Trade Unions and the Industry Council Plan

Les Conseils industriels

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Volume 8, Number 3, June 1953

URI: https://id.erudit.org/iderudit/1022947ar
DOI: https://doi.org/10.7202/1022947ar

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Publisher(s)

Département des relations industrielles de l'Université Laval

ISSN

0034-379X (print)
1703-8138 (digital)

Article abstract

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Cite this article

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Industry Council Systems are slowly but surely progressing in the United States. The author analyzes some of the reasons which explain what is holding them back and proposes some concrete methods of a nature to contribute to the realization of this economic-social reform which, nevertheless, is an integral part of the Church's social teachings.

In the present anxious search for industrial peace, more attention is being given to the Industry Council Plan than heretofore. Fortunately for the Plan, as the world gropes for the much desired peace, several organizations are working hard studying the problems raised by these Industry Councils and publicizing the hoped-for results. Two such organizations are «The Industry Council Plan Committee of the American Catholic Sociological Society» with headquarters at St. Louis University in St. Louis, Missouri, and the «Industry Council Association, Inc.» at 12 East 41 Street, New York City. Monsignor Boland is the president of the latter Association. And as added good fortune for this cause, the limited literature in the field has been greatly enriched recently by the publication of Bishop’s Haas’ revised edition of Man and Society and Catholic Social Principles by Rev. John Cronin.

Not only are the students of industrial relations giving close attention to these Councils but political scientists are also interested in this proposed new organization of society because it offers a cure for one of the great failures of present day representative government and that is the failure of such government to give representation. When representative government was evolved, the western world was living under an agricultural civilization and the overwhelming majority of the people gained their livelihood from farming. As a result, the landowners in those ancient parliaments reflected the economic complexion of society much better than do the

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members of our modern representative assemblies.

**Workers' Representation**

For a brief illustration of the lack of economic representation of the workingman in our modern representatives bodies we can cite the present American Congress. In the December 12, 1952, issue of the Labor Leader there is quoted a report from the Ohio C.I.O. Council on the functional background of the members of this 83rd Congress. This report states that 50% of the membership of the Senate are members of the legal profession; 59% of the members of the House are members of the same profession. Agriculture, business, banking, journalism, medicine and teaching are all represented in the Congress by members of these groups. On the other hand, the 15,000,000 trade unionists and the other millions in our vast work force have no members of their groups present to interpret the industrial and economic problems of the working class.

Those who are disturbed by our present system of representative government to give economic and industrial representation, believe that this representation can be provided by the Industry Council Plan. Under the Plan, representation will be given the workers, first through the local labor-management committees, then by the Councils which will guide each industry, and finally by the National Economic Council. As Archbishop Karl J. Alter, of Cincinnati, said in a speech delivered before the Queen City Association a short time ago, the proposed Industry Council system «gives labor a proper voice, instead of a proletarian status in the economic order.»

**Labor's Participation**

Concerning this participation of labor in management, in 1919 the American bishops wrote in their Program of Social Reconstruction: «The right of labor to organize and to deal with employers through representatives has been asserted above in connection with the discussion of the War Labor Board. It is to be hoped that this right will never again be called into question by any considerable number of employers. In addition to this, labor ought gradually to receive greater representation in what the English group of Quaker employers have called the «industrial» part of business management — «the control of processes and machinery; nature of product; engagements and dismissal of employees; hours of work, rates of pay, bonuses, etc.; welfare work; shop
discipline; relations with trade unions.» The establishment of shop committees, working wherever possible with the trade union, is the method suggested by this group of employers for giving the employees the proper share of industrial management. There can be no doubt that a frank adoption of these means and ends by employers would not only promote the welfare of the workers, but vastly improve the relations between them and their employers, and increase the efficiency and productiveness of each establishment. »

Of course, the basic appeal of the Industry Council Plan is its effort to eradicate that individualism which is the great evil of our times. As Pope Pius wrote in his encyclical Quadragesimo Anno: «Just as the unity of human society cannot be built upon class warfare, so the proper ordering of economic affairs cannot be left to free competition alone. From this source have proceeded in the past all the errors of the «individualistic» school. This school, ignorant or forgetful of the social and moral aspects of economic matters, teaches that the state should refrain in theory and practice from interfering therein, because these possess in free competition and open markets a principle of self-direction better able to control them than any created intellect. Free competition, however, though within certain limits just and productive of good results, cannot be the ruling principle of the economic. This has been abundantly proved by the consequences that have followed from the free rein given to these dangerous individualistic ideals. It is, therefore, very necessary that economic affairs be once more subjected to and governed by a true and effective guiding principle. »

