THESIS FOR M. S. DEGREE

STRIKES AND LOCKOUTS OF THE INDUSTRIAL WORLD

C. J. Foreman. 1896.

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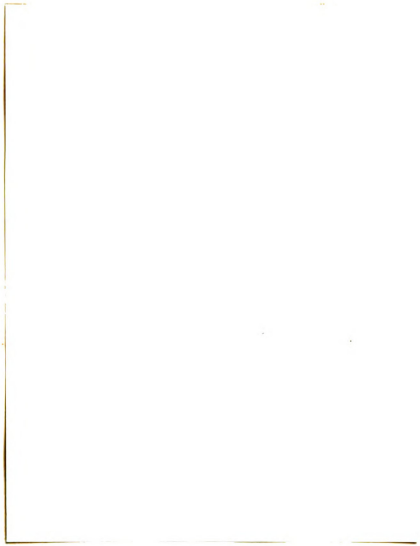

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STRIKES AND LOCKOUTS OF THE INDUSTRIAL WORLD, CAN ARBITRATION AND CONCILIATION BE APPLIED SUCCESSFULLY AS A REMEDY?

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THESIS

STRIKES AND LOCKOUTS OF THE INDUSTRIAL WORLD, CAN ARBITRATION AND CONCILIATION BE APPLIED SUCCESSFULLY AS A REMEDY?

The youth of the American Republic is over. Maturity, with its burdens, its difficulties, and its anxieties has come. The era of expansion that seemed boundless, of careless expenditure, of lavish draughts upon an inexhaustible future, and of the social and political security that belonged to this material condition, has at last closed. Want has shown its face in the land of plenty, and has brought with it the necessity of carefully studying political and social problems analagous to those which tax the statesmanship of the Old World.

The terrible industrial upheavals which have forced themselves upon our notice during the last few years, have led to an investigation of their causes, having for its object the determination of some permanent, honorable, and reasonable solution of this and other phases of that most important of all human problems, the labor question.

Differences between Capital and Labor are constantly arising. They are here now. It is for our employers and our workmen to determine how these differences shall be settled, whether by reason or by brute force, for decide they must and that right soon.

I do not consider the methods of strikes and lockouts, they are neither rational nor civilized. Victory for either side does not determine what was just or unjust in the cause of the strike; but it is just to infer that a decision by a proper board of arbitration, after due consideration, would be as near right as human judgment is capable of determining. A decision from such a source would not be regarded as a victory by one side or as a defeat by the other. There would be no exultation over victory, no smart over defeat, nor a determination to wait for a convenient season for revenge.

I shall endeavor in the following pages to show the feasibility of adopting some method of arbitration and conciliation in our American labor troubles, that the burning questions which are agitating industrial circles today may be settled in a friendly manner and with justice to all.

There are three objects sought for in the formation of boards of arbitration and conciliation. The first is to prevent differences between employers and employed from becoming strikes and lockouts. The second object is to settle disputes that have arisen, and to put an end to strikes and lockouts should they occur. The third object is to promote mutual confidence and respect between these two classes.

Just here at the entrance to our subject, let us dis-

tinguish definitely the difference between arbitration and conciliation. Arbitration deals with the larger questions of trade; conciliation with the smaller. Arbitration with the whole trade, conciliation more often with individuals. Conciliation is not formal; it does not attempt to pass judgment, or to decide in a given case what is exactly right or what is wrong; but its efforts are to adjust in a friendly spirit the differences by influencing the parties to come to some agreement. It removes causes of dissension, and prevents differences from becoming disputes. It precedes arbitration, and deals more with the details of industrial life. It is preventative rather than a remedy, and has value beyond estimation. Its aim is to remove all feeling of bitterness between the parties, to inspire respect for each other, to inculcate a spirit of independence and to compel a recognition of the dignity and worth of labor, and the necessity of capital.

However, the time comes in the settlement of certain questions, when no persuasian is sufficient to enable Capital and Labor to agree. There must be a power to determine as well as to hear. That is, Arbitration must interfere and accomplish what Conciliation is unable to bring about. Arbitration is formal. A board sits in judgment, and after hearing the evidence of both sides, renders a verdict which

is final and binding on both parties. Boards of Arbitration may be voluntary or they may be appointed by the state. They are voluntary when the boards are composed of representatives elected by each of the two parties to the dispute.

Industrial Arbitration is both the name of a principle, and the specific application of that principle. As a principle, it is a method of settling differences between employers and employed. An application of this principle to a specific case would be called arbitration also. There is a custom among the labor organizations of the United States to choose a committee composed entirely of members of the organization that is called an arbitration committee. In some cases the employer is allowed to appear before the committee to state his case, but he seldom has a voice in the matter. Whatever such a method is, it is not arbitration. It is as impossible for one party to arbitrate a question as it is for one man to fight a duel.

Should both parties not agree to abide by the decisions of a board, that board can do nothing in the way of arbitration but can act only as a board of conciliation, and in fact, the most of our labor disputes are decided by these boards.

Boards of Arbitration and Conciliation have accomplished good results in France, Belgium, and England, and perhaps, if we sketch briefly their workings in these countries, we

shall be able, the better to decide its probable result in our own country.

Industrial Arbitration and Conciliation had their origin in France early in the present century. They were introduced by Napoleon,the First, in 1806 at the request of the working men at Lyons. These boards with some slight modifications have continued to the present time under the title of ''Conseils des Prud'hommes''. They are composed of an equal number of members elected from each class with a president and a vice president named by the government.

The authority of these councils extends to every conceivable question that can arise in the workshop, but they cannot determine the rate of future wages, except when requested to do so by both sides. Arbitration is compulsory upon the application of either side, and these decisions are binding like decrees of other courts, and may be enforced in a similar manner.

The'Conseils des Prudhommes' are divided into two bureaus the Bureau Ge'ne'ral and the Bureau Particulier. The former consists of five members who meet once a week; the latter consists of only two members- one an employer, the other a workingman- meets every day.

The'Bureau Particulier' attempts to settle differences by conciliation, but failing in this, the case goes before the

the 'Bureau General' for an authorative decision by a more formal process;which is strictly Arbitration. The workings of these courts have been beneficial to French industries, especially in conciliation, by which more than ninety per cent. of all the cases brought before the tribunals have been settled.

The most remarkable strike in France of recent years, that of the Carmaux miners in 1892, was settled by the arbitration of the Prime Minister, M. Loubet. In this strike the nominee of the Minister of Commerce, who was a state mining engineer, served as umpire. Before the passage of the new law of Dec. 27th.,1892, state officers were often asked to act in settling disputes, but the new law carefully guards against state interference, and limits the duties of even the justices of the peace, so that they cannot assist in the deliberations. During the year 1895, there were twenty nine strikes settled by arbitration.

These boards then, have been a success in France, and it is well to notice that the 'Bureau Particulier'- the board of conciliation- has been called upon to do the greater part of the work in settling disputes.

In 1887,Belgium established 'Districts Councils' of industry and labor. These were created by royal decree, but usually at the request of the employers and laborers. Each

local industry is alloted to a section and is represented therein by six to twelve employers and workmen. At least one meeting must be held annually, but one may be convened at any time by royal decree. They are often asked to deliberate upon the regulation of labor for women and children. In 1891 all the councils were called upon to give advice to the government in reference to the probable effect of rescinding certain commercial treaties. From fifty to sixty of these institutions are in existence at the present time, and the above instance shows the high standing in which they are held by the government.

In 1875 and in 1876 a strike in the collieries of Mariemont and Bascoup was a surprise to all, as the workmen were thought to be well satisfied, and were distinguished from the working people of the neighboring mines by their moral and physical well-being. It was at this time that Mr. Weilor who had been at the head of the mines for several years, was asked to make an investigation. He says:''I was surprised at the great danger arising from the more and more complete separation in the great industries of the employers and their workmen, there being seldom any mutual intercourse except through representatives who are often interested in keeping up the abuses complained of!'

I organized in a part of the service regular meetings between the workmen and the officers of the company, where all incidents occuring in the shops were discussed in common. The beginning was not encouraging. I received only expressions of distrust from the workmen. They seemed to think it a device to bring about a decrease of wages. The meetings were not informal enough, the workmen did not feel at ease. I had to contend with the shyness of the men and so modified the plan. At last the least distrustful decided to make a clean breast of it, and I learned of a quantity of grievances which I had known nothing of before. The workmen believe that ''we seek their injury because it is our profit''. Almost all these grievances have since been removed, much to the interests of the collieries and the well-being of the workmen. They subscribe to our public lectures; they have helped to found libraries, and attend the courses in industrial economy which have been established especially for them.''

