role of the labor union through collective bargaining--to infuse new life in that belief, to encourage--even goad--industry to rise to the challenge and meet the test. Let us, then, be imaginative, bold without being brash, concerned always for the needs and aspirations of the people, . . .but always concerned to preserve their freedom at the same time.lll

A peculiar form of "goading" by McDonald which characterizes his attitude toward management, is his insistence on management's responsibility for the administration of fringe benefit plans. "One of the fundamental principles to which the United Steelworkers has adhered in the negotiation of insurance and pension funds has been that of employer responsibility for administration . Our primary concern is to protect the interest of our members by seeing to it that claims are handled promptly in accordance with the terms of the contract."112 While doing his best to assist management in the honest handling of these funds, by 1957 McDonald changed his mind on the view he took two years ago that public reporting on the administration of health and welfare funds could be achieved by voluntary action. He makes it clear, however, that compulsory public reporting should apply to everybody: "I cannot find one acceptable reason why any distinction should be made in the matter of reporting between different classes (union, management, or jointly operated) of health and welfare plans. If the purpose of such reporting is to keep the public informed as to the succes

Ill_Steel Labor, (April 1954), p. 9.

112 Steel Labor, (June 1955), p. 12.

or failure of the trustees of such plans in the administration of their responsibilities, then no one is exempt. #113

To sum it up. McDonald's attitude toward management tends to be a businesslike partnership in a spirit of cooperation. As soon as the need for a new function or service is perceived, McDonald and his experts start working on it; they seek contractual sanctions, and if successful they merely police its implementation. The rather tight administrative control from the top down, which characterizes the Steelworkers, enables McDonald not only to match managerial efficiency but also to do some "goading" of his own along administrative lines. Smooth, disciplined, and technically competent action on his part seems to cushion the shocks when and where substantial inroads are made into management's prerogatives. In spite of the fact that the Steelworkers' progress was telescoped into a mere quarter of a century, neither Murray nor McDonald lost the esteem of management while bringing about their phenomenal success. What the future holds for McDonald is a thing to see but the new key man in the steel industry seems to believe in the separation of management and labor, and claims that it is time ". . . to raise the question as to whether the original purpose so many sincere people had in fostering the cause of unions has somehow gotten out of hand. The glacierlike forces of a powerful labor movement, including unions representing workers in hundreds of competitive groups, adopt objectives that largely contradict the competitive principle itself. "114 These recent statements of Roger

113 <u>Steel Labor</u>, (August 1957), p. 4.

114"Key Man in the Steel Bargaining: Roger Blough," <u>Time</u>, LXXIV (June 1959), p. 92.

Blough, who is very unlikely to tour the corporate properties of the American steel industry with McDonald as did his predecessor Benjamin F. Fairless, and the 1959 steel strike are, however, outside of the scope of this thesis.

McDonald himself envisaged the future in a much more confident manner at the moment of his inauguration to the presidency of the United Steelworkers of America: "We are also thinking ahead for the eventual day when the Industry Council Plan will be part of our way of life. The Industry Council Plan was conceived by Philip Murray as long ago as 1938, a plan which even received the stamp of approval by Franklin D. Roosevelt, a plan which we are sure will further improve the operation of our democratic capitalistic system and bring a further degree of industrial democracy to all of the people of America."115 Or. at an ear. lier date but in the very same vein: "The achievement of industry councils and establishment of the guaranteed annual wage throughout industry would be a splendid living memorial to our leader who left us these great legacies."116 These two quotations, however, should not be interpreted as more than a cautious glimpse into the future on McDonald's part. While the guaranteed annual wage plans, which were first mentioned by Murray on December 16, 1937 and became part of the Steelworkers' official wage policy since 1943, were and still are in the center of a sustained promotional activity, the Industry Council Plan is not being deemed practical enough to be considered more than a mere attitude toward the possibilities of the future. To put it more bluntly, the idea is not being "pushed," but it is very much alive for reasons of cogency and previous

115<u>Steel Labor</u>, (April 1953), p. 7.
116_{Steel Labor}, (January 1953), p. 2.