Reasons for the Lack of Progress

It is now more than 20 years since the Pontiff addressed this encyclical to the Catholic world. What progress has been made in North America to put this papal program into effect? The answer must be that until recently little progress could have been reported. The reasons for this lack of progress seem to be these. First, we were lacking a road map which would guide us to our objective. The second is the fear on the part of many trade unionists that such a Plan will be used by the «union busters» among management to smash the trade unions. In the more recent years, a steady progress has been made in promoting the pope's plan. Prudently, much time has been spent in surveying the general problem, in seeking and recognizing the major difficulties and

(1) Quadragesimo Anno, No. 95.
then in searching for solutions. Excellent work has been done lately by the limited number of scholars who have had the vision to pioneer in this field.

The third reason for the lack of progress in the development of the Industry Council Plan has not received sufficient attention because among the strongest supporters of the Plan have been such leaders as Philip Murray. Unfortunately, at this time labor is not confident that most members of management accept trade unionism. Furthermore, too many trade unionists are convinced that most members of management will work for the abolition of trade unions. Management is so adjudged because of its opposition to the recognition of unions in the past, the smart tricks still used to circumvent the collective bargaining contract, and because of the attempts to corrupt the union representatives or the prevalent willingness to accept the offers of dishonest labor leaders to betray the rank and file.

If the Industry Council Plan is to be accepted in the near future, trade unionists must be convinced that this Plan does not seek in any shape or form to abolish the trade unions. Confidence and trust must replace that current suspicion which only too frequently characterizes our industrial relations.

**Steps to be Taken**

To build that confidence two steps can be taken. If our Industry Councils are to spring from the grass roots and not be superimposed upon industry by the government then the first thing to be done is to set up labor-management councils on the local or plant level. An organization of such plant councils limited most strictly to those companies whose attitude toward labor is morally correct, will do much to build the desired trust and confidence. The second step will follow from this first. Exceedingly great care must be exercised that no one will be publicly honored by such an association of labor-management councils whose words, actions or company create the suspicion of anti-unionism.

**Long Range Program: Experimentation and Study**

A long range program for the development of the Industry Councils can comprise experimentation and study. Throughout our country
there are Church directed enterprises such as cemeteries, wineries and printing houses which seem to possess the ideal industrial relations climate for the development of labor-management councils on at least the plant level. Our cemeteries, which are not mere enterprises but also an expression of the corporal works of mercy, appear to be not only ideally disposed for such plant councils on the local level, but for the further growth of an Industry Council. It may well be that after twenty years of talk about the Papal Plan for a new social order, that it is now time for the Church directed enterprises and institutions to become not only the leading exponents of social justice but also the outstanding experimenters in creating the machinery for that new social order which is to be founded on justice and charity.

There are those who believe that the Pontiff gave expression to his desire that Church directed institutions and enterprises lead the way in creating this new order when in his encyclical he wrote: «We believe that to attain this last named lofty purpose for the true and permanent advantage of the Commonwealth, there is need before and above all else of the blessing of God and in the second place, of the cooperation of all men of good will. We believe, moreover, as a necessary consequence that the end intended will be the more certainly attained the greater the contribution furnished by men of technical, commercial and social competence, and, more still by Catholic principles and their application. We look for this contribution, not to Catholic Action, which excludes from its field any strictly syndical or political activities, but to Our sons, whom Catholic Action imbues with these principles and trains for the Apostolate under the guidance and direction of the Church, of the Church We say, which in the above-mentioned sphere, as in all others where moral questions are discussed and regulated, cannot forget or neglect its mandate as custodian and teacher given it by God.»

A further development of our long range program will be study. What the Plan will require for success is a good corps of technicians, lay and clerical; statisticians, economists, sociologists as well as theologians who are technically trained in these fields of secular knowledge. Preparing such a group of scholars will require large sums of money. Perhaps some Foundation can be persuaded to help underwrite all or most of the expenses. Bishops and religious superiors might more readily agree to engage in this program if they knew no financial strain would follow. Certainly, the lay scholars would bless any financial aid they received. In passing, if we really have the Plan which will save
the world, then judged by the present small percentage of Catholic laymen possessed of technical competence in the fields of sociology, economics and statistics, not to mention theology, we have much to lament. But then Pope Pius XII in his 1942 Christmas allocution said: «The call of the moment is not lamentation — but action; not lamentation over that has been, but reconstruction of what is to arise for the good of society.» Action at this hour calls for scholarship aid for those possessed of gifts of the mind, but not of the purse.