The greatest obstacle with which Mr. Weiler met, was the want of organization among the workingmen. The manufacturers opposed Trades-Unions.

The report of the board of conciliation for the colliery of Bascoup for the years 1890 and 1891 is as follows. In 1890 there were 39 general questions; 15 special questions; and 3 individual questions. In 1891 there were 33 general

questions; 12 special questions, and 2 individual questions. These questions had to be first submitted to the ''Chambers d'Explications'' and to fail of adjustment there before being presented to the Board of Conciliation and Adjustment.

The Minutes of the board for June 1st.,1891, have the following;'The President wishes to thank the men for their conduct during the political strike which has taken place without the suspension of work in the mines.''

Mr. Weiler writes in a private letter dated, Jan.1st., 1893. '' I am happy to say that our working people continue to show the most admirable spirit, although they are subject to the severest trials. Wages have fallen twenty five per cent., and as the men were laid off one day in each week, their income was reduced thirty seven per cent. This shows the patience of the poor miners who are sometimes accused of making unlimited demands.''

In our study of Arbitration and Conciliation in Belgium, it is evident that,(a) we must have some form of conciliation in which the workmen will feel unembarassed, the proceedings must be informal, and each side must be on an equal footing with the other; (b) it is easier to treat with organized labor than with individuals in settling disputes.

In Germany, industrial courts were organized in 1890. Each court is composed of a president appointed by the gov-

ernment, and at least two assessors who represent labor and capital. There are 420 assessors in Berlin alone. by this means every trade finds practical representation. Decisions formally reached are binding on all concerned. Two hundred seventeen industrial courts were established in Germany between 1890 and 1893. While during the year 1893,34,647 cases were successfully dealt with.

In Austria, similar methods of arbitration have been adopted as those of Germany. In Sweden,industrial disputes are settled in a police court, while Denmark has arbitration boards consisting of not less than four members, with a president chosen by them. These boards are permanent and no voluntary boards of any prominence are found in either of these two countries.

In Switzerland, twenty five trades-unions have boards of conciliation and arbitration, while the state officials often assist in the deliberations. In some of the cantons, boards have been established by the governments; the last one was organized at Lucerne in October 1894.

In Spain and Portugal, the disputes are settled mostly by the civil authorities. Portugal began establishing industrial courts in 1889, and Spain has a few.

In all the above cases, I believe the success of arbitration at the instigation of the government to be due to

the fact that the people of these countries look upon governmental interference with less antagonism than we do in the United States.

Arbitration and Conciliation in England.

Now let us turn our attention to England. The relations of capital and labor before 1860 were about as bad as can be imagined. A terrible list of riots, murders, and machine breaking is recorded, which grew out of the industrial troubles. Parliament passed an act early in the century, punishing machine breaking with death and six persons suffered the penalty. At last, in 1860, when a universal strike was about to be declaredat Nottingham, there appeared a man who was equal to the emergency. This was Mr. Mundella, who may well be called the father of Arbitration and Conciliation in England. With less prejudice and more foresight than the other manufacturers, he saw that by adopting a conciliatory method towards the workingmen, a great industrial war could be averted. He was right. The board established by him was a success and has stood with little change to this day.

It was simple; it consisted of twenty two members- the working men elected half the members, and the manufacturers the other half. The chairman was an employer and had the casting vote in case of a tie. This was the weak point of the board, but has since been changed; an outsider is now

called in to act as umpire if the twenty two members cannot agree. These delegates have full power and the decisions are binding on both parties. Below this board of arbitration are numerous boards of conciliation, called boards of inquiry before which all disputes must come before they can reach the board of arbitration.

Now, we see that this system is similar to that of France The board of arbitration corresponds to the 'Bureau General', and the Boards of Inquiry to the 'Bureau Particular'. In England the disputants elect an umpire, in France, the chief officer is appointed by the government. Both boards meet regularly. The decisions in France are enforced by law, while in England they are not.

Wolverhampton System.

In 1864, another board of arbitration was established called the Wolverhampton system. It did not differ materially from that of Nottingham, except that its umpire or referee was elected as a permanent figure of the board. Another commendable difference is that a copy of the rules was embodied in the contract whenever a workman was hired, and by this system an award is easily made; while under the Nottingham system an award cannot be compulsory unless enforced by law.

Conciliation in Northumberland and Durham.

In the most important industries of Northumberland and

Durham the way to avoid industrial war has been found and followed with remarkable success. In the coal trade of both of these countries and in the manufactured iron trade of the North of England, the chosen representatives of employers and employed have met together at stated intervals and settled innumerable disputes, established sliding scales to regulate wages, and in a case of a general disagreement, they have referred their decision to one or more independent persons mutually agreed upon. This system has lasted to the present time, and has continued to work through good and bad times alike, and though occasionally under circumstances of peculiarly trying nature, the decisions which have been made have been loyally accepted.

All this has been accomplished <u>voluntarily</u> by the mutual agreement of employers and employed, and without appeal to any law but that of honor.

We find that in all these trades, that the great majority of questions which arise are settled by conciliation, and but very few by arbitration. In a single year 629 disputes were settled in the Durham coal trade, and more than 3000 have been peaceably disposed of in the Northumberland coal trade in an existence of about twenty years, while the committee of the Finished Iron Trade of the North of England has, in the same length of time, met 318 times and settled 900 ques-

tions by conciliation and only 18 by arbitration. This, then is the history of a board of Conciliation which has worked successfully for twenty years in constant practice for industrial peace.

But, you may ask, if this is true, and we can point to many similar boards in other industries, practicing the same method of settling disputes, with as great a success, why have not boards of Conciliation and Arbitration been publicly heralded through the land as a panacea for labor troubles in every industry? The answer is just this, Arbitration has been accepted and forced upon the people but with out success as a state measure. But, Arbitration is only one department of industrial peace, and the least important. It is the department of Conciliation which is the more valuable, and it is this department which has made so little progress, because the spirit of conciliation must originate and grow up between employer and employed. Conciliation must go before and prepare the way for Arbitration.

The Coal Strike of 1893 in the Midland Counties.

The effect of the sixteen weeks' coal strike in the Midland counties of England in the autumn of 1893, was so far reaching and so hurtful to the interests of that country, that a history of the strike and its results forms a very interesting field of study.

Near the close of 1888, a general improvement in the coal trade caused a gradual advance in the selling price of coal until in June 1890,when wages were forty per cent. higher than they were in 1888. This advance in wages had been made at numerous meetings between the representatives of employers and workmen, and had been demanded by the laborers on the ground that the improvement in the selling price of coal justified it.

However, the selling price of coal began to fall in the latter part of the year 1890, and the coal-owners in the Midland districts felt justified in asking for a reduction of wages, but they knew that the Miners' Federation would be strongly opposed to a reduction, and that a severe struggle would likely take place.

The owners realized fully the serious consequences of a prolonged strike, and resolved if possible to avert such a calamity. At last, when the meetings took place in July, 1893, the owners proposed that twenty five per cent. of the forty per cent. given to the men between 1888 and 1890 should be conceded by the workmen on the ground that the price which had risen during that time had now fallen sufficiently to warrant the reduction. The owners offered to submit the question to Arbitration as they were willing to prove by the books that the reduction asked for was fair, reasonable and

necessary.

The workmen refused the offer and a strike ensued. After it had continued several weeks, the mayors of several towns offered their services to bring about a settlement. They met and without collecting evidence from either side, submitted a proposition which was rejected by both sides. Other conferences were held, and finally, on Nov. 4th., 1893, under the chairmanship of Lord Rosebery, it was arranged that work should be resumed on the old terms, and that a board of Conciliation should regulate the wages for at least twelve months.

In the Midland counties the effect of the strike was very disastrous. All the funds of the Union were exhausted; the miners were in debt; the trade was seriously damaged; and the markets for coal were temporarily, if not permanently lost. In Northumberland, Durham, and South Wales, wages had been reduced, but the miners had taken a more philosophical view of the question. In South Wales, a sliding scale had been adopted, and in Northumberland, and Durham, the wise counsels of the leaders had kept the workmen quiet; the miners had worked regularly, and excellent wages had been earned

Here is a case where Conciliation having failed, that Arbitration should have been made compulsory by the state. The government has no right to allow industrial war to disturb trade, break up markets, and discommode the public when

there is a more reasonable, and justifiable method to settle the dispute. The House of Commons should have formed some means of Arbitration, and had it been rejected by the men, a statement of the true facts in the case should have been published as to the earnings of the men, and the false impressions which had gained ground in the mind of the public, and had led them to believe that they were sustaining men who were fighting for a living wage, would have been destroyed. When Arbitration was refused by the men, the owners should have immediately published for the enlightment of the miners themselves, and the public, the facts and figures which justified the demand for the reduction proposed.