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ideological commitment. McDonald is in full agreement with his friend and coworker, Clinton S. Golden, who believes that the Industry Council Plan is based on the idea ". . that the principal groups in our free society should get together to solve their mutually dependent problems instead of either neglecting them or leaving them to a centrally constituted governmental bureaucracy to try and solve."117 So far as McDonald's attitude toward management is concerned, this principle reaffirms his ideological propensity for a society with strong, autonomous, functional groupings. It stipulates cooperation, mutual trusteeship and planning without being irreconcilable either with political democracy or the free enterprise system. The reasons why this idea is not more activated by McDonald the writer could only guess but not document.

In the introductory sentence of this section automation is referred to as an "insidious" problem. It was done so on purpose; the word seems to convey rather well the quality of McDenald's perception of it. While his thinking usually thrives on sudden emergencies, he is much more defenseless against creeping dangers such as automation. His problem is how to deal with something which is not an unmixed blessing without compromising his own responsibilities; machines are replacing his Steelworkers in the mills for the sake of more efficient and plentiful production. His solution: the machines are good so long as they are not hurting the men, and to keep this from happening labor and management have to cooperate. Direct statements of McDonald concerning this problem reveal little else than this preceding summing up.

117 Clinton S. Golden and Harold J. Ruttenberg, <u>The Dynamics of Industrial</u> <u>Democracy</u> (New York, 1942), pp. 329-330. Perhaps his statement prepared for the Seventh Industrial Engineering Institute, held at the University of California in Los Angeles, is the most representative among them.

There is no sense denying that the use of this new energy from the atom, linked with the ever-expanding automatic factory, will not cause serious problems for our industrial society. Releasing man from physical labor threatens the employment of all men who want to work. There can be but two answers to this threat:

To find new jobs for those who will be released from the old ones; or,

By drastically reducing the number of hours of work that man must give in return for ever-increasing products, and, at the same time, providing sufficient earnings so that he can purchase for consumption the manifold new products. I have stated before that if the great strides in increased productivity do not require labor on fulltime basis for all who are willing and able to work, then we have reached the point where it is necessary to institute the six-hour day or less, with maintenance of wage income.

The problem, however, is really not one of production, and we should welcome all increases, without limit. The real problem is solving the antiquated means of distribution of what is now being produced in ever larger numbers. The needs of our own people are so great, not to speak of the needs of the rest of the world--whose living standards are so incredibly low--that both atomic power and automation can be the twin gifts from science that may rid the world of loathsome war, killing disease, and ravishing famine.¹¹⁸

While McDonald states the basic principles by indicating the general dimensions of the problem, Clinton S. Golden is charged with the responsibility for studying the Steelworkers' automation problems. The former Executive Director of Harvard University's Trade-Union Program, at McDonald's request, came back to the union to conduct inquiries in the hope of close Union-Management cooperation in anticipating and solving the problems. Granted the willingness of management both to disclose its plans for introducing new technology

118 <u>Steel Labor</u>, (May 1955), pp. 4-5.

and automation and to work with the union in finding ways to cushion its impact upon the workers, the unions function could be five-fold in helping to bring about an acceptable solution.

What could the union do?

- First, it might determine factually how many of the workers eligible for retirement are prepared to retire, and then help them secure full pension and other retirement benefits.
- Second, it could find out how many employes want to seek other jobs and endeavor to arrange for severance pay and supplementary unemployment benefits, unemployment compensation, etc.
- Third, it could make a study of the nature of new skill requirements, in the new automated processes and join with management in providing necessary training for upgrading of jobs while employes continue to receive their wages during their training period and until given a new assignment.
- Fourth, the union could try to arrange with management that costs representing severance pay, wages while employes are undergoing training and other related items be calculated as part of such costs.
- Fifth, and it could endeavor to negotiate new wage rates consistent with the upgrading and larger responsibilities that jobs on new equipment may require.¹¹⁹

It is on such or similar terms that McDonald hails electronics, atomic energy and automation: "As president of this organization of 1,250,000, I intend to raise my voice to demand that these great forces be released not to destroy but rather to elevate."¹²⁰ In the meanwhile he is carrying out the traditional trade union function of protest and protection by promoting the White Collar Drive and by opposing compulsory retirement at the age of sixty-five in the steel mills. The White Collar Drive is important because between 1936 and 1956 the number of office and technical workers increased 91.2 per cent in basic

119 <u>Steel Labor</u>, (November 1957), p. 9.