Important Advice

Of course, all planning for the Industry Council Plan will come to naught if we ignore the advice given us by the American bishops in their 1940 letter «The Church and the Social Order: «We understand that a right social order with a lasting and comprehensive peace cannot be achieved solely through improvement in the economic sphere. The present Holy Father states this clearly in his first encyclical letter:

«For true though it is that the evils from which mankind suffer today come in part from economic stability and from a struggle of interests regarding a more equal distribution of the goods which God has given man as a means of sustenance and progress, it is not less true that their root is deeper and more intrinsic, belonging to that sphere of religious belief and moral convictions which have been perverted by the progressive alienation of the people from that unity of doctrine, faith, customs and morals which once was promoted by the tireless and beneficent work of the Church. If it is to have any effect, the reeducation of mankind must be, above all things, spiritual and religious. Hence, it must proceed from Christ as from its indispensable foundation; must be actuated by justice and crowned by charity.»

Reorganization of Economic Life

Our economic life then must be reorganized not on the disintegrating principles of individualism but on the constructive principles of social and moral unity among the members of human society. In conformity with Christian principles, economic power must be subordinated to human welfare, both individual and social; social incoherence and class conflict must be replaced by corporate unity and organic function; ruthless competition must give way to just and reasonable State regulations; sordid selfishness must be superseded by social justice and
charity. Then only can there be a true and rational social order; then only can we eliminate the twin evils of insufficiency and insecurity, and establish the divine plan of a brotherhood of man under the fatherhood of God.

SOMMAIRE

LES CONSEILS INDUSTRIELS

L’organisation professionnelle désignée aux États-Unis sous le nom de système des Conseils industriels fait lentement, mais sûrement son chemin dans ce pays. L’auteur analyse quelques-unes des causes qui expliquent ces hésitations et propose certains moyens concrets de nature à contribuer à la réalisation de cette réforme économico-sociale qui fait pourtant partie intégrante de l’enseignement social de l’Église.

Il n’y a pas seulement ceux qui sont préoccupés par les problèmes de relations industrielles qui portent une attention profonde à ces Conseils industriels, mais les spécialistes en sciences politiques sont aussi intéressés dans cette nouvelle organisation de la société parce qu’elle offre un remède à l’une des plus grandes lacunes du gouvernement représentatif d’aujourd’hui, celle de n’être pas représentatif. D’après le plan des Conseils industriels, les travailleurs seront représentés, premièrement sur le plan local grâce aux Comités patronaux-ouvriers, ensuite grâce aux Conseils industriels proprement dits et enfin grâce au Conseil économique national. La raison d’être du système de Conseils industriels est de faire disparaître cet individualisme qui est le grand mal de notre temps.

D’après l’auteur, les raisons pour l’absence de progrès dans ce domaine sont les suivantes: la première, c’est que l’on manquait d’idées claires pour nous guider vers cet objectif. La seconde est la crainte de plusieurs syndiqués qu’un tel plan serait utilisé par les employeurs, promoteurs d’ions de compagnies, pour détruire les véritables syndicats ouvriers. La troisième raison qui explique le peu de progrès dans le développement des Conseils industriels et le peu d’attention que ce projet a reçu est que, parmi ses plus forts promoteurs, se trouvaient des chefs ouvriers tels que Philip Murray. Si l’on veut que ces Conseils industriels soient acceptés dans un avenir rapproché, les syndiqués devront être convaincus que ce système ne cherche en aucune façon à abolir les syndicats. La confiance doit remplacer cette suspicion générale qui caractérise trop fréquemment les relations industrielles.

Pour édifier cette confiance, deux étapes seront à suivre: la première est d’établir des conseils sur le plan de l’entreprise; le second pas découlera du premier. Un programme à longue portée pour le développement des Conseils industriels doit comprendre à la fois l’étude et l’expérimentation. Si l’on veut que ce programme ait du succès, il est nécessaire d’avoir recours à un corps de techniciens laïques et religieux, statisticiens, économistes, sociologues aussi bien que théologiens qui sont techniquement préparés dans ce champ de connaissances profanes. La préparation d’un tel groupe de savants requerra de grosses sommes d’argent. Probablement que nos Fondations, pourraient être persuadées d’en assumer tous les déboursés ou au moins une grande partie.

Toutefois, nous devons ajouter que tout plan pour l’établissement de Conseils industriels est voué à la faillite si nous laissons de côté le conseil donné par les évêques américains dans leur lettre de 1940 et établi par sa Sainteté Pie XII dans sa première encyclique.