The miners were entirely in the wrong. They believed that by the mere strength of the Federation they would be able to maintain wages at any point, and to maintain those wages even in a falling market by the force of combination. This was their great mistake, to be learned only at too late a day. A loss of many millions was incurred in fighting out a question, which could have been avoided by the understanding of the principle; ~~(a)~~ That the workmen must share with the owners of the coal mines in the variations of trade, whether the prices are rising or falling.

A board of Conciliation has been decided upon which will, it is hoped, regulate wages in the future. One lamentable

fact still stands out above all others- that such a board might have been arranged in time to save the sacrifice of a single day, had the proposals of the coal-owners been entertained.

The problem which every person is anxious to solve at the present time is, the discovery of some scheme or system which provides for the remuneration to capital and labor according to the varying states of trade, and which will prevent the capitalist, the workman, and the consumer from being the victims of such a catastrophe as that so recently experienced.

Both the coal-owners and the workmen have come out of the recent struggle with a better insight into the principle, that both employers and workmen should co-operate in sharing the occasional burdens of hard times, and as both sides have agreed to the Board of Arbitration, it is certain that there is a great opportunity for the arrangement of some scheme by which future wages will be regulated and the country ensured against strikes for the future.

Other Arbitration boards have been established in the iron, coal, and cotton industries similar to those at Nottingham, and having for their object voluntary arbitration of difficulties. This is an important point to note, that boards of Arbitration in England are <u>voluntary</u>. The legislative attempt

to establish Arbitration and Conciliation has been a failure. Not a single organization has availed itself of the laws made by Parliament to secure legal arbitration. There are three laws on the statute books of England on this subject, but they are virtually dead letters.

Notwithstanding the fact that the organization of Capital and Labor is more perfect in England to day than in any other country, it is still exceptional to find a trade provided with a permanent joint board of Conciliation and Arbitration, definitely constituted and meeting regularly. Special conferences by representatives of both parties are most common. In fact, the Royal Commission for 1894, has reported against the systematic establishment of boards of Arbitration, endowed with legal powers, but favor the organization of institutions similar to the 'French Councils of Experts. '

In summing up, we find that for the first time in the weaving trades at Nottingham, and in the building trades at Wolverhampton, in place of the organized conflict between employers and laborers, a system has been inaugurated which permanently promotes peace; which has transformed the organization for conflict into a more thoroughly organized body for the solid support of peace. From these industries, the system has spread from industry to industry until it has been adopted in almost all of the important centers of British

manufacturing.

We find times when these boards have been put to the severest test. Their workings have not been always harmonious; the awards have not always been accepted, and when rejected, it has generally been by the workingmen, but this must be expected as long as men are human. But considering their general workings, Arbitration has conferred a lasting and incalculable benefit on the industries of England. In place of hostility; confidence, mutual respect, and often friendly feeling exists where formerly all was hatred and suspicion. It has taken years to accomplish this; the strife of a century is not easily forgotten, and it has not been accomplished without occasional lapses into the old state of things, but the troubles in Arbitration have been so unimportant, that we must draw the conclusion; that Arbitration in England through voluntary boards is a success, and where they have failed was in their lack of legal power to enforce the awards.

We have found that the chief obstacles to Arbitration and Conciliation are;

(1) The refusal of the employers to recognize the officers of the Unions as agents of the workingmen.

(2) Some employers seem to think that sitting at the same table and talking over the rate of wages, hours of labor

and other matters as beneath their dignity, and as conceding too much.

(3) The workmen are equally to blame, for they quite as frequently refuse to make the slightest advance toward a conciliatory course. This is very stupid, it originates in a prejudice against compromise, which, after all, is the basis of every settlement.

The fault lies not in the system, but in the disregard for the objects which the promoters of the system have in view, and the provisions made for their attainment. Voluntary they must ever be, except in so far as the pressure of public opinion may be made to operate in a sufficiently powerful manner to morally enforce their adoption, and also any decision at which they may arrive, after due consideration of all the facts and their modifying influences.

We have studied several experiments in the Old World in Arbitration and Conciliation, resorted to when a difficulty had arisen in a particular industry or branch of trade. They were tentative in character and method, but they have served to show that Conciliation is possible if the employers and workingmen will only reason together on fairly equal terms. Whenever the first difficulty has been overcome, that of the employers meeting the representatives of the men, the contact of the two parties did not produce a further cleavage, but tended more to a mutual cohesion and respect.

Arbitration and Conciliation in the United States.

The belief still exists in the minds of many that, whatever the cause of strikes in the Old World, this country ought to be free of industrial conflicts, if it were not for the pernicious and wicked activity of labor agitators. In determining the influences and agents at work in our industrial disputes, we must necessarily consult the records, and critically review the history of our strikes to determine whether labor troubles are novel in our industrial history and merely the fruit of labor organizations.

A Brief History of Strikes from 1741 to 1865.

It was not until 1741 that those vexing questions which inevitably arise between employers and employed had their actual outbreak in the United States. As is usual, the greater number were for shorter hours or higher wages, and as certainly failed in their purpose, the strikers being locked out by their employers and driven to other places of employment.

The first strike worthy of notice was in 1805, when a Philadelphia shoemakers' union struck for an increase of wages. The strike was a failure, but the charges against the eight men arrested are worthy of notice. They are;

(a) That the defendants were guilty of unjustly and offensively contriving to increase the market price for their services.

(b) That they had tried by threats and other unlawful means to prevent other workmen from continuing on the old terms.

(c) That they had unlawfully met and tried to form themselves into a club and ordain arbitrary and unlawful bylaws for their own guidance as well as well as other workmen.

The jury found the defendants guilty of ''a combination to raise wages''.

At the trial of several strikers a few years later in New York, the judge's charge to the jury was that,''It was by no means clear that an agreement not to work for certain wages was illegal, but that the sole offense of the strikers lay in the unlawful means which they employed to obtain their object.'' The ''unlawful means referred to were coercion and boycotting. The offenders were convicted.

Later on, at Philadelphia in 1815, a trial was conducted on the charge of ''conspiring to raise the price of wages.'' The great point in the case was whether ''peaceably conspiring'' or arguing with the men to refuse to work for certain wages was ''unlawful means''. The defendants were acquitted.

A history of these strikes up to 1850 is a long list of petty quarrels between employers and workmen, in which, there is no suggestion of Arbitration, and when carried to the

courts, the verdicts were unsatisfactory because of the lack of clearly defined laws on the subject.

Fall River Strike.

On Nov. 20th. 1850, the Fall River corporation of Massachusetts gave a notice of reduction in wages, which was followed by a strike in all mills except the Watuppa. This strike from its magnitude caused considerable attention over the country, much distress was felt by the workmen, and $20,000 was subscribed for their relief. The strikers claimed that the manufacturers were receiving sufficient profits, and as evidence pointed to other mills that were running. They also claimed that improvement in the mills had increased their labor and lessened their wages.

While the manufacturers claimed that the improvements had enabled the spinners to run more time and thus earn the usual wages, notwithstanding the reduction. After four months of contention, a workman not connected with the mills proposed that they arbitrate the matter, but neither side could humble their pride sufficiently to accede this much. After a struggle of six months, the mills were filled with new men - the old employes were crowded out - 1300 persons were thrown out of employment with a loss of 140,000 dollars in wages. It had shed disaster upon all concerned and was a severe blow to the prosperity of the city.

Conclusion.

The above is a typical description of the usual strike up to 1865. Here we reach the end of the first epoch of the labor movement. The facts set forth enable us to draw certain conclusions. We observe that up to the time of the rebellion, there were very few strikes against the reduction of wages. The greater majority were for shorter hours and increased pay. This was an indication of general prosperity, for labor felt strong, and any grievance was sufficient cause for a strike. No great organizations existed; trades unions were small and weak, but labor felt that the country was rich and undeveloped. Natural opportunities were open to all; land was practically free, and there was no pressing necessity for accepting low wages. The population was small; natural resources were abundant, and the avenues for enterprise were almost innumerable. In fact during this time, we do not find any real 'problem of the unemployed'. The laborer felt secure and independent. It was natural that he should seek to improve his condition under the circumstances, and his strikes were demands for better terms, and not protests against the encroachments of his employers.