120 Steel Labor, (October 1953), p. 3. 65

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steel in comparison to the 8.4 per cent increase of production and maintenance employes.¹²¹ Compulsory retirement is resisted because the retiring men are very seldom replaced. Similar tactical moves occur after economic slumps or even mild recessions;¹²² the laid-off worker is replaced by a machine. This is why McDonald's entirely reasonable, and, at times, almost academic statements do not have a very convincing effect; a host of small irritating incidents militate against them. While already armed to the teeth with technical proposals to meet the challenge of automation, none of them is really tested, and his attitude is a mere restatement of his willingness to cooperate with management while squarely planting the problem on the latter's doerstep.

121 Steel Labor, (January 1957), p. 3.

122 <u>Steel Labor</u>, (December 1958), p. 15.

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CHAPTER V

CONCLUSION

This thesis attempted to deal with the philosophy of an important, contemporary American labor leader, David J. McDonald, president of the United Steelworkers of America.

Both the subject matter and the method of inquiry are believed to be original; the writer had to follow a previously untrodden path in what is undoubtedly a legitimate research area. As part of a joint research project the thesis was to conform to the following specifications: (1) present and analyze in a systematic manner the ideas of David J. McDonald (2) within the general conceptual framework of goals, means and attitudes as they apply to the American labor movement (3) and as they can be documented through direct statements available in primary sources. The writer's assumption to make practicality the principal point of reference in dealing with the philosophy of American labor leaders is based primarily on their own claims but supported also be most current theories of the American labor movement. Furthermore, the methodological difficulties involved in the systematic investigation of their thoughts substantiate this assumption.

The difficulty is primarily that of proper documentation and terminology. It is especially cumbersome with regard to goals and means. The official Constitutions of American unions follow a traditional pattern of defining their goals in terms of organizing activity, collective bargaining objectives and

legislative programs.¹²³ The fact is, however, that these documents do not seen to keep up with the statements and evolving ambitions of the labor leaders of the day. McDonald, of course, is no exception to the rule, and some structuring and reclassification of his categories was necessary in order to present a modicum of unity and integration in his thoughts--a fairly elaborate whole--a philosophy. The undertaking itself is legitimate in the sense that McDonald professes to have a philosophy and there is enough documentary evidence to support pis claim.

Staying as close as possible to the form and substance of his statements, the writer found only two major streams of thoughts but no real ultimate goals. McDonald's ideas derive from no given set of fundamental principles built into a complete, comprehensive and consistent system of knowledge which would govern his conduct or provide a blueprint of the future. Institutional ultimates in terms of fundamental, political, economic or social reorganization are entirely missing from his thinking.

McDonald takes his clues from a different source; his identification with the basic cultural definitions of America is obvious. He is rationalizing the goals of the American labor movement as positive contributions to the realization of the American Dream. Insisting on the basic soundness and enthusiastic espousal of its two principal institutional tenets--political democracy and the free enterprise system--his American Dream seems to be embodied in the American Standard of Living. This is the term which is the most readily accessible as a realistic goal not only to himself but also to his audiences. The idea of a

123"Principles and Objectives in U.S. Labor Federation Constitutions," Monthly Labor Review, LXXVIII (July 1955), 787-789.

continuously expanding economy whose growth is the only real guarantee of full industrial production and full employment seems to be even more close to the core area of his interests -- another realistic goal for labor. These two ideas seem to function in McDonald's scheme of things as ultimate goals, as the final justification for his actions. Since they appear to set the pattern for almost all of his major public statements, the writer referred to them as the integrating principles of two major streams of thought which are characteristic by virtue of their content and frequency. As to their content, they are housing the ideas of a host of unrealized material conditions, the primary substance of labor's ideals. Self-contained or part of a pattern of major or of minor importance, the constitutive elements of these ideals are to McDonald's mind the goals, aims and objectives of the American labor movement; the correction of both the inequities in the standard of living and the inefficiencies in the functioning of the country's political economy are their principal ideational forms of expression.

