A Critical Appraisal of the Human Relations Philosophy of "The Mayo School" In the Light of the Labor Encyclicals

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A CRITICAL APPRAISAL OF THE HUMAN RELATIONS
PHILOSOPHY OF THE "MAYO SCHOOL" IN THE
LIGHT OF THE LABOR ENCYCICALS

by

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A Thesis Submitted to the Faculty of the Institute of Social
and Industrial Relations of Loyola University in
Partial Fulfillment of the Requirements
for the Degree of Master of Social
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1956
LIFE

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CHAPTER I

INTRODUCTION

Industrial relations are, like much of the other areas of contemporary civilization, difficult to understand and appraise. From the Industrial Revolution down through the two World Wars and post-World War decades, there seems to be a discernible trend in which there was a strong movement away from dictatorial policies of entrepreneurship and toward increasing freedom and power and prestige for employees.

In totalitarian states that arose in several European and Asian nations, a totalitarian political philosophy had been substituted which relegates labor to a position of subservience comparable to that of the period before labor organization became general. In totalitarian states, labor fronts have replaced free labor unions, and working conditions have come to be determined by governmental edict rather than by collective bargaining or the mutual cooperation of employers and employees.

In the United States, public policy has encouraged more extensive freedom of action for unions and at the same time greater security has been provided for the worker through
compensation during unemployment and retirement. Management's right to hire and fire arbitrarily has been curtailed by the proscription of unfair labor practices, by seniority and other provisions of collective agreements. Modern industrial civilization has affected workers' attitudes and living habits tremendously, and at the same time legislation has encouraged labor to expect and demand from management policies that are highly considerate of workers. For managers of modern business and industry these changes have created many new problems.¹

The relationships of managements and employees in large companies have become increasingly impersonal. In much less complex societies, employers tended to feel personal responsibility for their employees and planned business expansion in terms of that obligation, whereas the present impersonalization of such relationships creates a multiplicity of new problems. In the separation of interests, there is a distinct need for increased democratization of industry, with employee representation in production planning. In most situations, labor-management cooperation in such activities is an approach to the effective establishment of industrial peace.

The significance of labor costs has achieved a new recognition, and the efficient management of labor has become the

most pressing of modern managerial problems. Under these circumstances, the problems of modern industrial relations in the United States have been greatly complicated. The challenge to modern personnel administration has grown along with its opportunities.

Personnel management is the managerial aspect of industrial relations. Its principles represent the answers that business and industrial administration gives to the numerous and complicated questions arising out of modern industrial relations. Study of the administrative phases of industrial relations may well begin, therefore, by analyzing theoretic concepts of scholars who have made significant contributions to the general areas of industrial philosophy. An understanding of that background may assist in gaining insight into the purposes and functions of the present-day practice.

It is now recognized that many scientific problems underlying the practical problems of personnel control are sociological and psychological in nature. The considerations of cultural anthropology are beginning to be applied to the problems of modern industrial society. They involve behavior that is conditioned by culture, institutions, customs, folkways, and other aspects of tradition. At the same time, they are group phenomena rather than individual behavior, and they must be analyzed in terms of group characteristics, that is group opinions and similar features, rather than in terms of
individual characteristics. A great portion of the behavior involved in strikes and union activities is of this kind,\(^2\) and it is very probable that a vast realm of less spectacular behavior is explainable only in terms of group characteristics.

One of the constant problems of personnel administration is that of maintaining an effective morale throughout the whole work organization, securing teamwork, detecting and utilizing leadership,\(^3\) and understanding the points of view with which the whole industrial force regards administrative practices and policies. Modern management recognizes the elementary importance of employee morale. Extensive analysis of the informal group structure has led to the development of a technique which can be generally described as attitude analysis, whereby morale may be measured. For such group analysis the approach of sociology has been used quite extensively, and numerous investigations of these problems authenticate its usefulness.\(^4\)


Attitudes may bear a simple or a complex relationship to the motives with which they are associated. Motivations directed toward particular objects can be considered in the larger framework of human attitudes. "An attitude is simply a learned tendency or readiness to react to a specified object in a predictable manner and direction but not with an automatic or invariable response."\(^5\)

Many problems arising in industrial life require the techniques of economics for effective analysis. The entire economic process, in which men combine land, labor, capital, and entrepreneurship to produce and distribute goods and services, is obviously the setting for all major industrial personnel problems. The test of personnel policies and practices in industry is their contribution to economic effectiveness and efficiency. If they make for more efficient production and distribution, they may thereby justify their cost.

Every personnel function is thus subject to evaluation in economic terms. More important, these functions must be carefully appraised in terms of their economic implications, both for the individual and the group. What, for instance, are the economic implications and impacts of various types of selection and recruiting policies? How do they affect employ-

ment, earnings, and less directly, investment and savings of workers? How are economic conditions affected by various systems and methods of compensation, by accident and health programs, by protective legislation for workers, by collective bargaining? The whole field of labor economics represents the economists' answer to questions such as these. Bargaining power, for example, is the power to impose the terms of a bargain upon the other party. The ability of one party to compel the other party to accept terms favorable to it depends upon the cost to it of imposing a loss on the other party.

The problems of industrial relations and especially of personnel management extend beyond the immediate economic relationships of wages, hours, and employment, as previously implied. The point is that society has only begun to realize that it is socially and commercially profitable to study the human power of industry as well as non-human resources. To begin with, private business is primarily interested in profits. It seeks so to utilize its labor power as to secure maximum long-time returns on the costs of such power. To that end, it looks to every aspect of labor management to determine how each may contribute most to its basic, long-

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time objective—maximum efficiency in the use of labor. Accordingly, industry engages in a continuing critical examination of all its managerial policies and practices affecting labor. Industrial research attempts to evaluate these features of management to try to discover a measure of their effectiveness in maximizing profit expectations and to ascertain how, in the light of available scientific understanding of underlying principles of management, such policies may be made more effective in securing maximum long-run returns from the labor power that is involved.

As unions have come to represent increasing numbers of workers, they have emphasized their desire that management deal with them as the representative of the group rather than dealing direct with the workers as individuals. In part, this attitude represents a rather natural reaction against the paternalistic and other features of earlier managerial efforts; in part it is in conflict with the goals of unions. A conclusion that can be reached here in view of this significant change is that management must cease thinking of a worker as an individual "economic man," who is always trying to get as much as

7E. Wight Bakke, Mutual Survival (New Haven, Conn., 1946), pp. 3-4.
possible for as little as possible, and who sometimes gangs up with others similarly motivated. It should turn its attention to the social structures developed by employees inside the plant, and try to understand their nature. It is only through a human relations perspective that such understanding can be reached.

In industrial relations, "good" and "evil" are not subject to discovery by any purely technical explorations but must be defined by the exercise of value judgments. It is generally, although by no means universally, accepted that the existence of industrial warfare in some industries between management and labor is as undesirable as the coerced peace that is often found in others. If we wish, nevertheless, to reduce the intensity of conflict in the industries characterized by a "high" or "medium-high" propensity to strike, without resorting to a social strategy of divide and conquer in an effort to create environments such as those surrounding the workers in some of the "low" or "medium-low" industries, what is the most general principle of human relations to be followed? It is simply stated by saying that it is integrating the worker and his associations, and the employer, as fully as possible into the general society without coercion. This is, of course, a prescription which is difficult, but not impossible, to apply.

Research up to the present has been carried on almost
entirely in factories. There has been a tendency to confine attention to problems that emerge there, problems that can be solved by facing what is often called the "realities" of the work situation. This kind of approach occurs as a consequence, in part, of the fact that such research may be subsidized by the factory owners or management; thus the researcher is expected to produce findings which those owners or managements can make use of in the conduct of their business. Yet all subsidized research faces this problem to some extent.

There is a second, more serious, problem: the difficulty of generalizing from findings in a given work structure to other work structures. This problem arises in part because the researcher rarely has the time to study more than one work structure or a segment of it, and in part because of his inattention to the formulation of a conceptual scheme which would indicate the direction that such generalization may take. This leads to a tendency to study the factory as an isolated unit, a "social system," and at the same time to limit the area of human relations in industry to the status of a practical discipline, in which there is an application of existing knowledge to specific problems. This is not to suggest that current research has ignored the relation of the factory to the com-

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munity, labor unions, to the family, etc. Rather, the unity of study and analysis is the factory or shop, and these other factors are of concern insofar as they may help to explain behavior in the factory.

Much of the social research done in industry has devoted itself to the study of managerial practices which enhance or lessen worker productivity. These studies tend to adopt a "social engineering" or "clinical" approach. They are not generally inspired or guided by theory in the social sciences, but by a concern with the practical problems of management in the workplace. This work, most of which has come to be known as the "human relations in industry" literature, has in common a focus on the small group in industry, an emphasis on the importance of inter-personal relations at the workbench level, though this sometimes provides a partial basis for analysis of management-worker-community relations. The "human relations approach" is in part a reaction against the scientific management movement pioneered by Frederick Winslow Taylor. It also stems from a recognition of the limits of physiologically orientated research on industrial fatigue.

Much of the human relations literature has its roots in

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10 Frederick W. Taylor, The Principles of Scientific Management (New York, 1911).
the work of Elton Mayo and Fritz Roethlisberger. Mayo gives us instances where industrial administrators have succeeded in making factory groups so stable in their attitudes of group cooperation that men in the groups explicitly recognized that the factory had become for them the stabilizing force around which they develop satisfying lives. "Thus Mayo shows us for the first time in the form of specific instances that it is within the power of industrial administrators to create within industry itself a partially effective substitute for the old stabilizing effect of the neighborhood."14

Within the historical framework of laissez-faire economic philosophy, men began to think and plan as if all other men were rational, economically motivated beings. Technological advances were developing so rapidly that man, as a worker, was viewed as an obstacle in the path of theoretic perfection of maximum productivity. With geometric increases in productivity being achieved with each industrial innovation, the "technocrats" concentrated on hurdling these remaining human barriers.

With this perspective in mind, experiments were set up in the 1920's to study how to control the physical and physiological variables of fatigue and monotony. Historically, the current interest in what has been called "the dynamics of the work group" and in "human relations in industry" dates from the research work of the Mayo group in the Hawthorne plant of the Western Electric Company and, more specifically, from the publication, in 1939, by F. J. Roethlisberger and W. J. Dickson, of *Management and the Worker*.

In this work, they first dramatized the social organization of the work group; their statement of the problem initiated and gave shape to much of the current interest in employees' attitudes; and as far as can be seen, they were the first to use the phrase "the human problems of management" and, consequently, to give rise to the multiplicity of implications that flow from this statement of the problem. At each step in the attempt to investigate the effects of external conditions on work life, the research was forced back to a consideration of personal factors and group forces. Not only the reality of the group but also the strength of the group became apparent. These factors and other findings led Roethlisberger and Dickson, as well as others of the Mayo school's philosophical approach to human relations in industry—
T. N. Whitehead, G. C. Homans,15 and W. F. Whyte16—to put increasing attention on the social organization of the work group, on the implied problem of the relation of a supervisor to his subordinates, on the communication patterns within the group, on the motives and attitudes of the workers, and in general, on the complex problems of "human relations in industry."