Ushered in by the war of the rebellion is the second epoch of our labor movement. Here we shall find a great change in the conditions and the character of the struggle.

The Second Epoch of the Labor Movement.

The era of the Civil War brought into prominence a vast number of labor problems, due to fluctuations of the currency rapid accumulation of wealth, and the widening of the field for the movement of labor. From this time forward, labor becomes organized, and the history of labor is the history of these large organizations. The strikes become less frequent, but of larger area and of more consequence. The dangers and evils of collisions between employers and workmen become multiplied. We shall note the most important of these, and consider at length certain ones in which Arbitration or Conciliation played any part.

Early Arbitration in Massachusetts.

An organization known as the Knights of St. Crispin was formed at Lynn, Mass. in the year 1868. This order became popular in all the shoe industries, and it is here that we find the first form of Arbitration or Conciliation in Massachusetts. In the spring of 1870, there was considerable trouble between the Crispin lodge at Lynn and the manufacturers. Five of the principal employers met five of the Crispin delegates and arranged a scale of prices to last for one year. Several strikes which had been inaugurated speedily came to an end. This scale of prices worked successfully

for a year, at the end of which time the committee met, and after congratulating themselves on the operation of the skedule, agreed to an other one for the coming year. There was no noticeable outbreak during the second year, but bitter feelings began to be engendered early in the fall of 1871.

The Crispins claimed that they received no sympathy in their efforts to adjust difficulties, that several of the manufacturers cut under the established prices within three months of the date of agreement, and that they were unable to get a meeting of the Board of Arbitration.

The manufacturers on the other hand, claimed that the Crispins became unreasonable in their demands, that certain of them had entered into secret compact to work for less than the established prices. A general spirit of opposition grew up, and in 1872 the manufacturers united to overthrow the Crispin organization. The Crispins joined issue in the struggle for what was to be the life or death of their organization. They were given the alternative of leaving their lodge or giving up their situations, and almost to a man they preferred the latter. After a struggle of some months, in which the Crispins' cause became more and more doubtful, they organized a committee which made an attempt to effect a reconciliation. They proposed;

(a) That the question be not raised, whether the men be-

longed to the Crispin lodge.

(b) That the list of prices be abolished, and that each firm should make its own contracts.

These propositions were refused by the manufacturers, and the Crispins were given to understand that no terms would be accepted until the workmen entirely and finally renounced their organization.

The lodge weakened fast, its power of resistence was lost and its unity broken up. The men either renounced the order and went quietly to work, or were locked out. Thus died the organization which had given a foothold to the cause of Arbitration. Their mistakes were many, but that was to be expected of men strange to the organization of labor.

It is worthy of notice that for the two years in which Arbitration was allowed, the shoe business prospered, and the active and material growth of Lynn was the subject of comment not only in the local press but through the country. Had there been a standing committee to adjust disputes, with frequent meetings, the horrors of the strike of 1872 might have been avoided.

During the next two years, the general business depression bore heavily upon the shoe business, and wages went down so low, that the manufacturers admitted that it was impossible for the men to support their families.

With considerable countenance and aid therefore from the manufacturers, the Unity lodge of St. Crispin was reestablished in 1876. A board of arbitration was established, in which many of the old difficulties were avoided. No claim was made to the right of interference of the right of employers in hiring or discharging help. No strike could be ordered, sustained, or allowed except by vote of the committee on Arbitration, and the unanimous consent of the shop's crew where such strike was to take place.

In the year immediately succeeding its organization, about one hundred cases were disposed of amicably and with out much trouble. Nearly all the cases arose from the employers attempting to cut under what was considered a fair price. The duties of the Board were continuous, and often arduous and difficult, involving the exercise of considerable prudence and patience. Meetings were held as often as required, sometimes twice a week.

These efforts at Conciliation and Arbitration were not permanently successful, not the less, however, did the work accomplished by the Board show the value of the principle. In the fact, that this board differed from the one of 1871 in meeting as often as required, is due its success, and if it could allay ill feeling and prevent strife in a period of depression, what might have been expected of it in 1871?

Conciliation in the Iron Trades of Pittsburgh, Penn.

The city of Pittsburgh is the chief center of the iron trade of this country, and a history of the labor troubles that occured in this vicinity will prove a valuable aid in the discussion of the present subject.

After repeated strikes beginning as early as 1849, with as many failures, the workmen organized a trades union under the name of the ''The United Sons of Vulcan''. The growth of this organization was slow, but by 1863 its power began to be felt, and the Union was recognized. Finally a general conference of representative men from each side, employer and employed, suggested itself, through whom wages were to be fixed and difficulties avoided; while its action was to be binding on all.

This is the first important attempt at conciliation in this country. It involved large interests, and is also the earliest example of a sliding scale used in this country. The fluctuations of the price of iron soon broke up the scale, and in 1866 the manufacturers united to reduce the price of puddling. The workmen refused to accept the terms, and a general lockout was inaugurated by the manufacturers which lasted from Dec. 1866 to May 1867. Here we notice there was no attempt made by the manufacturers to arbitrate the matter. The lockout finally terminated in the old wages being paid.

Although the manufacturers resumed work, they were evidently dissatisfied, and the 'Sons of Vulcan' made an effort to again get the adoption of a sliding scale of wages. We notice that these attempts at conciliation were made by the workingmen. They addressed circulars to every firm in the city, which were responded to willingly by the manufacturers, and in 1867 a scale of prices was agreed upon which lasted seven years. At the end of this time, the price of iron had fallen so low that the scale had to be revised.

The employers were the first to terminate the agreement. In the conference which followed, it was evident that the manufacturers demanded a scale which would work to their own profit. In the previous scale, we find that for every reduction of one fourth of a cent on the card rates, there was a corresponding reduction of twenty five cents in the price of puddling, but in the conference of 1874 there was demanded a reduction of fifty cents, instead of the previous twenty five. This, the workmen refused, but after holding a meeting, they agreed to allow a reduction of fifty cents on the three cent card rates to the two and onehalf cent rates. This, the manufacturers refused and the conference was adjourned with the mutual understanding that there be a general lockout and strike. Had this conference been in the form of a board of Conciliation, with an umpire whose decision had been final, we can see how this disagreement might have been avoided.

Their intentions were just, but their method was wrong.

This memorable strike lasted all winter. In March, the employers proposed to arbitrate, but the men, at that late day refused to do so. At last in April, the manufacturers allowed the employes their terms and the strike ended. No general scale was adopted, but each employer signed the scale for himself.

At the end of this strike, the different organizations of iron workers amalgamated into a federation, under the title of ''The Amalgamated Association of Iron, Steel, and Tin Workers of the United States''. This body has succeeded in establishing scales covering nearly all of the skilled work in the rolling mills of not only Pennsylvania, but also in those states west of the Allegaheny mountains.
It is worth noticing that in nearly every instance, the agreements have been faithfully kept, and where there has been a change in terms, it has been done readily and satisfactorily by conciliation.

Arbitration in the Anthracite Coal Regions of Penn.

It may be said to the credit of Pennsylvania, that in no state in the Union, has industrial Arbitration received so much attention as it has in that state. The first attempt at formal arbitration in this country took place in the An-

thracite regions of Pennsylvania in 1871. The industrial history here has been marked by the greatest fluctuations in demands and prices, and a most terrible catalogue of outrages connected with the labor difficulties has been the result.

At the time at which Arbitration was introduced, there were over fifty thousand persons employed, that had gathered there from all kinds of trades, and different sections ofthe country. The men had nothing in common, they did not readily unite, and strikes were a normal condition with the result generally in favor of the employers. Periods of plenty and of suffering followed each other with grim regularity, recklessness became the ruling spirit, a pandemonium of outrage, violence, and anarchy reigned; such utter disregard for the sanctity of law has seldom been known in a nation.

It was in the midst of such a condition of affairs that two associations were formed, that for years exerted a powerful influence on the trade in this region. The'Workingmens' Benevolent Association of St. Clair''was incorporated in 1868. and in 1869, the'Anthracite Board of Trade'of the Schuykill coal region was formed of operators of the different collieries. Each party was thus representated by an organization that could voice its wishes and intentions. Representatives from these two organizations arranged a scale of wages according to prices for 1869 which was a success.