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The documentary basis for this assertion, which may appear impressionistic indeed, is relatively easy to identify. There is a long historical continuity running in its favor throughout the reporterial pages of <u>Steel Labor</u> and also in the compilatory work of V. D. Sweeney, the official chronicler of the Steelworkers. The quest itself, by McDonald, for a convincing ideology, for major goals of this nature, can be traced back to the late 1930's, to the creative days of the former CIO's philosophy. If the latter sought broader perspectives, broader responsibilities, McDonald attempts to keep its spirit alive. As to what extent his ideas differ from those of the majority of the merged Federation's leaders the writer cannot say. McDonald claims to disagree with Walter P. Reuther on many points while being a friend of James Carey and George Meany, the ideologically most alert and active members of the present leadership. On the other hand however, it is clear that this orientation regards the labor movement as an instrumentality and the traditional goals of its Constitutions as mere means for promoting a high standard of living and continuous economic growth on a nationwide scale.

For McDonald, organizational activity is an obligation to meet the internal expectations of the labor movement's membership and to control the external circumstances of its efficient operations and institutional survival. Quite logically. it has to cover the entire field of its exclusive jurisdiction not only in terms of occupational stratification but also in a sense of including pessibly all workers paid by American capital who compete directly or indirectly with the labor force of the fifty states. To his mind, the traditional form of organizing an industry takes precedence over labor solidarity in general; mergers and labor unity cannot be bought at the expense of sovereign autonomy. Membership should be available on equal terms to all--with the exception of subversives--who can appreciate the logic of industrial democracy and are willing to accept its institutional structure and administrative procedures. The contractual, legally sanctioned devices of union security, and operating policies in general, are subject to intra-union consent and democracy as far as their ideological interpretation is concerned. Briefly, McDonald learned his organizing techniques with the United Mineworkers and he learned them well from Phillip Murray and John L. Lewis.

MCDonald's economic means are no different from those of the rest of the American labor movement: collective bargaining, grievance machinery and,

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if necessary, strikes. His primary aim is to negotiate a satisfactory labor agreement through collective bargaining. The agreement itself is the function of crude economic power, the imponderabilia of circumstances, and human skill. Consequently, McDonald is relying heavily on a vigorous organizational effort, a special Wage Policy Committee, a carefully prepared master agreement, uniform expiration dates, and planning on an industry by industry basis. The traditional trade-union goals, higher wages, shorter hours, and better working conditions are his concrete objectives. Everything that can be expressed in terms of money is bargained for in function of needs, productivity, profits, and the overall economic situation. A uniform wage structure throughout the entire industry is his trade-mark of industrial unionism; the purchasing power theory of wages is his most versatile ideological weapon to press for upward trends in the matter of wages. The present needs of his Steelworkers and their future security command his efforts to secure "fringes." Since a signed agreement is final and binding, and cannot be changed under any circumstances claims McDonald, the only legitimate meaning of economic emergencies is to point out the ways as to how to avoid them in the future. And finally, while strikes may be sometimes necessary, both the cash value gains and the atmosphere elements of industrial democracy should be protected primarily through an effective grievance machinery.

The political means of the American labor movement are being shaped in accordance with its traditional ideology of no irreversible political commitments; labor is non-partisan and it desires no third party on the American political

scene. In addition to the traditional lobbying activities however, it should be free to organize, to endorse candidates, and in general, to provide the basic ingredients of political power--work, money and votes. Because of mutual interpenetration of politics and economics, vigorous legislative programs are a

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necessity on both federal and state levels. These are McDonald's ideas about political involvement, while his union's educational activity along these lines is beset with the difficulties of intermittent efforts and an indifferent constituency.

These broad generalizations--the writer believes--represent the substance, the main ideas of McDonald's philosophy in terms of means on a purely descriptive level. They are intended to convey a thematic enumeration of ideas, philosophical content rather than a mere descriptive, technical specificity of concrete means. The documentary basis for their presentation is to be found primarily in official policy resolutions. These are ideas very well known to both outsiders and the rank-and-file. Briefly, they are the trade union philosophy par excellence.