Modern economic organization requires a high degree of cooperative activity. The need for cooperative activity becomes particularly clear when the present industrial society is compared with an earlier, less complex society. In a less complex society, like the peasant society, almost everyone works at the production of the same things. The subsistence economy of such a society consists of numerous and almost identical tasks being engaged in by the social units. Moreover, the social contacts are very slight as the individual plows, sows, and reaps his harvest with little outside cooperation. In contrast, each producer in an industrial society tends to turn out a different product, but he does it, not alone, but by close association with many others.

Much of the cooperative relationship in modern society is purchased as men are tied by salaries and wages into large-

scale organizations. In the place of group in-feeling based on custom and sentiment all too often there is only the impersonality of a contractual relationship based upon a specialized skill or money income. Modern man has had to rediscover what he could believe in to give purpose to living. It has been pointed out that since the institution of private property is universal, the economic process is marked by a struggle between individuals for the possession of goods. Such a struggle carries far beyond the subsistence level of living, and according to Veblen, the motive that lies at the root of ownership is emulation.

Veblen looks upon the possession of wealth as conferring honor and bringing the holder satisfaction or dissatisfaction as he compares himself with others. An individual desires as much wealth as have those with whom he classes himself. When this is gained, he desires more. "The invidious comparison can never become so favorable to the individual making it that he would not gladly rate himself still higher relatively to his competitors in the struggle for pecuniary respectability." 17

The problem of securing cooperative effort can be seen as a demand for the building of a specific cooperative system.

Cooperation refers to joint efforts expended by two or more parties engaged in attaining a common goal. Cooperation then depends upon the motives of individuals and the inducements that satisfy them along with the establishment of goals and the demands made to achieve them. It becomes the purpose of leadership to reconcile conflicting interests and ideals which determine finally the true purposes of cooperation.

The purpose of this thesis is to present the human relations philosophy of industrial cooperation of the Mayo school, and to construct a critical appraisal of this philosophy in the light of the philosophy of industrial cooperation as derived from the papal teachings in the labor encyclicals. This appraisal is delimited to the concept of cooperation in an industrial society and its respective significance based on a consideration of human dignity and the establishing of industrial peace.
CHAPTER II

THE HUMAN RELATIONS PHILOSOPHY
OF THE "MAYO SCHOOL"

The social philosophy of "human relations in industry" is best represented in the writings of Elton Mayo who died in 1949 after serving since 1925 with the Graduate School of Business Administration of Harvard University. For Mayo, "spontaneous" or "voluntary" collaboration (cooperation) was the real industrial problem which society had "chosen to ignore in favor of such problems as nationalism and collective bargaining. As far back as 1919, in his Democracy and Freedom (written and published in Australia, and curiously, never mentioned in his current bibliographies), Mayo expressed his doubts about so-called 'democracy' and elaborated upon his concern over the general indifference to the decline in spontaneous collaboration."¹

The Industrial Revolution profoundly affected the work and status relationships of almost all workers. Some changes accompanying the industrial organization of society were

apparent in the emergence of large corporations and the growth of great cities. In earlier centuries duties were owed to a small local community which was mainly self-supporting and engaged in production for use rather than for mass quantities to be placed on a market for sale. With the Industrial Revolution came the large market. Workers left the land to enter the factory. Work became more and more regarded as a source of gains—and labor as a commodity to be removed when the market was slow.

Gradually the ethical norms were weakened. Work was stripped of its public and moral significance. Workers reacted to their new status by repudiating the idea of moral obligation to the employer or to the public. This period in the development of the social character of labor was marked by an economy of abundance in which the emphasis shifts from saving to spending, from production to consumption. Obedience to the group norms became an end in itself for the worker.

The prevailing social character of the masses of labor stressed conformity instead of individuality, and the ultimate goal was adjustment rather than innovation.

The humanitarian concerns of the middle class began to change, and the emphasis upon social problems became less

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3Ibid., pp. 101-116.
pronounced. Social action directed at alleviating problem situations was ultimately taken out of the hands of private persons and entrusted to various bureaucratic agencies. 4 The interest of the middle class shifted from alleviating distress to manipulating the personalities of others. 5 Thus, a typical expression of industrial change:

As the development of the factory system had been organized as part of a process of buying and selling, therefore labor, land, and money had to be transformed into commodities in order to keep production going. . . . . Of the three, one stands out: labor is the technical term used for human beings, in so far as they are not employers but employed; it follows that henceforth the organization of labor would change concurrently with the organization of the market system. But as the organization of labor is only another word for the forms of life of the common people this means that the development of the market system would be accompanied by a change in the organization of society itself. All along the line, human society had become an accessory of the economic system. 6

Industrialism had set forth twin forces of opposition. These were cooperation and isolation. Human relations had become both organized and atomized, and this contradiction had strengthened and weakened social structure simultaneously.


5 Jose Ortega y Gasset, The Revolt of the Masses (New York, 1932), pp. 75-84.

In dealing with labor problems, those of the industrial labor force will be of chief concern; therefore some explanation of the use of the term "industrialism" seems in order. The word industrialism is of fairly modern origin. It is commonly associated with the inventions of the nineteenth century which introduced new techniques, brought about machine production, and utilized hitherto unused forms of power.

Industrialism must be distinguished from capitalism which, in its modern sense, means the ownership and control of production by persons other than the workers. Industrialism is the result of the series of processes by which changes in the methods of production were accomplished. Capitalism was the new institutional form by which these new processes were exploited.

Because of the concern of management with the problems of human relations in industry, there has been a considerable growth of scientific interest and inquiry in the industrial relations field. This interest was sparked by the elaborate studies of people at work that were conducted at Western Electric's Hawthorne Works and reported in 1939. Here it was proved beyond the shadow of a doubt that a close relation exists between the productivity of workers and their social and psychological relations with one another. The attitudes of employees were pegged as being more important to efficiency and productivity than such material factors as rest periods,
lighting, money incentives--even food. Since that time, a number of additional studies have demonstrated again the essential truth of the Western Electric research. More than this, sufficient evidence has been accumulated regarding the behavior of people in industry so that a more systematic approach to the problem of human relations in industry is now possible.

Mayo pointed out:

The human fact that emerges from these or any other studies is that, while material efficiency has been increasing for two hundred years, the human capacity for working together has in the same period continually diminished. Of late, the pace of this deterioration seems to have accelerated. This observation is strikingly evident in the international field; it is evident also within any modern society, if the relation between the constituent groups be closely inspected. Discussions in the technical reviews, somewhat grandiloquently entitled 'the growth of nationalism,' or 'collective bargaining as a means of preventing industrial disputes,' merely serves to mask the fact that the human capacity for spontaneous cooperation has greatly diminished or, at least, has not kept pace with other developments . . . .

The real importance of these studies is the clear demonstration that collaboration in society cannot be left to chance. Historically and traditionally our predecessors worked for it--and succeeded. For at least a century of the most amazing scientific progress we have abandoned the effort--by inadvertence, it is true--and we are now reaping the consequences. Every social group must secure for its individual and group membership:

(a) The satisfaction of economic needs.
(b) The maintenance of cooperation organized in social routines.

Our methods are all pointed at efficiency; none at the maintenance of cooperation. We do not
know how to ensure spontaneity of cooperation--
that is teamwork. 

Apparently Mayo looked upon the development of industry
in the nineteenth century as the cause of contemporary social
disorganization. This assumes that pre-nineteenth century
society was static and organized; a stereotype is developed
from this assumption, a model of a stable, "established"
society governed by custom and tradition. The technology of
industry had been establishing the pace and developing at a
rate greater than what Mayo had termed the "social skills,"
that is, an ability to secure cooperation. What is meant by
social skills is not set forth too clear; nevertheless, some
better understanding of the term might be achieved if the
Mayo approach is viewed as being somewhat similar to the tra­
ditional, general approach that is found in the field of study
of social pathology or social disorganization in sociology.

Mayo did not explicitly define the problems in terms of
deviations from norms, but there are nevertheless some implied
norms held to be standards of society. That these norms are
oriented to a specific type of society, the established type,
is the emphasis here. Mayo, in his emphasis on an "estab­
lished" society, must have had in his mind the notion that

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Elton Mayo, "Forward," in F. J. Roethlisberger, Manage­
ment and Morale (Cambridge, Mass., 1943), pp. xvi-xvii,
xix-xx.
we have deviated or drifted from the norms which are characteristically noted in such a society. And in such a society people acted "normal" and were "happy;" there was no unrest, no conflict, "each member knew his place."

"Spontaneous collaboration" prevailed. A second important point closely associated with the issue of "social skills," is that the "explanation of deviations can be put in terms of a requirement for more 'socialization.' 'Socialization' is either undefined, used as a moral epithet, or implies norms which are themselves without definition. The focus on 'the facts' takes no cognizance of the normative structures within which they lie. . . . . If the 'norms' were examined, the investigator would perhaps be carried to see total structures of norms and to relate these to distributions of power."  

Then, socialization by definition is a dependent variable in its use in analysis.

A detrimental lack of "social skills" is what Mayo decries. The solution to the social problems which threaten to destroy civilization is more "socialization," in other words. Socialized behavior is behavior in accordance with the expectations and sentiments of others. Such behavior is expressed most often in terms of customary routines. These routines function

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as a kind of social cement. They bind men together in collaborative effort. Moreover, they change slowly and provide security for the individuals who perform them together.

Hence, the fields of psychopathology, cultural anthropology, and sociology are found as sources of social thought cited by Mayo. Mayo makes specific reference to Durkheim's *Le Suicide* (1897); Lowie's *Primitive Society* (1920); and Malinowski's *Crime and Custom in Savage Society* (1926). For Mayo these studies are highly significant to "collaborate industrial research" because they "have demonstrated the importance of a question as to the relation between the integration or disintegration of a given social group and the capacity of its constituent individuals for content or unrest."\(^9\)

Mayo emphasizes the view of the functional anthropologist and of Durkheim's "anomie."\(^10\) This view in essence is that "the individual is no mere organic item and society a fortuitous collocation of such items; on the contrary the individual is, or represents, a social function. When in any

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society the individual has identified himself, in his occupation and his intimate thinking, with a social function, he may be said to have achieved adaptation."\(^{11}\)

The functional approach in anthropology necessarily claims that in every kind of civilization, every idea, belief, material object, and custom fulfills some vital function, has some particular task to accomplish, represents an indispensable part within a working whole. Life takes on significance for the individual only when he subordinates himself to a social function. Thus it is that individuals who do not find their "appropriate niche in the social structure" become discontented, restless, or perhaps psychoneurotic.