The representatives of the workingmen unduly interfered with the business of the 'Board of Trade', were arrested for conspiracy, convicted, and imprisoned. To avoid a repetition of this difficulty, an agreement was entered into at the meeting for 1870, which clearly defined the rights of the committees; a scale was also arranged for the coming year which worked successfully.

At the meeting for 1871, the attempt to fix a scale of wages ended in a disagreement. An appeal was made by the operators directly to the men, but they did not respond. Finally at a meeting on May 11th. it was decided to refer the matter to an umpire for a decision. Judge Elwell was chosen umpire and rendered a decision which was accepted by both. parties, but it only lasted until September, owing to the Thomas Coal Co. acceding to the demand for an advance in wages. The demand immediately spread to the other collieries and being refused, the men struck. The terms were finally conceded.

Wages were arranged for the years 1872 and 1873, but 1874 was marked by a strike against a reduction. It is unnecessary to give further details of the operation of this system; it has become an unwritten law of the region, and while several long and important strikes have occured under its operation, this basis system has done away with the petty strikes

of the region.

We have considered quite carefully the history of these labor troubles, as they show most admirably the advantages that result from Conciliation. If in such a trade,with such a class of men as described, and under so many adverse circumstances, an agreement could be reached that was self acting, and regulated wages with the fluctuations of the market, it is evident that other trades under more favorable conditions need not despair of this method of settling the vexing questions that afflict industry.

We notice in all these conferences, a vital error occured in not electing an umpire before a deadlock was reached. It is always best to elect one at the beginning, that he may be present at all meetings and discussions, and be better ableto decide promptly and accurately.

Arbitration in Ohio.

In Ohio, the attention of not only the employers, but of the legislature was early turned to Industrial Arbitration in settling disputes between labor and capital. The first attempt was made in the Tuscarawas valley. The operators announced a reduction of from ninety to seventy cents a ton. The Miners' National Association proposed that a joint conference of the operators' and miners' representatives be had

to discuss the questions in dispute. This committee met in Akron on Dec. 17th. 1874, and unanimously agreed to refer the dispute to a board of arbitration.

The board was well chosen and the matter in dispute was well and ably discussed. The award was accepted and the miners resumed work, except those of the Crawford Coal Company. These men wished to have a check weigh master, a right given them by law, that they would be sure of having their coal weighed correctly. The company refused this and stopped the mine. Rather than employ the check weigh master, they offered an advance of nine cents per ton to the men over the award of the board of arbitration. This was eagerly accepted and the miners resumed work. The other miners, seeing one company voluntarily make an advance, also demanded the same terms, which were finally conceded and the work of the arbitration board was loudly denounced. It is very evident that the company would not have been willing to pay nine cents more per ton than other mines, unless they expected some advantage to arise from not having a check weigh master.

The Terrible Strike of 1877.

We must now turn to the darker side of our history. We have reached the period, at which another industrial upheaval occupied the attention of our entire country. The great

railroad strike of 1877 began on the Baltimore and Ohio Railroad at Martinsburgh, West Va. The immediate cause of the first strike was a reduction of ten per cent. in wages. This, however, was but one of many grievances. The wages were made still lower by irregular employment. Men with families were permitted to work only three or four days per week, and part of this time, they were forced to spend away from home at the Company's hotel, at an expense of often a dollar per day, thus leaving them but thirty to fifty cents for a day's wage. Often this pay was kept back two or three months when it should have been paid monthly. There was considerable rioting and destruction of property in Baltimore, Cincinnati, Toledo, and St. Louis, but the strikers were held in check by troops sent from the West, as the militia only affiliated with the strikers and refused to fire upon them.

In this strike, we find the railroad officials to blame for the manner in which they ignored the rights of their employes, making no attempt whatever to conciliate ~~with~~ their men. The strikers, on the other hand, though willing to arbitrate, grew desperate and became a disorganized mob which had to be dispersed by troops.

This was followed soon after by an other strike; this time by the employes of the Pennsylvania Railroad Company. Orders had been issued that freight trains should be run as

'double headers', thus disposing of about one half of their conductors, brakemen, flagmen, and other miscellaneous help. Here , again, no attempt was made by the company to conciliate matters. The state interfered by sending troops to put down one side of the dispute and protect the other.

The strikers obtained firearms and continually attacked the troops, only to suffer severely in return. The mob was finally dispersed with Gatling guns.

That this mob was accessible to reason is shown by the manner in which they responded to the influence of the Citizens' Committee which succeeded in quelling several disturbances. In fact, they did more real good by peaceful means than the soldiery did with their Gatling guns. From the very beginning, the strikers had the active sympathy of a vast portion of the people of Pittsburgh. The loss inflicted by the mob is estimated at $5,000,000. The whole country was greatly excited over the strike, and the question was repeatedly asked, 'How can such affairs be prevented or the causes leading up to them be removed?

The Telegraphers' Strike of 1883.

The next great strike was that of 1883. There were involved in this strike, the majority of the commercial operators of

the entire country. It took place to secure the abolition of Sunday work without extra pay, a reduction of day turns to eight hours, and the equalization of pay between the sexes for the same work.

The strike was unsuccessful, the employees lost $250,000 and the employers $1,000,000. One of the companies made an agreement with the Brotherhood of Telegraphers to resume business, and this broke the backbone of the strike. No attempt was made to arbitrate the case. I note this strike to show that industrial troubles, because of the organization of labor, are becoming of huge proportions compared with former years. This, I believe to be a help to successful arbitration as there is a chance to locate the trouble and get at it in a tangible way.

The Southwestern Strike.

There were two strikes on the Gould system of railroads, and we shall contrast the two. The first took place in March 1885. The men struck for the restoration of wages which they had received the preceding September, since which date reductions amounting to from ten to fifteen percent had taken place. The strike only lasted fifteen days. This result was brought about through the efforts of the governors of Missouri and Kansas, who assisted in urging upon the parties the

importance of adopting a method of conciliation.

The company agreed to pay the same wages that they had in September, to restore all employees without prejudice, and that here after, rates would not be changed except by a thirty days' notice. The strikers in this affair had the general sympathy and moral support of the public.

The second strike took place in March 1886, because of the discharge of a foreman for alleged incompetency. This foreman was prominent in the assembly of the Knights of Labor which order inaugurated the strike. After a struggle of a month their cause proved unsuccessful.

The strike of March 1885 was generally considered a just one, and its success probably led to the inauguration of the second one on the small grievance of the discharge of a single man. It was ill judged, had no adequate cause, and the disastrous result combined with the lack of public sympathy brings the two strikes into sharp contrast.

The Homestead Strike of 1892.

At Homestead, Pa. in July 1892, there occured one of the most serious strikes known to our history. The Carnegie Steel Company and its employees were unable to come to a mutual agreement in regard to wages and the company closed its works June 30th. and discharged its men. Only a small

portion of the men were affected by the proposed adjustment of wages. The larger portion of the men, who were members of the Amalgamated Association of Iron and Steel Workers, were not affected at all, nor was the larger force of employees, some three thousand in number, who were not members of the association. The company refused to recognize the Amalgamated Association of Iron and Steel Workers as an organization, or to hold any conference with them.

The men who could not secure recognition, refused to accept the reduced rates, and resolved to resist the company in the attempt to run the works with non-union men.

On July 5th., the company employed a sheriff with deputies to protect the works. The employees, on their part, organized to defend the works against encroachments. When the sheriff's men approached, the workmen who were assembled in f force, notified them to leave the place, as they did not intend to create any disorder, and that they would not allow any damage to be done to the property of the company. They also offered to act as deputies, but they were ignored. The Advisatory Committee which had preserved peace successfully so far, dissolved upon the rejection of this offer to serve as deputies and all of their records were destroyed.

It is lamentable to see how persistently the company avoided any attempts to conciliate the matter, and how even

the officers of the law regarded the strikers as not having the privileges of American citizens. The men were willing to arbitrate, but the company was not. Here is the place where an 'attempt to arbitrate' should have been compulsory. No fairer or better field for arbitration has ever been offered in so extensive a strike.

So shockingly unnecessary was all the strife and bloodshed, that it is with something of indignation that one considers them. Experience ought to have taught both sides to adjust the wage scale for less than ten per cent without resorting to methods that would have disgraced the so called dark ages. The wrath of asensible man is justly kindled because the company did not seem disposed to avert a situation that must inevitably tempt men to violence, and bring sorrow into hundreds of innocent homes. Both parties knew full well the fearful responsibility they were assuming. The point of contention was not vital, if wages are to be considered.