McDonald's attitudes toward the government, the economic system, management, and automation are actually a function of his major goals; they are implicit in the ideas of political democracy and the free enterprise system. As a matter of fact, the combination of these two as a social system serves as the ideological model for industrial democracy. Political liberalism, usually disguised as progressive dynamism and resilience, constitute the most salient feature of these attitudes. While the belief that increased governmental participation in economic affairs is not only compatible with the American way of life but seems to be also a necessary condition of it, is a silent assumption of McDonald's carefully drafted programs, it comes to the fore in forms of specific proposals when pending storm clouds gather on the economic horizon. McDonald, as a practical man, appears to be a strong believer in the developmental nature of both the country's political economy at large and also the more limited 行われ

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world of industrial democracy. While political liberalism enables him to advocate changes without having to tinker conspicuously with institutional ultimates of a new social order, he is also convinced that ultimately a slow and step by step erosion of managerial prerogatives holds the key to an equitable partnership--and that is all he desires. Cooperation, mutual trusteeship, and perhaps even the Industry Council Plan provide a fairly cohesive unity of thought with the help of which the not too distant future can be faced with confidence. The problems of automation, especially in the long-run, seem to further the advisability of those ideas rather than to be opposed to them. Since the accommodative patterns of temporary adjustments are well set in the steel industry, McDonald does not fear automation.

As a matter of method the writer considered the description of McDonald's attitudes to be the final step toward a synthesis of his views. Their documentation was possible primarily through the critical screening of McDonald's lists of objectives and goals. This screening process can be carried out by following a methodological suggestion of C. Wright Mills: only those objectives of American labor leaders should be considered as real goals which are in the center of a continuous promotional activity through step by step demands.124 The application of this criterion, which to the writer's knowledge is a correct one for analytical purposes, tends to reduce the bulk of McDonald's objectives to mere expressions of political comment, very much in the manner of Karl Mannheim's diagnosis. Scattered, piecemeal, fragmentary issues, no matter how persistently

124C. Wright Mills, The New Men of Power: America's Labor Leaders (New York, 1948), p. 323.

they are being kept on lists and program sheets, cannot be considered as the focal points of a unitary view, a philosophy or ideology. They are the ingredients of attitudes and are not real goals.

The adoption of this point of view leads the writer to his final comments on the philosophy of David J. McDonald.

If there is a genuine, broad, liberal social movement alive today in the United States. McDonald certainly wishes the labor movement to be a part of it. His attempts to think in terms of major goals indicate an awareness of dependence on outside forces, a quest if not for allies at least for more powerful symbols of justification than the blunt philosophy of "more today, and more tomorrow" could ever provide. This attitude is shaped and kept alive largely through political "hook-up." through the judicious sampling of a loose aggregate of ideas, strivings and aspirations, coupled with the wish to do something about This much is, without any doubt, a long-standing heritage of McDonald; them. on the other hand however, his ambivalent attitude about clear-cut and final political commitment is also clear. He is temperamentally and also by conviction a conservative man. In his attempts to reconcile political liberalism and business-like trade unionism, the requirements of the latter are the decisive factors. While he is very much interested in creating an environment in which certain economic securities are unconditionally guaranteed, the functional autonomy of the American labor movement is of primary importance to him when confronted with the alternative ways of achieving that security.

Hence the rather unspectacular outer shell of his philosophy: industrial democracy in a free, democratic, political economy. The former is an extension of the basic tenets of the latter; their combination: "the best way of life for

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mankind." The mission of the American labor movement is to open up new lines of development, while always mindful of its own functional autonomy and also of the specific historical context which provides the stimulation for new ideas and sets the limits for new developments. The system is to be perpetuated through responsible cooperation between labor, management, and the government.

The very core of this philosophy is trade unionism: economic and political organization of the workers for the purpose of sharing equitably in the profits of profit-making employers. This is the principal idea around which a fairly elaborate administrative ideology is being developed, a specific trade unionist set of mind and vernacular. Its animating spirit is the "ethos of job dependency" which makes society responsible for the economic security of the individual, while placing the burden of its implementation primarily on the shoulders of management and the public at large. The specific contributions of industrial unionism, which McDonald represents, are quantitative rather than affecting the substance or quality of this ideology. As to McDonald's own role and significance in developing an articulate philosophy for the American labor movement, his ideas are those of a circumspect, stubborn, business-like administrator. This is where his talents are to be found and not in the realm of highly sophisticated ideas.