Mayo emphasizes the point that such a theory is based on actual investigations. Such an emphasis can be noted throughout most of the literature of the Mayo school, and it tends to add greater authority to their arguments. Mayo pointed out the similarities of the conclusions of the sociologists and anthropologists with regard to social and personal disorganization. The conclusions that are drawn all point out and emphasize that "the difficulties of maintaining integration increase, and these can only be overcome by a corresponding increase in the efficiency of organization."\(^{12}\)


\(^{12}\)Ibid., p. 174.
Hence, Mayo discusses the nature of the "social" approach in industrial research in the summary of his lecture. The role of participation and membership in a social group toward creating a stable satisfactory life for the individual is stressed. The individual's important spheres in this social milieu are, according to Mayo, his domestic situation and his work. These spheres are both unsatisfactory for many urban industrial individuals—the family is isolated and socially insignificant; work is so organized that it tends to lose rather than increase interest. Where this is true, there will inevitably be thinking along pessimistic lines as a "running commentary on action, preoccupation that will issue in 'unrest' and low morale."  

But Mayo cautions, that in seeking the causes or the "blame" for such an unsatisfactory state, industry must not be blamed, i.e., as a matter of fact. "The whole conception of blame is . . . . . irrelevant." Instead Mayo suggests the idea of the "culture lag" theorists, of which the following interpretation is a cornerstone in his literature: The situation (of unrest and low morale) arises in rapid industrial development and social change, in the fact that our understanding of change has not kept pace with change itself."  

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13 Ibid., p. 191.  
14 Ibid., p. 194.
Socialized behavior, then, is an intrinsic part of the "clinical" approach of the Mayo school. The contribution of the Mayo school has been simply to present this approach involving personality, "good breeding," tact, wisdom, understanding, diplomacy, etc., in a different and, in many ways an unnecessarily abstract, systematized style as it might be adopted to personnel administration. Mayo considers the technological factor as a completely autonomous and material thing. "For the most part social change has been the unwitting outcome of technical advance." 15

The concept of spontaneous collaboration does not stand by itself. According to Mayo, spontaneous collaboration exists in primitive societies, and once did exist in medieval, pre-industrial societies. These are termed "established" societies wherein group codes determined the social order of things and the direction of individuals' lives; the interests of the individual are subordinated, by his own eager desire developed from birth, to the interests of the group, and in return the group in which he lived gave him stability, an assured function, and opportunity for satisfying participation.

The Industrial Revolution, however, brought with it what Mayo calls "adaptive" societies, wherein spontaneous collaboration is destroyed as a consequence of a process which is difficult to discern. Mayo, however, follows the "cultural-lag" theory as applied to technological development to explain this destruction. In this type of society, Mayo believes that the population is disintegrating into groups that show an increasing hostility to each other, and that irrational hates are taking the place of cooperation.

Mayo speaks of "voluntary collaboration in work and living which is the symptom of health in society.\textsuperscript{16} The work of Emile Durkheim in \textit{Le Suicide} concerned with an analysis of "mechanique-organique" societies appears to be the basis of Mayo's perspective of cooperation. In essence, Mayo implies, the real problems of modern society boil down to the problems of human cooperation. "Economic" nationalism is defined by Mayo as merely a symptom of failure to state the complexity of the human element constant in the problem of working together. Actually, it is irrelevant to refer to medieval or primitive society as characteristic of a condition or solidarity because the solidarity referred to is one based on similarities, as opposed to the ideal of solidarity for modern

society, based on essential differences.

Variations in the Mayo school's approach to the problem of cooperation are not significant other than to show the primacy placed upon cooperation through the use of the terms cooperation, collaboration, integration, spontaneous cooperation, and solidarity. It is in Mayo's works themselves, especially, that the clearest examples of the uses to which the related concepts are found. The following excerpts exemplify the primacy placed on cooperation:

It is a well-known fact amongst industrialists that the lines of authority in an organization are mainly vertical, from the worker to the president, but the lines of collaboration tend to run horizontally between officials of approximately level rank. This second line of collaboration has usually no recognition in the formal set-up of the company; it is an unofficial activity held in check by the formal organization built on more or less vertical lines.

... Horizontal lines of collaboration, in so far as they are effective, result in daily adjustments being elaborated at the level at which the problems arise. Thus initiative remains in the hands of those whose daily activities have shown the need. On the other hand, when the process of collaboration is forced up the lines of formal authority, integration and initiative take place above and are brought down to the relevant level in the form of orders.17

Now any administrator or person responsible for the work of others intuitively recognizes that much effective collaboration among people is dependent upon conforming to certain codes of behavior without any conscious process of deciding whether one will or will not cooperate.

17Whitehead, p. 144.
Without accepted codes of behavior the spontaneity of collaboration is lost. Although this is intuitively understood by the skillful practitioner of human relations, it is far from being explicitly recognized in the partial logics of management by means of which 'control' is also exercised.\(^\text{18}\)

... it is important that no one group has a code of behavior too much at variance with the economic objectives of the company as a whole. Those processes tending to make for differentiation must be offset by equally strong integrating processes.\(^\text{19}\)

It became clear to the investigators that the limits of human collaboration are determined far more by the informal than by the formal organization of the plant. Collaboration is not wholly a matter of logical organization. It presupposes social codes, conventions, and routine or customary ways of responding to situations.\(^\text{20}\)

In industry there are likely to be changes in parts of the structure which have consequences for the general problem of internal balance. That there is such a relationship will readily be seen when it is understood that the social structure \(\text{of the factory}\) includes all the inter-group relations within the company. In these relations, it has a direct bearing upon the manner in which these various groups function together or collaborate. Any change in the structure, therefore, is likely to have consequences in terms of the existing equilibrium among these various groups as well as within each group.\(^\text{21}\)

\(^{18}\) Roethlisberger, p. 183.

\(^{19}\) Ibid., p. 126.

\(^{20}\) Roethlisberger and Dickson, p. 568.

\(^{21}\) Ibid., p. 568.
The cohesion of society depends upon two things. The first is the habit of doing things together in understood ways; and the second is the sentiments which arise as to the high value of customary procedures and which cause people to resist change in their habits. Orderly activity can only take place if the function of each person is in some sense expected and understood, and if the attitudes and intentions of all are brought somewhat into line. It is therefore quite vital to social cohesion that custom should be preserved, or rather that it should evolve gradually.\(^2\)

The leader's function is such as to assist the group in maintaining its customs, its purposes and its attitudes undamaged by the chance ineptitudes of the less experienced or less skillful members. This is a conservative function, calculated to maintain the society in an unvarying circle of procedures. A group so maintained may be expected to display integration in a high degree.\(^3\)

\[\ldots\] there remains the claim. \ldots that the interview has proved to be the source of information of great objective value to management. The three persistent problems of modern large-scale industry have been stated as:

1. The application of science and technical skill to a material product.
2. The systematization of operations.
3. The organization of sustained cooperation.

When a representative of management claims that interview results are merely personal and subjective, \ldots he does not realize that he has \ldots been trained to ignore the third problem completely. \ldots It is no doubt in consequence of this ignorance or induced blindness that strikes or other difficulties so frequently occur in unexpected places.\(^4\)

\(^3\) Ibid., p. 69.
\(^4\) Mayo, Social Problems, pp. 85-86.
Cooperation therefore calls for conformity by the workers to a code of behavior identified with the goals of the company as a whole. Obviously, this means that the goals to which workers must conform would be those of management. And as evidenced in the literature of the Mayo school, such an analysis of cooperation contains within itself an evaluative bias. Here social unity and integration are identified with solidarity, cooperation, and industrial peace; disintegration is correlated with antagonism and conflict. The general attitude of cooperation as used by the Mayo school tends to create an ethical duty or obligation of a social nature, or more specifically, an unrecognized ideal condition wherein group codes determine the social order of things and the direction of individual lives; the interests of the individual are subordinated, by his own eager desire developed from birth, to the interests of the group; and in return opportunity for satisfying participation. This is Mayo's "established" society in operation; it is also his interpretation of the "mechanical" solidarity of Durkheim. In a mechanical society, an individual is a member of his group only through his acquisition of the beliefs, attitudes, habits, and values which constitute the common consciousness of the group.

The function of management is interpreted by the Mayo school as keeping the "social system" of the plant in a "state of equilibrium" in such a way that the purposes of
the enterprize are achieved. It appears that "morale," for all practical purposes, is the same thing as equilibrium since they are both evaluated and measured by identical criteria, for example, production, schedules, labor turnover, grievances, and absenteeism. Not only do management's goals and values enter into the administration of an equilibrium, but they are also accepted as indices of "equilibrium."

Another point that is of importance is that here there is no mention of the political, economic problems that one might reasonably expect to be involved in human relations, nor any consideration of the goals toward which men might cooperate, no consideration of the relative roles of various social classes that would participate under such conditions of cooperation.

Hence, cooperation (spontaneous collaboration) as the Mayo school has construed it, does not mean collective bargaining; it does not mean union-management relations. Both of these imply formal, more logically thought-out, and "artificial" forms of relationships. They imply a certain amount of rationalism which serves only to "disintegrate" the natural solidarity among all the various members of a factory as a social system. The Mayo school follows the argument that if management had only been informed and made aware of certain truths about human relations, industry and society most likely would not be in the chaotic state as it is in today. "Man's
desire to be continuously associated in work with his fellows is a strong, if not the strongest, human characteristic. Any disregard of it by management in any ill-advised attempt to defeat this human impulse leads instantly to some form of defeat for the management group itself. 25

It is perhaps clear that the solidarity Mayo refers to is identical to the meaning given it by Durkheim, that is, it is opposed by definition to "class consciousness." Spontaneous collaboration and solidarity, as claimed by Mayo results in a maximization of productivity and a minimization of human risks. But "when a worker became 'class conscious,' the change seemed to deteriorate his skill and his interest in it." 26

This is generally the perspective by which the Mayo school explains the problem of cooperation in an industrial society.

The significance of administrative leadership can be best illustrated from research conducted during World War II on turnover and absenteeism in the aircraft industry. 27 It was found that, where employee integration and morale was high, turnover and absenteeism were low; employees had a sense

25 Ibid., p. 111.
26 Ibid., p. 19.
of responsibility which brought them to work and kept them of the job. Apparently the sense of responsibility was tied directly with the closeness of the relations the employee had with his fellow workers on the job. Mayo distinguished between three types of integrated work groups. One was termed a "natural" group; this consisted of employees who because of their personalities and the situation in which they found themselves were able to achieve a high degree of integration, cooperation, and sociability with each other. The second was termed the "family" group; this consisted of a hard core of closely integrated employees with longer lengths of service—an original "natural" group that was able to induct and train newcomers who came into the group. A third group which Mayo was able to distinguish was what he termed the "administrative" group; here integration was achieved by conscious effort on the part of the supervisor, who was aware of what he was doing and made an effort to provide the goals and kinds of satisfactions in the situations which make for enthusiasm and team spirit among employees.

Most important in Mayo's "group integration" was the fact that, whereas a "natural" and "family" group necessarily had to be compact and small, an "administrative" group could be much larger. In other words, where natural, chance conditions are depended on, to integrate a group of employees, integration occurs of course in a complex society rather infrequent-
ly and definitely only among small numbers of people. However, with a conscious, deliberate effort, the same kind of integration can be achieved with a much larger group of employees.