Was it wages,or was it principle that the men were fighting for? Legally, the company had the right to say; We will offer only such wages; we will not confer with our men on the wages question; we will not recognize the trades-union; we will lock them all out if we choose, in utter disregard of them or their families.

But morally, it has no right to say any thing of the kind. No one recognizes more fully the mutual duties of employer and men at such critical moments of mental strain than does Mr. Carnegie, as is shown in his published articles.

The Nation and the state of Pennsylvania have dealt so broadly and liberally with Mr. Carnegie, and he has so prospered under the conditions, that he and his associates have been able to bring together under one control the greatest iron and steel plant in the world. There is no competition against them, it is a monopoly. They owe it to their Nation and the state of Pennsylvania to keep the peace with their men, and avert public scandal and the disgrace of open war between their men and hired soldiery. A little more tact, humor, and friendliness, and a little less lawful obstinacy would have affected a peaceful settlement.

We do not wish to shield the strikers. A properly conducted strike is impossible under such conditions. A strike in an establishment like Carnegie's is terrible, it is something infernal, there is no keeping it within bounds. The men should not have resorted to such extreme measures, they should still have clung to arbitration. Instead, they possessed themselves of fire arms, and thereby forfeited all public sympathy. It is true that Mr. Carnegie indirectly did the same, but their assumption of firearms and storing up of

dynamite put them on the plane of anarchists.

Again, was all this for the mere ten per cent of wages, or was there a principle in it? To accept with out inquiry, such terms as the Carnegie Steel Company saw fit to offer, would stamp the hand of inferiority on the workmen at Homestead. Independence is worth as much to the workmen as to the employers. The right to sell his labor in the highest market is as dear to the workman as the right of selling the product of that labor can be to the employer. Every workman should have a voice in determining what shall be the minimum rate of compensation. The fixing of that rate was no hardship to Carnegie, as all steel manufacturers paid the same rates, which were determined yearly. The question at stake did not concern the price so much as the right to a voice in fixing that price.

The corporation, composed of men, delegates its authority to an agent who deals with the men. All bodies of organized workmen, stand in the same relation to the men as the corporation does to the capitalists. One invests money, the other labor. The workmen should have the same right to be heard through the officer of a labor organization, that the corporation has to be heard through the superintendent. This was the bone of contention at Homestead.

The strike terminated after a sacrifice of several lives,

and a loss of many millions of dollars to both sides, besides a bill of nearly a million dollars which the tax payers of Pennsylvania had to meet. With this great sum, there could have been built and equipped, a series of technical and practical trades schools that would have become the glory and pride of Pennsylvania, and rendered incalculable benefit to workmen and capitalists alike.

Against compulsory arbitration, one finds many glib objections; "It would be quite, quite impossible, and would be quite objectionable if it were possible," because certain metaphysical rights might be infringed upon. Men evidently have different views as to the order in which rights should be asserted. I believe that it is the right of the state, which created the corporation at Homestead, to see that some peaceful and regular way is provided for settling labor disputes.

The Chicago Strike of 1894.

Probably the bitterest, the most far reaching, the most expensive strike of our generation, occured at Chicago in June and July of 1894. Beginning with a private strike, it spread to the principal railroads radiating from Chicago, paralyzing commerce, delaying the mails, and in general demoralizing business.

The original strike grew out of a demand of certain em-

ployees of the Pullman Company, in May, 1894, for a restoration of wages paid during the previous year. The American Railway Union espoused the cause of the employees on the ground that they belonged to the Union, and numbering about 150, 000 men it refused to handle Pullman cars unless the Company accededto the demands made upon it.

Another force was soon involved which took up the cause of the Pullman Company. This was the General Managers' Association, representing all the roads radiating from Cnicago, with a combined capital of over 2,000,000,000 and employing more than one fourth of all the railroad employees of the United States. With two such great forces, it is not impossible to imagine a great industrial war that might endanger the safety of our Republic.

That there was no thought on the part of the Pullman Company to arbitrate the matter was shown by the fact the committee appointed by the workmen to wait upon Mr. Pullman was summarily dismissed and almost instantly discharged. And again it was shown by Mr. Pullman's own statement, ''That the question as to whether the shops at Pullman should be operate at a loss or not, is one which it was impossible for the Company, as a matter of principle, to submit to the opinion of any third party, and as to whether they are running at a loss upon contract work in general, as explained to the committee

of men in my interview with them, that was a simple fact which I knew to be true, and which could not be made otherwise by the opinion of any third party.''

The report of the United States Strike Commission was a surprise to many. It is a critical review of the whole controversy and has been hailed with delight by labor organizations throughout the country. It treats the American Railway Union with the utmost consideration, while the Pullman Company's methods and conduct are subjected to a cold searching analysis which amounts to the severest criticism, that has ever been passed upon them. Nothing that Mr. Debs ever claimed or argued amounted to half so relentless an indictment of the Pullman Company as this official document contains, nor is the condemnation of the part which they played lightened or extenuated by a single word. It is not the lawlessness of the Railway Union that fixes the attention of the Commission, but the usurpations, the illegalities, and the tyrannous conduct of the General Managers' Association, which has,for the purpose of fixing wages, consolidated twenty four railway lines centering at Chicago, and which presents an aggregation of corporate interests, in the presence of which the American Union seems almost insignificant.

Many indictments have grown out of the difficulties at Chicago, but all attending circumstances point to one con-

clusion-- that a share of the responsibility for bringing it on rests, in some degree, on every one involved. The strike generated a vast amount of bitter feeling - so bitter that neither party was ready to consider the rights of the other. The strikers claimed that their grievances warranted them in adopting any means in their power to force concessions. The other parties, on the other hand, claimed that they were justified in adopting any means in their power to resist the demands of the attacking party.

It was the most suggestive strike that has ever occured in this country, and if it only proves a lesson sufficiently severe to teach the public its rights in such matters, and teaches them to adopt measures to preserve those rights, it will be worth all it has cost.

The Brooklyn Strike of 1895.

In January 1895, there was a concerted strike of the employees of the Brooklyn Street Car Company, numbering in all five or six thousand workmen. The company are charged with paying low wages, working the men through long and irregular hours, and to have substituted 'trippers' -extra men - for the regular workmen. Nearly all of the newspapers of the city agreed that the men had genuine grievances, which the Company showed no disposition to voluntarily redress, and

that the men were entitled to public sympathy. The people of Brooklyn were also practically unanimous in agreeing with this view. One or two of these lines were induced by the State Commission of Arbitration to make concessions, which were promptly accepted by the men, but there was no movement for general arbitration in the matter.

The Special Committee of the New York Assembly made the following report regarding the strike, "This strike threw out of employment about five thousand men, of whom not over ten per cent. have recovered their places, interrupted traffic in Brooklyn about a month, cost the strikers about $750,000 in wages, and about $275,000 was expended in suppressing the disorder, while the cost to the companies and the business communities cannot be estimated. The causes of the strike were due to the plans by which the companies strove to get an increased profit on capital without giving labor any corresponding benefit. Their plans were of a questionable character."

The Committee does not approve of compulsory arbitration, but says that, "Arbitration had not been resorted to, and had not even been suggested by either party previous to the declaration of the strike. Had that been done and an arbitration had, there is no doubt in the minds of your committee, that the entire difficulty might have been avoided."

Aside from this failure of the men to ask for arbitration, the committee's report places the blame for the causes which led to the strike wholly upon the company.

On the other hand, had the employees taken one fourth the amount they lost in wages to procure legal counsel, and made a public demand for arbitration, I believe that the State Board of Arbitration, backed up by public opinion, would have persuaded the Street Car Companies to settle the matter peaceably.

From a study of the facts and figures relating to these strikes, we rise with the firm conviction that these phenomena cannot be due to the subterranean plottings of a few selfish agitators, but must be regarded as one of the inevitable results of the system of free industry, and they all call the attention of thinking men to the necessity of some sane method of preventing like occurences, or of at least reducing their number and severity.

These lessons have been very expensive, the losses great, but out of it all, there is emphasized upon our minds the all important fact, that there must be some way of dealing with these affairs other than by employing a standing army.

Later Attempts at Conciliation and Arbitration.