To sum it up, the philosophy of the American labor movement, as it could be traced through the ideas of David J. McDonald, is indeed a specific system of belief that can be identified. The writer, however, does not believe that after having bared the social situational roots of their thoughts a great number of contemporary American labor leaders will be found different from McDonald in anything else but the scope of their orientation.

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APPENDIX I

USWA: MEMBERSHIP AND FINANCIAL STRENGTH*

Local Unions	Membership	Net Worth of USWA
2,200	930,000	\$ 6,859,289,48
2,400	1,100,000	\$10,855,697,14
2,600	1,180,000	\$15,758,439,91
2,700	1,195,000	\$17,626,438,95
	1,200,000	\$20,193,835,15
2,750	1,250,000	\$22,364,856,57
2,850	1,250,000	\$32,106,036,75
2,900	1,250,000	\$33,637,884,87
	2,200 2,400 2,600 2,700 2,750 2,850	2,200 $930,000$ $2,400$ $1,100,000$ $2,600$ $1,180,000$ $2,700$ $1,195,000$ $$ $1,200,000$ $2,750$ $1,250,000$ $2,850$ $1,250,000$

*The table, compiled by the writer, is based on the Semi-Annual Audits of the USWA periodically appearing in Steel Labor /July-January/.

APPENDIX III

Section 2, Federal Program.

We call upon progressive and public-minded citizens in all walks of life to join with us to bring about Federal action as follows: 1998 1997

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1. Repeal the Taft-Hartley Act and restore the safeguards of the Wagner Act, provide the working people with needed improvements and the protection against anti-union elements in our society, and eliminate Section 14(b) which specifically sanctions and encourages so-called "right-to-work" laws by the States.

- 2. Increase the minimum wage under the Fair Labor Standards Act to no less than \$1.25 per hour and extend its coverage.
- 3. Increase further the benefits of the Social Security law and extend the law's coverage to all types of employment.
- 4. Establish a comprehensive medical health plan to provide prepaid medical care for the American public.
- 5. Establish an adequate Federal aid program to enable the States to expand the educational opportunities by such means as new building construction, expansion of the school curriculum, scholarship assistance, and school milk and lunch programs.
- 6. Provide a congressional investigation into the pro-employer attitude and the dilatory procedures of the NLRB.
- 7. Expand the slum clearance and public housing program, including provisions for moderate cost homes for the aged and the middle-income families.
- 8. Repeal the Fulbright Amendment to the Walsh-Healy Act and insure proper enforcement of the Walsh-Healy and Davis Bacon Acts.
- 9. Assure the metallic and non-metallic miners and quarrymen the same benefits of safety laws as are now secured for coal miners under Federal Law.
- 10. Revoke Senate Rule 22 to prevent the filibuster from abusing the free process of debate and frustrating democratic procedures.
- 11. Provide full protection for civil rights and liberties as guaranteed by the Federal Constitution.

- 12. Assist distressed areas to alleviate chronic unemployment in cooperation with labor, industry, the affected States and local Governments.
- 13. Protect natural resources against private exploitation and "give-away" programs.
- 14. Extend surplus food distribution to all people in need.
- 15. Provide for full peacetime atomic energy and space exploration programs directed toward the benefit of mankind and of the world, with emphasis on Government development of atomic energy for public power, medical research and care and other peacetime uses.
- 16. Expand flood control and river valley programs patterned on the TVA; promote projects for low-cost public power and other needed public works; aid local and regional economic development; oppose the Administration partnership proposals with private utilities for development of public power.
- 17. Revise the Federal tax structure so as to eliminate loopholes and inequities and shift the major burden of cost onto those most capable of paying.
- 18. Provide for the expansion of foreign trade and the protection of dislocated domestic workers and industries.
- 19. Protect the rights and interest of veterans.
- 20. Protect and promote small or family operated farms so as to raise their income for a higher standard of living.
- 21. Increase unemployment compensation, extend its duration and strengthen the Federal standards, including a requirement that all States permit supplementation by private SUB plans.
- 22. Protect and promote small business to enable them to compete with large monopolistic corporations; enforce the anti-trust laws fully and vigorously.
- 23. Enact appropriate legislation to aid the labor movement in achieving its legitimate aspirations and to help eliminate corrupt influences from labor and management. Oppose proposals which under the guise of dealing with corruption, seek in reality to weaken and undermine unions.¹

¹United Steelworkers of America, <u>Proceedings of the Ninth Constitutional</u> Convention (Atlantic City, 1958), pp. 541-542.