Such a concentration on vertical organization characterized by spontaneous cooperation, in contrast to organized cooperation of horizontal organization, leads to the problem of communication within the structure of organization. This is evident because of the pressing problem of control that confronts management. An understanding of the concept of communication is significant in that it is generally held by the Mayo school as being the "key" to labor problems. The basic problem for all of the control agencies in the industrial plant "may be designated as that of communication." 28 For the purposes of exercising control, management must be provided with exact information about the way in which the total structure is operating.

The inadequate actions taken in the orientation of the supervisor concerning his work situation, and the frequent lack of coordination of the workers' informal organizations with the formal organizations, are two main sources of break downs in the communication system. The supervisor may be able to articulate in terms of technical problems, but he is unable to understand or at least communicate to his superiors about

28 Roethlisberger and Dickson, p. 581.
the "informal social processes within his group."29

The basic problem, then, is one of disciplining the employees towards compliance with the goals of management. The Mayo school's formulation of the problem in such terms as informal and formal organizations serves to strengthen the argument that the insistence upon an "analysis of human factors" is really one of concern with these factors as means. This is to say, these human factors are searched and analyzed by the Mayo school primarily for the purpose of manipulation with the major managerial ends of industrial society remaining unchanged. It has not been suggested by the group that the formal organization be changed to conform to or at least compromise with the informal organization. There are not any suggestions to change economic, production goals to coincide with human factors. The question of the effect of the formal organization upon the informal is obviated. The concern here with integration is apparently a vital point. It is the contention of the Mayo school that integration is achieved when "no one group has a code of behavior too much at variance with the economic objectives of the company as a whole;" hence, the emphasis on communication.30

Mayo strongly emphasizes the importance of communication

29Ibid., p. 583.
30Roethlisberger, pp. 62-63.
in promoting industrial and social peace when he declared, "I believe that social study should begin with careful observation of what may be described as communication: that is, the capacity of an individual to communicate his feelings and ideas to another, the capacity of groups to communicate effectively and intimately with each other. This problem is, beyond all reasonable doubt, the outstanding defect that civilization is facing today."\(^{31}\)

More important in the area of industrial relations, "the failure of free communication between management and workers in modern large-scale industry leads inevitably to the exercise of caution by the working group until such time as it knows clearly the range and meaning of changes imposed from above."\(^{32}\)

For the Mayo school, then, the outstanding characteristic of an industrial community is a condition of extensive social disorganization in which effective communication between individuals and groups has failed, and the capacity for spontaneous and effective cooperation has also failed as a consequence. Such a view attempts to explain labor-management problems in modern society as being the outcome of failures


\(^{32}\)Ibid., p. 80.
to understand, or to get access to the word meanings or attitudes used and maintained by labor and management. The Mayo school dismisses, in fact overlooks, any consideration of the relevance of conflicting interest in worker-management relations. The implication is that the interests of both are identical, or should be. They are mostly restricted to a concentration on problems of communication. The essence of the social problem is the maintenance of social equilibrium. 

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33 Bakke, Mutual Survival, pp. 79-82.

CHAPTER III

THE PHILOSOPHY OF INDUSTRIAL COOPERATION AS STATED IN THE LABOR ENCYCLICALS

The Industrial Revolution brought forth an irresistible impetus to the anti-social error of individualism in social and economic life. The philosophy of individualism which prevailed in the eighteenth and nineteenth centuries was profoundly influential. It expressed itself in unregulated competition in business and a laissez-faire attitude of government in the face of wide-spread social abuses. The life of the individual man in society was affected by scores of institutions impinging upon every phase of his life. Laissez-faire capitalism was the dominant influence of the period on economic life in the United States.

This theory promulgated a doctrine which consisted of four so-called freedoms: freedom of competition, of trade, of contract, and from any influence on the part of the state or of organized groups. The result of the impact of this philosophy was the emancipation of the individual from all except the elemental social controls. The proponents of this doctrine were confident that competition in a free market would...
head off most abuses and quickly right any wrong that might occur. Hence, "their guiding ethical principle, that the uninhibited pursuit of individual self-interest was bound to result, but a natural automatic process, in an increase of public prosperity and general well-being."\(^1\)

From the beginning of industrial growth, human history is marked by the shadow of greed, speculation, and titanic struggles for economic power. The Industrial Revolution created, with the machine, a mechanistic concept of human life. The independent craftsman was forced into new centers of industry to find a livelihood. Mass production reduced the worker to the level of a commodity called "labor."

Unfortunately, the machine was developed by a human society that had not the moral strength to control it. The machine in itself was not wrong, but the regimentation of large masses of humanity into machine tenders and rendering their work as subhuman. The wage-contract was not wrong of itself. But the wage state was wrong in that most men were automatically turned into the commodity of "labor." The individualism that is prevalent in modern society is not the necessary outcome of a new knowledge. Industrialism, as perceived through the influence of laissez-faire capitalism,

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is both the effect of unbelief and the cause of it with respect to a disbelief in man's essential dignity in economic life. Take away from man's work the free and personal element and work becomes intolerable, even though it mass-produce for his needs. The Christian ideal in economic life had been departed from. Men continue to accept less and less responsibility for themselves and the general social well-being. For that reason the government assumed more and more control over economic life.

The development of trade unionism in the United States was the result of agitation due to dissatisfaction with prevailing economic and social conditions. Even though laissez-faire capitalism did not preach the exploitation of labor, exploitation occurred due to the competitive struggle of business at the expense of the worker's weak resistance.

The development of collective bargaining between unions and management was an attempt to gain back a position of due recognition for the individual working man in a highly complex, competitive society. The proposition that genuine union-management cooperation yields impartial benefits needs little demonstration. Yet labor and management cooperation remains an oddity in industrial relations, and this is not

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merely because of the difficulties in achieving cooperation. The elementary truth is that cooperation has rarely been sought by management or labor. Cooperation refers to joint efforts expended by two or more parties engaged in attaining a common goal. Many of the most effective examples of cooperation were pursued by the imminence of economic disaster—the threat of bankruptcy and unemployment, rather than by the prospect of larger wages and profits.

Today every union is exposed to competitive bidding for its members by other unions. In developing a program of union-management cooperation, the labor union runs the risk of increasing dissatisfaction to the extent that cooperation is cost reducing; it may eliminate jobs. The labor leader may point out that lower costs will produce greater sales and more jobs, but the rank-and-file worker makes no act of faith in economic theory.

Management's fears of cooperation trace to apprehensions about its narrowing authority. While there are tedious technical and economic aspects involved in the social problem of labor-management relations, the human and moral aspects are often overlooked. The problems of labor-management relations are concerned with human beings and affect their lives directly. Moreover, those participating in economic life make decisions in which they are bound by moral law. Morality enters into labor-management decisions in at least three ways: the motives
of the doer, the object sought, and the result in terms of human values.

In view of the attitudes of labor and management just noted, it is opportune to study the right and duty of the Church to intervene in the social problem. The basis of the modern social problem rests in the problem of the human person. And the heart of the problem rests fundamentally in the organization of human life around industrial production. The problem of cooperation, stated simply, is: In the presence of the enormous and complicated organization of modern life, how can the individual develop himself as a person, have some awareness of the function which he performs in his society, enjoy the fulfillment of satisfactory relationships with other men, with the forces of nature, with the work of his own hands? How can a social obligation to other persons be fulfilled when men are separated from each other by a cold mechanistic functioning of the forms of organization which dominate modern life?

Catholic scholars have been trying to solve this problem for many years. Basically, the problem of industrial cooperation between management and labor is to be considered here. First, let it be made clear that the Church is concerned only with the moral aspects of industrial relations and does not enter into the field of business in matters that are purely material or technical.
A social philosophy containing specific principles for the existence of man in a modern industrial society was constructed in the encyclical letters *Rerum Novarum* or *The Condition of Labor* and *Quadragesimo Anno* or *Reconstructing the Social Order*. These papal pronouncements can be referred to as the labor encyclicals because of their profound interpretation of the social problems of labor and management and proffer of constructive principles for a positive solution to industrial conflict.

The right and duty of the Church to intervene in the social problems of labor and management was clearly stated by Pope Leo XIII$^3$ and re-enunciated by Pope Pius XI when he said:

> . . . . . There resides in Us the right and duty to pronounce with supreme authority upon social and economic matters. Certainly the Church was not given the commission to guide men to only a fleeting and perishable happiness but to that which is eternal. Indeed, the Church holds that it is unlawful for her to mix without cause in these temporal concerns; however, she can in no wise renounce the duty God entrusted to her to interpose her authority, not of course in matters of technique for which she is neither suitably equipped nor endowed by office, but in all things that are connected with the moral law. For as to these, the deposit of truth that God committed to Us and the grave duty of disseminating and interpreting the whole moral law, and of urging it in season and out of season,

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bring under and subject to Our supreme jurisdiction not only social order but economic activities themselves.4

Wherever there is a question of justice and injustice there is a moral issue. Economic activity and industrial relations do involve questions of justice and injustice. It is on that basis alone that the popes claim both the right and the duty to speak out clearly and forcibly to all men, and particularly Catholics, on the vital issues which pertain to economic and social order in an industrial society. It matters not what the field or area of human activity; so long as it is human action, the morality or immorality of that act comes within the legitimate jurisdiction of papal observation, moral judgment, and pronouncement.

The encyclicals adopt a central viewpoint, neither favoring labor to the detriment of management, nor management to the detriment of labor. The viewpoint of the popes is not a neutral viewpoint because neutrality implies indifference, and indifference could never be justified in the labor-management question which is based primarily on human relationships.

Historically, the attitude toward property is central in a social philosophy. As the embodiment of tangible wealth,

4 Pope Pius XI, Quadragesimo Anno or Reconstructing the Social Order (National Catholic Welfare Conference translation, 1942), paragraph 41.
property is of necessity one of the foundations of economic life. Its accumulation makes men of wealth. Its widespread distribution normally brings about a stable society. While ownership may be private, use should be common, that is, an owner should be able to extend his goods to others in their need. Pope Pius XII made this point more exact by distinguishing between the individual and the social aspects of property.  

While individual ownership is a natural right, social obligations also are inherent in property. It might be stated that the social aspect of property increases insofar as an object affects other persons; for example, a large factory may employ thousands of workers and can be a major influence in the community.

The duties of employers and employees in the production of goods are in this respect "cooperators in a common task."

... In the economic domain management and labor are linked in a community of action and interest. Employers and workers are not implacable adversaries. They are co-operators in a common task. They eat, so to speak at the same table, seeing that they must live, in the last analysis, from the gross or net profits of the national economy. Each receives his income, and in this regard their mutual relations do not in any way imply that one is at the service of the other.

To receive one's wage is a prerogative of the personal dignity of anyone who makes his productive contribution in one form or another,

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From this it follows that both parties are interested in seeing to it that the costs of national production are in proportion to its output. But since the interest is common, why should it not manifest itself in a common outward expression?