One of the most interesting of all the efforts at industrial arbitration in this country, was that in the cigar manufactory of Straiton & Storms, New York City. This board of arbitration grew out of a benefit association that had been organized after the great strike of 1876. The most noticeable feature is, that it is composed of nine persons- four employers and five, the majority, of employees. This board has decided successfully all questions which have come before it. A private letter from Straiton & Storms makes this statement, ''We think that the principle of arbitration has worked to the benefit of both ourselves and our employees, and we think that the moral effect upon the trade in general has been beneficial. There has been a general advance in labor throughout our branch of business, and it has been accomplished without strikes. Our people, by their numbers and intelligence, occupy a position by which they exercise a considerable influence upon their fellow workmen.''

Conciliation in New York, From 1876 to 1896.

The long strike in the summer of 1884 of the Bricklayers' Union for a working day of nine hours, is a memorable epoch in the industrial history of the United States. This led to a formation of a Mason Builders' Association to make a stand

against the Bricklayers' Union. The executive committee of the Mason Builders' recommended a committee to be appointed with a view to the adjustment of differences that existed or that might arise between their Association and the labor Union.

The joint arbitration committee which was formed consisted of ten members, five from each side, with an umpire in case of a disagreement, whose decision was to be binding on both sides. Weekly meetings were held, and special meetings at the call of the chair.

In 1886, after many meetings and discussions, on March,24 the agreement as to the hours and wages was ratified, with this important addition, " That no strike is to be declared until the matter in dispute shall have been submitted to the Joint Arbitration Committee for settlement." The weekly meetings were given up for want of business.

At the first annual meeting of the National Association of Builders in March, 1887, Mr. Tucker made the following statement, "In our efforts for the better establishment of the interests of all, we have established an arbitration through a conference held with our men, and by that arbitration, we cover all disputes that may arise in the prosecution of our work. For two or three years past that work has been going on, and has worked very satisfactorily to both sides.

We have monthly meetings, at which the members on the other side meet us, and any dispute that may arise during the progress of our employment is brought there for adjucation, and every case that has arisen so far has been met and adjusted without any difficulty on either side, and perfect harmony exists. I look upon the very fact of our coming now to this National Convention as being the commencement of a spirit of unity that is likely to pervade our land, and that the success of the movement will grow, and from it the condition of our mechanics will be very much improved through the incentive that will be given from this body."

On September 22nd. and 29th. 1892, certain complaints of the workmen against the employers were considered, and were amicably settled. The minutes for this year do not even mention such a thing as strikes and lockouts, while in every other branch of the Building Trade of New York City, they had been a constant source of trouble.

Never in all the history of this joint committee, has it been necessary to call upon an umpire to decide a question. This in itself speaks volumes for the work of the committee. The gains for the workmen can be seen by comparing the agreement for the year 1885 with that for 1895. Besides minor changes, wages have increased from 42 cents to 50 cents an hour, and the working day has decreased from nine to eight

hours. The employers are satisfied with the results, and the gain for the community can scarcely be computed.

This example of successful arbitration drew the attention of several organizations of workmen, and on May, 10th. 1892, a Committee of Arbitration was formed between this same Mason Builders' Association and a Labors' Union consisting of representatives of the different National divisions of workmen, consisting in all of eleven divisions.

Again, on December 8th. 1892, through the influence of the Secretary of the Mason Builders' Association there was a like committee formed between the Hod Hoisting Employers and the United Association of Engineers. Nor is this all that this one association of employers has done for the good of Conciliation, for they have repeatedly helped to settle difficulties, and they well deserve the good wishes of the people of New York City for their constant efforts to settle those petty difficulties before they become strikes.

Arbitration in Chicago.

In 1887, the labor question in Chicago had assumed a serious aspect. The state of feeling engendered by years of petty fifferences had precipitated the contest. Here again, the Master Masons and Builders were the leaders on the side of the employers, and fortunately they took the right view of the matter. This is their statement to the workmen,! 'We

submit to your consideration that a subject of this kind can hardly be fixed in a meeting of employers, but should be referred to a joint committee of both employers and employees before action is taken.'' Thus the right principle was announciated from the very outset, but it took two months before it was acted upon.

Finally, in July, a committee was formed which met the issue successfully. It consisted of ten members, five from each side, and an umpire. Although he is duly elected each year, the umpire has never been called upon since 1887 to decide a disputed question. Every question has been settled without serious difficulty up to date.

The National Association of Builders on Conciliation.

In March 1887, delegates from 27 cities met in Chicago, and formed the National Association of Builders. This has continued to meet annually, and at every meeting, there has been thoroughly discussed the methods of Arbitration and Conciliation, and as a result, the plan which they have recommended is being introduced into many of the building trades of NewYork, Boston, Chicago and other large cities. Although the plan has been in operation for only a few years, there is every prospect that it will meet with success.

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Have State Boards of Arbitration been a Success?

Thus far, we have considered only voluntary boards of arbitration. What has the State done in this matter and has it been a success? Previous to 1886 there were laws that provided for the creation of local boards of arbitration in each county, but diligent inquiry fails to reveal that the laws were of any real use. It is found that voluntary boards were resorted to, and that both employers and employees had a decided aversion to statutory machinery. Pennsylvania in three trials found her laws unsatisfactory. The other states had not thought them worth trying.

In 1886, we find a new departure. Massachusetts and New York inaugurated a system of local boards with a state board of three members appointed by the governor, and having jurisdiction over the whole state in case of appeals. A year's experience convinced the boards that, as a court of appeals, they were superfluous,- not because the local boards were sufficient, not because there was a dearth of disputes to settle, but because there were no local boards called into existence. The testimony of all labor bureaus and other experts as to such boards is that they have been practical failures wherever they have existed in the United States.

These boards, having nothing to do, sought to justify their existence by appealing to the disputants, and in spite

of the fact that they were only courts of appeal, they tendered their services as mediators where ever strikes occured.

This led to their reorganization with fuller powers, and to their being given not only the right, but the duty of initiative in settling disputes.

The power granted to these boards was considerable. The board must put itself at once in communication with the contestants and tender its services, and upon the joint application of both parties, it must proceed to investigate and settle the dispute in question - the decision to be binding for six months. In case either party or parties refused to accept the offices of the board, it might proceed to a thorough investigation for the purpose of declaring which of the contestants was to be blamed for the breach of industrial peace, and the verdict of the board was to be made public, and reported to the legislature.

It is evident that this was not compulsory arbitration. It could use compulsory measures in the investigations and publish the facts in the case, that the public might condemn the censured party, but the success of this method depended on the degree of susceptibility of the censured party to the unenviable notoriety of being made the mark of public criticism. Experience has shown that public opinion is capricious

and the most culpable persons sometimes indifferent to it; yet the element of coercion is a real one, and the alternative presented to the party to have mediation forced upon him may prove disagreeable or even disastrous to him if he declines.

To some people, the possibility of state intervention seems intolerable, and a menace to business rights. To others it seems the official recognition of the vested rights which the public has in every business enterprise. To the boards themselves, the new powers seemed as essential and as natural as the right of a fire department to respond to an alarm without waiting for a joint petition from the owners of the property and the incendiary.

The accompanying table gives a brief summary of the system of state arbitration in the United States.

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Summary of the Boards of Arbitration of the United States.

State, date of law;	State or local;	Composition;	Power of;	Industry;
United States. 1888.	Local.	Commission of 3.	Advisory.	R.R. and Trans.Co,
Cal. 1891.	State.	Commission of 3.	Decision binding.	Any.
Col. 1887.	State	Commissioner of Labor.	Advisory.	Of 25 employed
Iowa. 1886.	County tribunals.	Equal number from each side.	May be made binding.	Manufacturing.
Kansas. 1886.	"	2 from each with an umpire.	Decision final.	Any.
Louisiana. 1894.	State.	"	Decision published.	Of 20 employed.
Maryland. 1888.	Local.	Judge and two from each side.	Decision final.	Any trade or man'f.
Mass. 1890.	State.	One from each side and umpire.	Decision binding for 60 days.	Of 25 men employed.
Mich. 1890	"	Three appointed by the governor.	Decision binding.	Any.
Missouri. 1889.	Commissioner of Labor.	Com. and two from each side.	Decision published.	Any.
Montana. 1887.	State; Local;	One from each side. Optional.	Decision bind.	Of 20 men " " "
N. J. 1892	State; Local;	1 employer& 2 others. 2 of each side & U.	" " Decision appealed.	Any. Any.
N. Y. 1886-7.	State; Local	1 Emp. 1Dem.1 Rep. 1 of each & umpire.	" final. " appealed.	" "
N. Dak. 1883.	Com. of Labor.	By request.	Mediation.	Of 25 men.
Ohio. 1894.	State board. Local	1 from each side "	& U. Proceed. Pub. Optional.	" " " "
Penn. 1893	Local.	3 from each, and 3 named by judge.	Final.	Min.Man. & Trans.