APPENDIX IV

Section 3, State Programs.

We are aware of the prime significance of sound legislative action by

the State Legislatures. To achieve this objective we propose the following:

- 1. Repeal existing "right-to-work" laws and defeat efforts to extend them to additional states.
- 2. Promote true "right-to-work" laws by programs for useful public works for the unemployed.
- 3. Improve laws governing factory and mining industry safety and inspection, child labor, and working hours and conditions for women.
- 4. Increase workmen's compensation and unemployment benefits, duration and coverage, and liberalize eligibility and other provisions.
- 5. Prohibit injunctions in labor disputes.
- 6. Revise tax laws and ordinances to meet the standards of modern, up-todate, and progressive legislation.
- 7. Secure changes in election laws including relief from restrictive provisions on voter registration and more equitable districting.
- 8. Prohibit discrimination in employment because of race, color or religious beliefs and enact other laws protecting civil rights and liberties.
- 9. Extend and improve minimum wage laws covering intrastate commerce.
- 10. Eliminate interference by States with the payment of Supplemental Unemployment Benefits.
- 11. Ban wage garnishments.
- 12. Provide a Labor Relations Act modelled upon the Wagner Act covering workers in intrastate commerce to insure their right to organize and bargain collectively without intimidation.

Section 4, AFL-CIO Legislative Program.

In addition to the foregoing specific legislative goals we support and will seek to achieve the other legislative goals adopted by the American Federation of Labor and Congress of Industrial Organizations.1

United Steelworkers of America, <u>Proceedings of the Ninth Constitutional</u> Convention (Atlantic City, 1958), pp. 542-543. ŧ.

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APPENDIX V

USWA: ECONOMIC PROGRAM, 1958

The Steelworkers' Union has actively supported an economic program whose major emphasis is directed towards increasing the purchasing power of wage and salary earners throughout the Nation. This program contains nine points as follows:

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- 1. Cut Federal income taxes for lower-income groups by increasing the present \$600-a-year individual exemption and reducing the tax rate of 20 per cent for the first \$2,000 of taxable income.
- 2. Eliminate or reduce most Federal excise taxes. Most of these taxes were enacted originally to reduce spending. The reduction or elimination of such taxes would stimulate demand.
- 3. Enact the Kennedy-McCarthy Bill to raise and extend unemployment compensation benefits. Such current benefits are currently not adequate in amount and too short in duration.
- 4. Institute a broad program of constructive and much-needed public works for such necessary public facilities as hospitals, post offices, harbor development, etc. Such a program will add to the health and wealth of the Nation as well as provide employment for large numbers of unemployed workers.
- 5. Adopt an expanded Federal housing program that would step up slum clearance and public housing, and stimulate construction of moderate cost homes.
- 6. Pass a Federal school construction bill that will enable this country to keep pace with the educational needs of a growing population.
- 7. Provide economic aid for distressed areas whose problems pre-date the current recession and whose problems may well still be with us even if the Economy as a whole moves upward.
- 8. Increase the Federal minimum wage to \$1.25 per hour and expand the coverage of the Fair Labor Standards Act.
- 9. Implement the Employment Act of 1946 by other appropriate Federal action in order to bring administrative performance into line with Congressional intent.l

¹United Steelworkers of America, Proceedings of the Ninth Constitutional Convention (Atlantic City, 1958), pp. <u>38-39</u>.

APPROVAL SHEET

The thesis submitted by Steven I. Pflanczer has been read and approved by a board of three members of the faculty of the Institute of Social and Industrial Relations.

The final copies have been examined by the director of the thesis and the signature which appears below verifies the fact that any necessary changes have been incorporated, and that the thesis is now given final approval with reference to content, form, and mechanical accuracy.

The thesis is therefore accepted in partial fulfillment of the requirements for the Degree of Social and Industrial Relations.

April 10, 1961

0 Signature of Adviser