The Church never ceases to labor so that the apparent conflict between capital and labor, between the employer and the worker, be transformed into a higher unity, which means to say, into that organic cooperation of both parties which is indicated by their very nature and which consists in the collaboration of both according to their activity in the economic sector and the professions.  

Pius XII sets forth principles which must be looked to by unions in the exercise of their self-government as part of an industrial society:

But let the unions in question draw their vital force from principles of wholesome liberty; let them take their form from the lofty rules of justice and of honesty and, conforming themselves to those norms, let them act in such a manner that in their care for the interest of their class they violate no one's rights; let them continue to strive for harmony and respect the common weal of civil society.

The union movement is primarily a movement of protest. Unions in the United States are dominated by leadership which is basically pragmatic and opportunistic. Nevertheless, unions are essentially democratic institutions. Their principle moral justification then is based upon the concept that unionism is to inject the letter and spirit of

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6 Ibid., pp. 29-31.
7 Ibid., p. 54.
democracy in the realm of employer and employee relationships. This concept is foremost because of the power held for the individual workers by the union in establishing seniority rights and working conditions. The union has generally assumed the position as statuatory representative, the exclusive bargaining agent of workers.

If labor and management fail to organize because they will not or cannot, then the State has certain duties that it must fulfill toward them. Pope Pius XII points out:

The function therefore of the civil authority residing in the State is twofold, to protect and to foster, but by no means to absorb the family and the individual, or to substitute itself for them.

. . . . . direct and indirect recognition and actualization of the inborn rights of man, which, being inherent in human nature, are always in conformity with the common interest.

Far more than that, these rights must be held to be essential elements of that common good. Whence it follows that the duty of the State is to protect and promote them.

. . . . . the duty of increasing production and of adjusting it wisely to the needs and the dignity of man brings to the fore the question of how the economy should be ordered in the field of production.

Now, although the public authorities should not substitute their oppressive omnipotence for the legitimate independence of private initiatives, these authorities have, in this matter, an undeniable function of co-ordination, which is made even more necessary by the confusion of present, and especially social, conditions. 8

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8 Ibid., pp. 90-91.
The encyclical's main function is to lay down fundamental principles which will serve as a basis for equitable labor-management relations. The encyclical teachings strive to ascertain a harmonious point of balance between labor and management, and present the viewpoint of the Church without bias in favor of one or the other.

It is scarcely necessary to observe that neither management nor labor is content over the growing tendency of government to intervene in their affairs. They suspect that this is the direct route to collectivism. The question is, what can unions and employers do to ward off further growth of state activity in the industrial sphere, and in the very presence of freedom of action which both unions and employers regard as essential to their contentment and continued progress? Or to phrase the question more directly in view of an ultimate consequence: how can the country establish social controls over industry and labor to effect a high degree of industrial cooperation without itself becoming totalitarian in the process?

Obviously if this analysis is correct, labor and management can assure their future freedom only through a radical revision of the old individualistic ethic. It will be necessary to realize that the competitive pursuit of their enlightened self-interest is no longer an adequate rule for
industrial life. Without ceasing to manifest an entirely legitimate concern for their own respective interests, labor and management must somehow develop a live and effective concern for the public interest. In other words, labor and management must develop a social conscience.

Sixty years ago, or perhaps even twenty-five years ago, for that matter, the Church could only speak authoritatively about how labor-management relations might become fruitful at some nebulous future date. This was true because labor, as being representative of the masses of workers, had very few rights and scarcely any effective organized economic power. Labor was considered as a commodity along with the traditional land and capital factors of economics. We have only to read Pope Leo XIII's The Condition of Labor (1891), to see conditions as they really were.⁹

Forty years past after the historic promulgation of Pope Leo XIII's The Condition of Labor, Pope Pius XI, fully cognizant of the injustices still rampant in the world, brought forth Reconstructing the Social Order to reiterate and amplify the doctrine of Leo XIII. The years that had passed since 1891 witnessed an increase in industrial activity, the boom of many giant corporations and thousands of businesses only relatively smaller, mounting profits with very little

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⁹ Pope Leo XIII, paragraph 1.
or no income taxes, and the emphatic general disregard of the workingman. Reconstruction of the Social Order was profoundly set forth as a protest against these abuses and as a plea for social justice and Christian charity in economic life.

In the United States, labor did not come into its own until passage of the National Labor Relations Act or Wagner Act. For labor, at least in 1935, this act was regarded as a "Magna Charta" because the government acknowledged the dignity of human labor in an effective manner and sought to correct abuses by giving labor very definite rights, that is, recognizing rights which labor always had inherently and giving them an efficacious voice in our modern economic society.  

A serious observer of labor relations does not contend that the National Labor Relations Act was a perfect Act. Obviously, it was not. It had its deficiencies, and as time passed, it was realized more and more that these would have to be corrected by amendments to the act. While the National Labor Relations Act did little harm to big business, it did handicap somewhat the smaller employer whose rights were practically nullified by the act.

In 1947, it could be said that the National Labor Rela-

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tions Act was completely set aside by the Labor-Management Relations Act or Taft-Hartley Act. If the National Labor Relations Act was at fault by excess in regard to labor, the Labor-Management Relations Act is equally at fault. Osten­sively striving to correct the inequalities of the National Labor Relations Act, the Labor-Management Relations Act has exceeded in the opposite direction; hence, there still is not an ideal law which regulates the relations between management and labor. Eventually, the National Labor Relations Act as amended by the Labor-Management Relations Act will have to be amended or repealed.

In labor-management relations, Christian principles should be put into action. It is not enough to find fault with the manner in which the economic system functions. Positive, constructive thought and action are needed. Christian social principles, rooted in the moral law, call insistently for cooperation not conflict, for freedom not repression in the development of economic activity. Cooperation must be organized, and organized for the common good.¹¹

Labor is partly organized today, but primarily for its own interests. Management or capital is organized possibly on a larger scale, but again for its own interests. What is

urgently needed, in the Christian view of the social order, is the free organization of labor and management in permanent agencies of cooperation for the common good. This common good may be described as the conditions of social and economic life which favor the proper ends of the individual members of a society.

To insure that this organization does not lose sight of the common good, government as the responsible custodian of the public interest should have a part in it. Its part should be to stimulate, guide, and restrain, not dominate. This is perfectly in line with the Constitution of the United States which empowers government not only to "establish justice" but also "to promote the general welfare." The principle of subsidiarity in the encyclicals reaffirms, "It is gravely wrong to take from individuals what they can accomplish by their own initiative and industry and give it to the community. It is also an injustice, grave evil, and a disturbance of right order to assign to a greater and a higher association what a lesser . . . . can do." 13

To bring about the realization of Christian ideals, it is necessary first of all to recognize impartially the moral,

13 Pope Pius XI, paragraph 79.
spiritual, and economic values of labor as well as of management. Values become significant only in terms of their social orientations. They reveal the ends and purposes of behavior embodied in the actions of groups and individuals. Their expressions are as manifold as the different groups and individuals who respond to a given object or situation. But in terms of the ends and purposes of behavior in which they are embodied, the social values of labor and management reveal the areas of agreement and conflict in industrial life. However differently they may be expressed, the areas of agreement in human endeavor as revealed in social values are large and impressive. This is a necessary consequence of the facts of order and regularity in human society.

When however, the ends and purposes of individual and group action are considered, it is possible to classify the underlying social values. Such classification discloses the general orientations and directions of the behavior that is symbolized by the diverse value expressions. The conflict of values that lies at the heart of labor-management problems arises from the criss-crossing of these paths of value orientation.14

In the work of Pius XI, "Leo XIII certainly had this in

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mind when he wrote: 'Neither capital can do without labor, nor labor without capital.' Wherefore it is wholly unjust for either denying the efficacy of the other, to arrogate to itself whatever has been produced.\(^\text{15}\)

Moreover, distribution should be of such a nature as to safeguard the common good. Pope Pius XI continues:

Therefore, the riches that the economic-social developments constantly increase ought to be so distributed among individual persons and classes that the common advantage of all which Leo XIII had praised, will be safeguarded; in other words, that the common good of all society will be kept inviolate.

To each, therefore, must be given his own share of goods, and the distribution of goods which, as every discerning person knows, is laboring today under the gravest evils due to the huge disparity between the few exceedingly rich and the unnumbered propertyless, must be effectively called back to and brought into conformity with the norms of the common good, that is, social justice.\(^\text{16}\)

With these guiding principles, an examination of certain aspects of labor-management relations is forthcoming to be able to perceive how industrial cooperation can be achieved. The basis of man's right to a just wage is his daily recurring needs.\(^\text{17}\) The working man has no way of supplying these except by his labor; hence, in exchange for his labor, he is

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\(^{15}\) Pope Pius XI, paragraph 53.

\(^{16}\) Ibid., paragraphs 57, 58.

\(^{17}\) Cronin, pp. 352-354.
entitled to a sufficiency of the goods of a modern productive society, enough to live in ample comfort.

This is the basic foundation for a man's right to a decent living wage. If man has a right to it, others have a duty with respect to it. They must not prevent man's attainment of a decent living. They must not withhold or interfere with his receiving a just wage in exchange for his labor. There must not be any interference with his right to the proper means necessary to obtain it. This includes the duty of employers as management to provide opportunities for work for those who are willing and able to work. A just wage, then, is one which is large enough to meet adequately present expenses and provide for future security.

Nevertheless, the worker must not be considered exclusively when deriving the principles for the determination of a just wage. Due consideration must be had for the employer, too. He is entitled to a just remuneration for his labor and investment. The question of just wages and profits, according to the papal encyclicals, leads into the consideration of a share in the profits for the workers, a share in the management for the workers, and the tendering of partnership in the business between labor and management.

18 Ibid., p. 357.
19 Ibid., pp. 272-276.
The moral and socio-economic advantages of partnership must be considered in the light of the Christian principles enumerated in the encyclicals, as have already been noted, which must regulate management-labor relations. The partnership system upholds above all the dignity of the worker that is often ignored by wage contracts. In partnership, the personal rights of the worker are exercised in a manner not dreamed of formerly. By revealing a higher contractual form, partnership corresponds to the concept of a technological-economic industrial system, wherein the workman is by his very nature a partner, however, subordinate, and not a mere machine or tool. In partnership, this subordination becomes more appropriately a coordination within which the worker is no longer an inferior servant but a true collaborator with management.

Co-partnership procures for the worker an ever-increasing share in the profits of production and creates within him an interest of direct concern. In addition, insofar as the worker is associated in some way with the technical di-

20 Pope Pius XI, paragraphs 64, 65, 83, 135.
22 John A. Ryan, Social Doctrine in Action (New York, 1941), p. 244.
23 Cronin, pp. 606-608.
rection and management of a business concern, he finds in his occupation not only the pecuniary returns necessary for his livelihood, but also a satisfaction which tends to relieve him of the monotony arising from his performance of duties in the workplace. The complex and varied expansion of the energies and abilities of the worker renders him conscious of his personality.