With all this machinery, we are surprised to learn little or nothing of its actual work, the strikes seem still to grow larger and more extended. But these boards accomplish more than they decide. Their work is largely preventative. They remove the excuse for resorting to industrial warfare. They lend official dignity to the principle of Arbitration. They menace the guilty with the displeasure of public opinion and they strengthen the weak with the hope of aid against oppression. The tendency of public opinion to take sides in labor controversies would be fraught with grave dangers if unaccompanied by dispassionate investigation, and a rigid adherence to facts.

The machinery is waiting, the field for operation is ready, but we need some force to bring them together. The system has failed to impress on the minds of employers and employed the fact that they forfeit their claim to public sympathy, if found guilty of precipitating industrial warfare without a genuine effort to secure redress by means of the machinery which is provided for the purpose by the state.

It is now evident that the state must take the initiative in the matter, but shall we have compulsory arbitration? Far from it. By such means we should be compelled to force the award of the committee upon the employer and if it is unreasonable, thereby compel him to go out of business.

Compulsory arbitration must provide for compulsion at each stage of the controversy, for without it, an award made without power to enforce the judgement would be ridiculous. Compulsory arbitration must compel the parties to accept the result and with that power, it is none other than a lawsuit. This is against our principle, 'to settle the matter amicably that there may be no waiting for a convenient 'season of revenge'. We wish to promote good feeling rather than to dispel what little confidence has already been established.

But if we cannot have compulsory arbitration, can we not at least make the '' attempt at arbitration'' compulsory? We have found that in nearly every case that voluntary arbitration was successful. What we want is compulsory - voluntary arbitration. This would have compelled Carnegie and Pullman to have made at leat the attempt to arbitrate their disputes.

On the other hand, the experience of state boards has been that the employees seldom make any resort to the machinery for arbitration until they have tried the method of strikes with disappointing results. Obviously they have nothing to lose. It is hardly fair for either opponent, who has deliberately chosen the kind of weapons, to call upon his adversary to drop the sword just when the issue seems unfavorable.

How are we going to do this? We must first get the par-

ties in such a position that they are responsible to the state and to each other for their conduct. The employer is already amenable to the state. We must also have the labor organizations incorporated and accountable to the state. That employers cannot make legal contracts with labor organization as they are now constituted is evident, and that they sometimes weary of the farce is to be expected. It is merely a mockery to insist upon entering into contracts in which only one of the parties is in a position to supply the guarantee of performance and good faith. Society does not tolerate even common business without some guarantee of good faith. Much less then, should any organization presume to contract for the sale and delivery of labor until it has been properly organized under the laws of the state, been granted a charter, and an adequate guarantee fund been deposited in proportion to the membership of the organization.

With both parties responsible, and subject to legal contracts, we can go farther. We need no longer deplore the 'right to strike', but the 'need to strike'. We have proven conclusively that voluntary arbitration is the most successful; and this when the board is composed of an equal number of representatives from each side with the addition of an umpire. We have settled conclusively upon the right method. Can we force its adoption? Can we make the 'attempt to arbitrate'

compulsory?

In the case of corporations, the task is very easy, and we are dealing with corporations. The state has made them, it can unmake them, or prevent them from doing business for any length of time. The state has given them their power, it has the right, and the duty to limit that power so that no injury is inflicted. The state can say to either side, only on these terms will we give you a charter; only on these terms will we allow you to exist. This is an extreme measure. If either side refuses to make the attempt to arbitrate, they can be compelled to suspend business until the demand is acceded to.

We shall only ask them to voluntarily arbitrate the matter, it will rest with the disputants whether the decision shall be binding or not. We do not wish to make the award compulsory as a power wielded by the state. Well, suppose they do discuss the matter fully and do not arrive at an agreement, what then? This is an extreme case; we must court publicity; the facts must be published, that the public may know clearly whom to censure.

The increasing tendency of organized public opinion to take sides in labor controversies, and furnish material as well as moral support would make it not only unpleasant, but extremely menacing for either side to refuse to arbitrate a

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To be inserted after line three page 64

A break in the argument occurs here. I regret that a portion of the text was evidently omitted by the typewriter. It is difficult, at this late date to recall the contents of the manuscript, but I will endeavor to give a crude outline as it occurs to me, reserving for some future time the working out in detail and in legal form.

In case the labor-corporation refuses to arbitrate, or in case of breach of contract, the Labor Commission should have power to annul their charter, to compel them to forfeit the sum which they as a corporation had previously deposited as a guarantee of good faith, and to grant the employer permission to continue his business with non-union men. The employer in return for the protection which the state affords him should be compelled to carry out his part of the investigation. Should he refuse to respond to the subpoena of the Commission

or refuse to comply with the requirements, he should be liable to the penalty of the law, even to such a degree as forfeiting his charter, and being fined or imprisoned for contempt. Should either party refuse to abide by or accept the verdict of the board, it should be the privilege of the second party, by and with the consent of the Commission to appeal to the Supreme Court asking that a writ be issued compelling the said first party to abide by the verdict.

The Supreme Court should have power to reverse or modify the verdict of the board of arbitration. This places all compulsory arbitration in the hands of the Supreme Court.

matter, unless in their judgement, it was very unfair to themselves. Public opinion would act as a lash to the back of the man who refused to conciliate the matter.

If society has not provided adequate means for redress, no one can blame an individual for protecting his own rights in his own way, but a bonafide offer of arbitration should always be required before society condones an appeal to force.

Let us do away with our state boards of arbitration. As a board of appeals they are useless, only as a board of conciliation are they of any use whatever. In their place, we shall have a single man appointed as Commissioner of Arbitration and Conciliation. His duties shall be mostly executive Immediately at the beginning of a dispute, it shall be his duty to subpoena one or two of the most prominent men from each side, and it shall be the duty of these men to form a board of conciliation. They are to use their joint influence for a peaceful settlement, and to assist in the convening of a board of arbitration or conciliation to consist of an equal number from each side, with the addition of an umpire. Upon the refusal of either party to respond to the subpoena, the penalty shall be the same as that for a refusal to arbitrate the question, as determined by law.

As a part of their duty to the public welfare, the employer shall be obliged to give a notice twenty days previous to

a general dismissal of employees, and the same notice shall be required of employees before quitting their service.

In the meantime, a board of arbitration shall be established, and an effort made to settle the question. Such a method, while in nowise involving a radical change, I believe would amply guard the public against the evil effects of labor disputes, and at the same time be eminently fair to both the employer and employee. It would give to each side time to adjust and prepare for any change of position that would seem necessary, and would fully recognize the principle 'that violent change is rarely healthy change.'

With the state sanctioning and inaugurating boards of conciliation that are voluntary, and composed of the disputants themselves, and with public opinion demanding them, a tendency will soon arise, as soon as the advantages of the system are seen, to form permanent boards of conciliation, to which all matters of dispute can be referred and amicably settled.

Conclusion.

Arbitration in order to be most effective for good, must not only be compulsory in the sense of requiring the two parties to the controversy to appear before a board of arbitration and submit their grievances to a full examination, but

it must be imperative with the board to take whatever testimony may be necessary, and to publish the same, if either party fails to accept the award, for the general information of the public. Under present conditions, public opinion too often has to rely upon garbled information, and this becoming inflamed, becomes only another source of violence.

Any system of compulsory arbitration which attempts to do more than has been outlined above might easily become more unbearable than the disease it attempts to remedy.

I have not forgotten that the present constitution of industrial society is not for all time. There are great and vital changes that must take place. While this is true, the practical question for us is, what, in the present condition of the relations of capital and labor, is best calculated to harmonize these relations, and give to each party its just proportion of the results of their united energies.

I believe that the practice of conciliation and arbitration will tend to these ends. As a result of the fair and open discussions of the boards, knowledge will be acquired, the views of each will modify the others, and out of it, and as a result of it, will come such relations between capital and labor as will effectually put an end to industrial conflict.

The new way of reason and respect for the rights of other will win. It is not an end nor a solution of the problem, but it is on the way to the end, and is much better than a strike or a lockout.

It will be a day of the greatest promise, when in our state, we shall put aside our prejudices and notions of the past, when we shall realize that something higher than brute force has come into the affairs of men to adjust and harmonize them, and when, acting on this belief, we shall urge forward an industrial reorganization on the basis of reason and right. There can be no nobler or more sacred work for men to do.

--- The End ---

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