For entirely false is the principle, widely propagated today, that the worth of labor and therefore the equitable return to be made for it, should equal the entire value of the product, and that therefore hired labor has a right to demand all that is produced through its work.

The obvious truth is that in labor, especially hired labor, as in ownership, there is a social as well as a personal or individual aspect to be considered. For unless there exists a truly social and organic body; unless labor be protected in the social and juridical order; unless the various occupations, dependent one upon the other, cooperate with and complete each other; unless, above all, brains, capital, and labor combine together for common effort, man's toil cannot produce due fruit. Hence, if the social and individual character of labor be overlooked, it can be neither justly appraised nor equitably recompensed. 24

In the cooperative spirit of the partnership system, production receives a new incentive also. The worker begins to regard the factory or other industrial concern as something of his own; this attitude increases in proportion to the increase in his productive efforts and "dividends;" and he is animated with the same spirit that animates the small

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24 Pope Pius XI, paragraphs 68, 69.
land-owner in cultivating his own field.

Again, the partnership of management and labor in an industrial enterprise paves the way to a better social understanding and is a powerful force in tempering, at least, the violent conflicts between labor and capital. It often settles or moderates the divergence of interests and curbs the competitive spirit between employers and employees. It prevents the strikes which are caused by management's refusal to increase wages. If strikes do occur, such a spirit of partnership cooperation brings about a speedy settlement because the discontinuance of production would diminish the "dividends" of both labor and management. Employers will come in closer contact with employees and will understand their difficulties, aspirations, and needs.

Nevertheless, co-management in individual companies is not a right of labor as such, but has praiseworthy usefulness. Pope Pius XII made it clear that labor has not a strict right to demand co-ownership. This means that labor has not an absolute right to demand a share in the profits or the ownership of an enterprise as long as it is receiving fair and just wages.

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The key thought in the philosophy of industrial cooperation of the papal encyclicals for a co-management system of industrial relations is the substitution of mutual cooperation for the "class-against-class" spirit which has traditionally characterized the Marxist idea of modern capitalistic society. It is readily conceded that this aim cannot be even partially attained unless the philosophic concept of the common good is respected as a norm of human action. The ideal presented presupposes that the virtues of justice and charity are still within the scope and normal aims of human endeavor.

By nature, God left to the initiative of men the correct and harmonious development of economic life. The unique feature of papal encyclical teachings in regard to economic life is based on the concept that industrial society is a vital and integral part of all human society. There is a lack of stability and certainty in human society because there are within society two classes—employers and employees. That this unrest may be tranquilized, a solution is available whereby men within the same industry or business may unite their efforts through the formation of associations whose purpose it would be to promote cooperative endeavor.

As the situation now stands, hiring and offering for hire in the so-called labor market separate men into two divisions, as into battle lines, and the contest between these divisions turns the labor market itself almost into a battle field where, face to face the opposing lines struggle bitterly.
But complete cure will not come until this opposition has been abolished and well-ordered members of the social body--Industries and Professions--are constituted in which men may have their place, not according to the position each has in the labor market but according to the respective social functions which each performs. For under nature's guidance it comes to pass that just as those who are joined together by nearness of habitation establish towns, so those who follow the same industry or profession--whether in the economic or other field--form guilds or associations, so that many are wont to consider these self-governing organizations, if not essential, at least natural to civil society.27

It is therefore natural that men who pursue their livelihood within the same industry or business should find common interest and be united by a bond which will promote harmony.

The production of goods should fall into some kind of natural categorical division. Those engaged in any particular industry should consider themselves as members of a specific form of society. Such segments of society have been termed "vocational groups." They are more popularly known as "industry councils." The primary function of every individual in each industry should be to advance the common good by participation in that specific industry.

Of great importance in this concept advanced in the papal encyclicals is the fact that these industry councils have a right to a quasi-autonomy. They have a right to be self-governing, self-disciplining segments of society, de-

27 Pope Pius XI, paragraph 83.
ependent upon government and public authority only insofar as they must conform to a sound, legally-adopted national policy, instituted to protect and advance the common good. 28

There is nothing in American industrial life which actually corresponds to this concept. There are what have been called "approximations"—a general trend toward a more cooperative spirit between management and labor unions, the establishment of some bi-partite councils in a few specific industries, the setting up of commissions by a few international unions to decide jurisdictional disputes, the appointment of permanent arbitrators in a number of union-management contracts. Instances such as these indicate tendencies toward the industry council philosophy. 29

To develop an authentic industry council system as envisioned in the papal thought of the labor encyclicals, it would be necessary to have each major industry become part of a national organization of industries functioning in accord with the social principles proposed. From the economic view-

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point, the system would be a free enterprize system. Prevention of economic activity from impairing social values, and direction of these activities toward the common good, would be the responsibility of the industry council made up of management and worker representatives, guided by a national social policy.

No real rights, legal or natural, are denied to the participants in this philosophy of industrial society. The right of organization is not only condoned but strongly encouraged. Both management and workers should be organized into appropriate groupings, but the process of organizing should continue to a higher form. A necessary and higher form of unity should be established for the purpose of neutralizing the spirit of conflict which the separately organized groups tend to create.

It is the social responsibility of both groups, not merely to seek their own particular good, but to join in common endeavor, cooperative enterprize, and mutual good will in the pursuit of a higher good, common to industry and to the nation as a whole. The principle in itself is quite simple. Too many, however, are still affected by the "myopia of individualism."

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CHAPTER IV

APPRAISAL OF THE "MAYO SCHOOL" PHILOSOPHY OF HUMAN RELATIONS

Human relations is concerned with people. It examines the way people feel about each other and about objects and symbols of social significance in the workplace. More than this, it is concerned with the patterns of behavior which people develop in the organized activities of work. Actually, every industrial organization has, in a sense, two sides to its character. One is its formal side that is technical and logical. Apparent here are its organizational charts, its jobs and positions, its flow of work, the systems of communication and managerial control. All this can be spelled out logically and rather simply. It has form, shape, and order, but no life. It is definitely a paper organization.

But industrial society has a second, a human side. Behind the formal paper facade is another organization, consisting of a group of individuals from various walks of life; individuals having varying interests, needs, and ambitions, and all of whom are making adjustments to the formal tasks which they are called upon to perform, adapting their own
interests to the demands of the people with whom they are thrown into daily contact, gaining friends and acquiring enemies. This is the realm of industrial sentiment based upon emotions and feelings. This is the human side of business activity.

The human relations approach to industrial organization, however, is not just elaborate phraseology, dignified with a scientific label. A number of concepts have been used to organize and systematize this welter of feelings, emotions, and social behavior characterizing individuals engaged in modern industrial life, so that it takes on meaning and significance. It has been found, by careful analysis, that human motivations in the industrial scene are not simply a consequence of perverse human nature, irresponsibility, and individual impulse. Rather, human behavior follows certain patterns which are understandable and capable of prediction. The great mass of human behavior in industry which often seems illogical has meaning.

The functioning of an industrial or business organization involves a set of social adjustments between individual employees and groups of employees, on the one hand, and the formal demands of the work activity, on the other. These adjustments tend to crystallize into patterns of behavior and attitudes with reference to the work situation.
To some extent, the social system and patterns of behavior and attitudes which develop in any organization are unique and specific to that organization alone. However, to a very large degree, these patterns are quite similar in all organizations. The factors that determine this likeness are, the similarity of formal demands which various kinds of organizations make on employees and, the similarity of needs, interests, and expectations characterizing various levels of industrial society. As an illustration of these factors, it can be said that every organization has a system of authority, ranging from the top administrator to the lowest-level supervisor. This means that in all industrial and business organizations most everyone has authority direct him in his work and has a determining influence in his potential success or failure on the job. The demands of authority in industrial society are relatively constant. It is to be expected that patterns of adjustment to this phenomenon will repeat from one organization to the next. As evidence of the factor of needs, interests, and expectations of the workers themselves, whenever supervision does become arbitrary and restrictive, certain patterns of behavior and attitudes will develop among employees with reference to it.

It is apparent that to understand the social system and recurring patterns of behavior in industry, an overall frame-
work in terms of purpose must be established. While eco-
nomic society exists to serve man, it is also necessary for 
his welfare. By using the economic society for the welfare 
of all, each individual secures his own well-being. This 
means that a proper balance must be struck between indivi-
dual rights and social responsibility.

One of the major problems of industrial society is the reorientation of economic life, so that it may conform to the purpose for which material things were created. Of primary significance is the realization that economic life is sub-ordinate to higher values. It deals with the material order, and this by its nature is inferior to matters spiritual and cultural. The lower should minister to the higher. Hence, the basic purpose of economic life is to provide man with the necessities for survival, and the foundations for spiri-
tual and cultural life.

Industrial cooperation is mainly a problem of organi-
zation. It is obvious that there is a sufficiency of natural resources, technical skill, power, and machines to produce a high standard of living for all. It is equally obvious that these factors have not been so organized for complete utili-
ization.

Industrial cooperation in turn is a social problem. It involves the harmonious working together of individuals and
groups. Social organization of industrial cooperation is a moral and ethical problem. Thus, goals must be set which harmonize with the general purposes of the universe as shown by nature and divine law. The individuals and groups actuated by a sense of social responsibility, will organize to secure these ends. The many organizations of labor and management needed to effectuate policy will vary in different times and places. The first steps toward this goal will be the infusion of Christian principles into the various classes of society.

The labor encyclicals set forth the teachings of a Christian society emphasizing the importance of cooperative efforts between labor and management in modern industry. The Industrial Revolution led to the nineteenth century struggle between labor and capital.¹ The economic liberalism of individualism in laissez-faire philosophy violated justice and relied upon individual charity to correct resulting inequities.² A solution based on unchanging principles made known by right reason and revelation was offered.³ The Church proclaimed the doctrines whereby conflict could be resolved with practical measures to meet needs.⁴ The practical effect of

¹Pope Pius XI, paragraph 3.
²Ibid., paragraph 4.
³Ibid., paragraph 11.
⁴Ibid., paragraph 17.
the encyclical philosophy is a growing realization to labor of their true Christian dignity.5

With the foregoing in mind, a consideration of the scheme of industrial "collaboration" of the Mayo school is in order. With some variations in emphasis, the philosophy of this human relations approach has certain assumptions and conceptual tools developed by what can be termed the "Mayo school." The workplace is conceived of as a "social system"—the patterned interactions and sentiments of persons oriented toward group norms. They assume that this social system tends toward an equilibrium in which the different parts are functionally adjusted to each other. The conditions necessary for a healthy social organism are present when each individual has a sense of social function and responsibility. Tradition assigns the individual his role in the group. Cooperation is assured because the purposes of each are the purposes of all. And this basic unanimity and cooperation are traditional rather than deliberate, spontaneous rather than voluntary.6

Any effort to achieve cooperation deliberately in the absence of a basic identity of purpose is the beginning of social disintegration. Mayo, in making his distinction between an "established" and an "adaptive" society, was careful

5Ibid., paragraphs 23, 24.
6Sheppard, p. 398.
to point out that the society we look forward to is one of rapid change. The problem of achieving "spontaneous" cooperation in a society that cannot leave cooperation to tradition is paramount. 7

Mayo emphasizes cooperation as being easy enough in the face of an emergency, e.g., war, disaster, etc. However, the real problem to be considered is that of the maintenance of spontaneous cooperation in times of peace. In a modern society cooperation, according to the Mayo school, must be deliberately organized, since the force of tradition has weakened in modern times. Yet the deliberate planning is not to be achieved by governmental institutions as such, but rather through the development of administrative "elites" within the private, and more particularly, the industrial organizations of management. The Mayo school's view of man's relation to his work gave rise to a new conception of leadership in work situations. According to that theory, the modern work leader or administrator must concern himself with the explicit maintenance of morale in the work situations for which he has responsibility. He must recognize elements or premises of communication. Most important are those premises arising out of men's need to be continuously associated at work with their

7Ibid., pp. 400-401.
fellows; and their need to evolve and to maintain established routines of social relationship at work.  

When these needs are recognized and satisfied through leader-follower communication, an equilibrium highly resistant to outside pressures, and expressive of high morale, will result in the work group.  

Cooperation in the Mayo perspective, then, is a relationship containing happily unorganized workers who voluntarily and willfully (spontaneously) comply with the desires of management towards the achievement and maintenance of its economic objectives. This is also the content of "morale" as the Mayo school uses the term. This perspective also includes the assumption that any discontent among workers can be channelled into certain forms of activity which will not lead to absenteeism, disloyalty, hostility, and output restriction, or even strikes, if they can be persuaded to "speak out" to someone. If their grievances cease to be repressed and if they can be persuaded that management is not unreasonable and arbitrary, they will become more contented, regular, and loyal employees. This assumption is tied up with a major function of an extensive counselling program advocated by the

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9Ibid., p. 72.
Hawthorne research. They have discovered that merely to listen to the complaints of workers, without acting on them, reduces fatigue and increases efficiency. In this respect the counselors act as agents of management, in the program of a patient persuasion of workers into an acceptance of management's policies and goals. Such is the essence of "spontaneous cooperation."

Another point that should have been made at first, because it is not obvious, is that in all of the Mayo school's emphasis and concentration on cooperation and solidarity, there is not mention of the political, economic problems that might reasonably be expected to be involved in the realization of such a concept of industrial cooperation, nor any consideration of the goals toward which men might cooperate other than management goals striving for greater productivity; no consideration of the relative roles of various social classes that would participate under such conditions of collaboration.

Hence "spontaneous" cooperation does not mean collective bargaining; it does not mean union management relations. Both of these imply formal, more logically conceived, and "artificial forms of relationships. They imply a certain amount of rational thought which serves only to "disintegrate" the natural solidarity among all the various members of a factory

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10 Roethlisberger and Dickson, p. 186.
as a social system. The argument of the Mayo school can be stated this way: if management had only been informed and made well aware of certain truths about human relations, industry and society most likely would not be in the chaotic state it is in today. "Man's desire to be continuously associated with his fellows is strong, if not the strongest, human characteristic. Any disregard of it by management or any ill-advised attempt to defeat this impulse leads instantly to some form or defeat for management itself."  

It is perhaps clear by now that the concept of industrial cooperation of the Mayo school is based upon the human solidarity of Durkheim, that is, it is opposed to "class consciousness." Spontaneous cooperation, as claimed by Mayo, results in a maximization of productivity, reduction of absenteeism, etc. But when the workman became 'class conscious,' the change seemed to deteriorate his skill and his interest in it."  

The center of Mayo's thought today is that man is a social animal; and that is as things stand now, the material aspects of society have changed through industrialism, while man unfortunately has not.

Modern industrial society has transformed the independent

12 Ibid., p. 19.
craftsman of pre-industrial eras to a worker in a mass-production society. Because of man's nature, the great modern heresy of statism stands condemned. The dignity of man springs from his nature. It is not conferred by society, nor is it merely a product of law or custom. Certain rights are inalienable. "The origin and primary scope of social life is the conservation, development, and perfection of the human person, helping him to realize accurately the demands and values of religion and culture set by the Creator for every man and for all mankind, both as a whole and in its natural ramifications."\(^{13}\) It is not true that the individual is sufficient unto himself. Individualism exaggerates individual rights. While individualism deifies the individual, statism deifies the state, the positivist sociology of the Mayo school deifies society. Between these extremes, the philosophy of industrial cooperation of the papal encyclicals firmly grasps the two ends of the chain, that is, the outstanding dignity of the human person and his need of society for his complete development. Reciprocally, the philosophy of the Mayo school betrays itself in the legal aspects of society by attributing absolute independence to the human person, and unconditional value to individual rights of capital. It is pretended that

society is a reality higher than and antecedent to its mem-
bers, so that the latter have no rights but such as social
solidarity may require. Such objectivism results in a mis-
understanding of the personality of man and in denying the
rights which flow from human nature. It makes society the
end, man the means.

Obviously, the Mayo school completely left out the con-
cept of labor unions, believing they are opposed to its em-
phasis on managerial goals as the co-ordinating factor of
"spontaneous" cooperation of the workers. The non-recognition
of a larger institutional framework of economic society shows
up in the Mayo school's failure to grasp the significance of
changes in the class and occupational structure of the United
States. There is no acknowledgement by the group of the dy-
amic changes in the status of workers.

Since all the in-plant research of the Mayo school ap-
proaches the worker through his activities and preoccupations
on the job, it gives little or no indication of the importance
of large, strong, well-run unions. The central problem that
the Mayo school has failed to recognize appears to be the
impact of the new institutions of unions and governmental
control upon the older equilibrium of institutional forces.

Mayo asserts that technical skills have grown apace but
that "social skill has disappeared."\textsuperscript{18} It may be true that more and better skills might be developed, but this is a far different view from the blind assertion that social skill has disappeared.

Two serious omissions of a larger institutional framework of analysis and failure to see social skills in modern society are consistent with the Mayo school. This obviously reveals a weakness in the knowledge of social structure. The introduction of pro-management and clinical research bias into the concept of spontaneous cooperation establishes the lack of true scientific validity in the analysis of human relations.

Collective bargaining is not a part of spontaneous cooperation for the Mayo school. The position of the managerial elite or administrators in the industrial society obviates labor's right to a voice in industrial life. The administrator guides the work force by employing the manipulation of "social skills" that are re-orientations of traditional behavior found in what the Mayo school terms as "established societies." The human problems of industrial society, which plant-level efforts can somewhat improve, are not recognized as group problems and solved on higher collective levels. Communication by trained managerial "elites" to the workers

\textsuperscript{14}Mayo, \textit{The Social Problems of an Industrial Civilization}, p. 2.
of the goals of management and the workers' responsibilities to management are supposed to fulfill the needs and aspirations of the worker and thereby avoid most industrial conflict.

The human relations approach of the Mayo school, with its emphasis on communications, is beyond a doubt a limited framework for the analysis of industrial relations. The interaction between organized groups, or more specifically, the labor-management relation, is not only highly complex but also relatively unstable and dynamic. The process is complex, in as much as it involves the political factors in the union, social factors in the community, economic factors in the industry, and other strong and weak personalities in the two organizations. The process is dynamic and unstable since peaceful relations are maintained only to the extent that management and labor can compromise by expedient adjustment to each other's needs. The simple analysis of patterns of interaction in terms of equilibrium, achieved through unblocked communications, is obviously inadequate to deal with the manifold factors involved in industrial relations where interaction and accommodation between organized groups take place.

in an economic, technological, and social context. In reality, the system of communications is only one of the variables in the complex, dynamic process to be analyzed.

Basically, the failure to recognize that organized management and organized labor may not share common goals limits the human relations approach to industrial relations of the Mayo school. The Mayo school places constant stress on mutual understanding and cooperation, but throughout the philosophy of spontaneous cooperation of the Mayo school the questions, cooperation for what, and with what rewards, go unanswered.

The essential relationships between organized labor and organized management involve power and its use. No meaningful study of contemporary industrial relations can fail to take this into account, yet the Mayo school avoids this. Their approach is not equipped to study the problems of social accommodation of conflict groups who consciously manipulate power in the attainment of their ends.

But, "While Elton Mayo and his associates have thrown considerable light on the problems of promoting and sustaining cooperation within the enterprise, it is unfortunate that unions had no place in the Hawthorne studies. Today, industrial cooperation means employer-employee cooperation through

\textsuperscript{16} Ibid., p. 386.
The labor encyclicals have set forth basic principles establishing grounds for effective industrial cooperation in a modern society. These principles are incorporated in a body of principles which direct human activity to function in terms of the common good, establishing industrial cooperation with an emphasis on the organization and representation of labor and capital, and the function of government, whose power operates within the economic framework of society in accordance with the principle of subsidiarity.

The Mayo school attempts to superimpose the structure of the economic society of the individual craftsman of pre-industrial life upon the industrial society of the modern masses. This "established" or traditional society gave to the worker a means of individual subsistence in an economic sphere wherein mass production by machines was unknown. The individual in the traditional society was capable of providing for himself and his family, for the agrarian type of life effected the common good. With the advent of the machine, this type of life was displaced. The individual craftsman was no longer of economic importance. The center of economic life shifted to the industrial cities. The moral

obligations of capital became non-existent under the laissez-faire philosophy. The masses of workers were but tools for the entrepreneurs of this new society. Tradition could not assign the role of the worker in a new industrial society, for the stability of the individual craftsman had been destroyed.

The Mayo philosophy of spontaneous cooperation emphasizes the direction of economic activity along the lines of managerial domination with workers who are subservient to their decisions. This in itself is not coincident with the securing of the common good. Labor, according to the Mayo school, profits best from efficient managerial determination and direction of production. The common good is thereby ignored. ¹⁸ According to the encyclicals, the common good, through social justice, is the guiding norm.

The Mayo school emphasizes the organization of administrators within management to effectively control the morale of the workers through an elaborate communications structure. But, again, the organization of labor and its representation on a par with management is obviated. The cooperation concept of the Mayo school calls for a spontaneous acceptance of status and role playing in accordance with the dictates of managerial policies.

The rights and duties of capital and labor, according to

¹⁸Ibid., paragraphs 52, 53.
the encyclicals, are complementary in that labor makes the wealth of capital increase; yet neither capital nor labor can survive without the other. 19 The right of workers to form associations of their own choosing to secure for themselves their just due is a natural right of association to perfect the equitable distribution of the goods of economic life. The Mayo school does not pass upon the questions of inequities between management and workers. Labor does not have a right in the determination of production to meet their common needs of survival. This, according to Mayo, is the function of management alone. Representation in the production of goods in economic life, then, is also discarded by the Mayo school. Collective bargaining as a means to determining the right of the worker to have a voice in the productive process is rendered unnecessary by Mayo because the efficiency of properly trained managerial "elites" is sufficient to the communication of workers desires and grievances that are incident to the wage contract. Management, according to the Mayo school, determines the solution to the problems of the worker through a "human relations" perspective in communication.

The relationship of government to the economic context of an industrial society is not one wherein control over labor

19 Ibid., paragraphs 52, 53.
and management activity is a primary function for the Mayo school. Mayo argues that the social groups of all kinds in industrial society should be more independent of state control.

Industrial society implies centralization. It means that labor and management will be related to one another in increasingly large organizations, and that these organizations will be brought more and more under the influence of the central directing body of society, the government. The real problem for the Mayo school in their concept of spontaneous cooperation is not how to keep social groups wholly independent and autonomous, but how to organize the relationship to the central control of government in such a way that they can maintain their own life while contributing to the life of organized society. Hence, it could be said, at the level of the small group, society has always been able to cohere. It is inferred by the Mayo school that, if industrial society is to stand, it must maintain, in relation between the groups that make up this society and the central direction of society, some of the features of the small social group itself.

For the Mayo school, then, the emphasis on spontaneous cooperation and social solidarity is the human relations approach to industrial conflict. Through analyzing the shift from folk society to mass society of an industrial sphere,
the Mayo school correctly determined the influence of economics. But they have not analyzed the social consequences in historical terms. Consensus between people on values and ways of behaving hardly exists any longer because tradition and closely-knit social structures have been weakened. People have increasingly become mentally isolated from each other, and they are confused by and suspicious of the forces that seem to control them. The mass society of today is not and cannot be stable or progressive in an orderly way. The Mayo school, with their quest for certainty, see the problems engendered by modern mass society, but do not see the results of their solutions in reality.

The Mayo school seeks to avoid value orientations in the analysis of the problems of industrial cooperation. What is important is that, in a wider context, a particular value orientation for the Mayo school may be found wanting in validity in terms of related conditions in society. An appraisal in view of the philosophy of the labor encyclicals brings out this deficiency. The encyclicals set forth the nature of the social order. The responsibilities in terms of rights and duties of management and labor are defined to effect cooperation for the common good. The emphasis on the common good as the proper unifying force of these groups in industrial society is foremost. The promotion of common
interest in industrial life is the first objective of labor-management organization. Social justice is the highest guiding principle of economic life; free competition, legitimate within bounds, does not supplant it, neither does economic dictatorship. Only the rationalization of economic life in accordance with Christian principles can moderate the causes of industrial conflict and thereby secure a high degree of effective labor-management cooperation. The basis of stable union-management relations lies in the development of a system of joint consultation between company and union. It is out of such joint consultation that compromises develop which reduce, but do not necessarily eliminate, areas of irreconcilable union-company differences. "Neither just distribution, nor increased production, nor both combined, will insure a stable and satisfactory social order without a considerable change in human hearts and ideals. . . . . For the adoption and pursuit of these ideals the most necessary requisite is a revival of genuine religion." 20

CHAPTER V

SUMMARY AND CONCLUSIONS

The purpose of this exchange of views is to clarify somewhat explanations of industrial relations behavior with insight into the theoretic interpretations as seen against a philosophical structure defining the nature and purpose of human activity in industrial life.

Human relations implies an emphasis upon all forms of interaction among individuals in a group in contrast to concern with individuals in isolation from their social context. The emphasis is a consideration of the worker as an individual and as a member of groups at the workplace and or more formidable groups called unions.

An analysis of theoretic musing on industrial cooperation as viewed by the Mayo school precludes the existence of unions. A question may be raised about the value of studies of labor-management relations which do not bring unions into the picture. The fact is that studies of unions are a more recent consideration, and if extended and repeated, will permit generalization about their roles in labor relations. The industrial union and the legal system under which unions
function have developed largely within the past twenty years. This period has included world war and changing emergency regulations of labor relations. The studies that are now being made may permit an accurate definition of the roles of the union. In the analysis of the concept of cooperation in industry as seen by the Mayo school, it is found that the existing theory is inadequate for interpretation, and further research is needed to extend the Mayo analysis.

The existence of national union bodies, with objectives transcending individual enterprises, may be a major obstacle to general plant-level solution of industrial problems. National unions are primarily opposition forces. Their primary reason for existence is to exert pressure on employers for the advantage of the workers and the welfare of the union as a whole.

The conclusion to be drawn from this is that any co-management program for cooperation and integration which overlooks the consequences of membership in a national union organization is not likely to succeed. Unfortunately, the environment in which modern industrial society evolved has developed institutions which distort the basic nature of the association of labor and capital and which obscure both the fact and the significance of this community of interest. The relationship between employer and employee is basically con-
tractual; but it is a labor agreement, not a commercial contract.

The human problems of industrial society, which plant-level efforts can somewhat improve, must be recognized as group problems and solved on higher collective levels. Bonds of mutuality between labor and management can only be provided by the enterprise. They cannot be provided by the union because the bonds of mutuality are not forged by the union's performance of its basic function.¹

It is a futile insistence to expect human aspirations to be fulfilled, human values to be properly acknowledged, and human goals to be reached merely by setting up a gigantic network of intricate technology or automation for material production. If the human aspects of life must be made subordinate to the material and mechanistic, the hope of reconstructing human society along realistically human lines becomes rather illusive. The technology of production will continue to submerge the human equations involved.

The Mayo school relied heavily upon the analysis of the effect of industrialization upon society as seen by Durkheim. Durkheim had termed the planlessness that had developed as "anomie." He observed that the ideal norms which had governed

conduct and formulated purpose had been destroyed in human society. The strong in-group ties of communication and participation, once removed, were not replaced with a corresponding sense of interdependency. Robbed of belongingness and consciousness of their own social function, men drifted into feelings of futility, frustration, and "anomic suicide." On a broader level, society was falling into "stasis" or hostile disintegration.

With this general pattern in mind, the Mayo experimenters studied the effects of fatigue and monotony. The Hawthorne studies presented complex situations. By manipulating environment, productivity was sought to be correlated with strict working conditions. Baffled by clearly contradictory results, the human nature of labor gradually began to become significant to the experiments. Discarding the "rabble" hypothesis which held, that natural society consists of a horde of unorganized individuals, that every individual acts in a manner calculated to secure his self-preservation or self-interest, that every individual thinks logically, to the best of his ability, in the service of this aim, the discovery of basic patterns of human interaction in the chaotic jumble of statistics was made by turning to the social and semantic scene.²

Hence, the Mayo school attempts to discover the effective preconditions of human collaboration and to construct a framework of social equilibrium that would include all the necessary factors. By adding recognition and communication analysis, the researchers had fundamentally altered the work situation by orienting workers toward cooperation.

The philosophy of cooperation of the Mayo school is based upon the following assumptions: Modern society has undergone a transition from a condition that once prevailed in history, and still does prevail in the "primitive community" in which condition, individuals born into the society incorporated into themselves an identity with their group's interest and welfare, to a condition now prevailing in which there are no such incorporations and identifications. As a result of the first condition, happiness and cooperation are natural; as a result of the second condition, unhappiness among individuals produces inter-personal and inter-group conflict. Also in the second condition, the "adaptive" society was indicative of a lag between progress in the technological sphere and progress in the social sphere. If this lag or gap could have been neutralized to maintain the progress in both spheres at an equal rate, human society could have avoided disorganization and conflict.

For Mayo and his colleagues, modern conditions apparent-
ly repress human nature's "instinct" for gregariousness. The Mayo solution away from civilization's downfall is to restore spontaneous cooperation by encouraging the release of this "instinct" or natural desire through acquisition and use of "social skills" on the part of leaders or administrators. This is the perspective by which the Mayo school explains the problem phenomena of modern industrial society.

Mayo may be considered the intellectual spokesman for those who stress the ideal of "harmony" in industrial relations. The philosophy of cooperation of the Mayo school as contrasted with that of the papal encyclicals presents an opportunity to evaluate such a notion as applied to the sphere of industrial relations. A knowledge of the social function of the stress on spontaneous cooperation as a concept derived from an ideal of "mechanical" or "established" relationships existing in a simple, primitive or medieval society, provides a basis for evaluation.

The change from the individual craftsman to the worker in a modern industrial society brought with it new forms of necessary social adaptation. Labor unions developed out of dissatisfaction with economic and social conditions and the need to protect workers against the abuses resulting from the application of laissez-faire philosophy. The essential relationships between organized labor and organized management
involve power and its use. No meaningful study of contemporary industrial relations can fail to take this into account. Yet Mayo and his colleagues did not.

Unions are primarily opposition forces. Their primary reason for existence is to exert pressure on employers for the welfare of the worker and the advantage of the union as a whole. The conclusion to be drawn here is that any theory of cooperation and integration which overlooks the consequence of union membership is not likely to be valid.³

Mention has already been made of the basis on which industrial cooperation can be achieved within the framework of the encyclical philosophy of cooperation. Under such a viewpoint it is but a natural consequence that men should join together into organic groups in accordance with their interests. Cooperation from the viewpoint of the encyclicals places the obligation of a two-fold bond or union between the individuals of any organic group. There is the common interest of all engaged in enterprises of the same kind, and there is the reawakened interest of all alike in the common good.

Since order is unity arising out of a desirable arrangement of differing interests, a true and genuine social order

requires that the various members of labor and management be joined by some firm bond. Such a bond of union exists on the one hand in the production of goods and the rendering of services in which the employers and employees of a productive unit collaborate with joint intent, and on the other hand in the common good, which both, each in their own spheres, must strive in harmony to attain. The labor-management relationship promoted in the encyclicals is composed of diversified economic activities, provided that these are actually working together at any common industrial or other enterprise.

The philosophy of cooperation in the labor encyclicals visualizes complete industrial partnership as an ideal that does not necessarily do away with all distinctions between employers and employees. The general ideal of mutual collaboration and mutual care of all interests, as against the struggle of individualism, should pervade the entire economic life. In all decisions the relation of the individual to the group must also be kept in mind, as well as the relation of these to the common good. The latter cannot exist without the good of the individuals constituting the whole society. The common good, viewed as the common conditions of human life, includes all the prerequisites and established arrangements of a general social nature that are needed before individuals can attain their natural end here on earth.
viously, it is beyond the power of the individuals to create these conditions for themselves. To establish and maintain them for all individuals is the primary function of government. However, the governmental function is subject to function in accordance with the principle of subsidiarity.

Management and unions, then, through collective bargaining, may work toward effective industrial cooperation. The achievement of cooperation is not based upon the dominance of leadership of management over labor. The trade-union in modern society is the only true society that industrialism has fostered. As a true society it is concerned with the whole man, and embodies the possibilities of both the freedom and the security essential to human dignity. It is only thus that the common identity between employer and employee may rule the lives of men and endow each with rights and duties recognized by both labor and management. 4

The Mayo school, in contrast to the philosophy of cooperation in the labor encyclicals, explains labor-management cooperation in terms of managerial "prerogatives." Such a view attempts to explain labor-management problems in modern society as being the outcome of failures to understand, or to get access to word meanings, or attitudes used and held by the respective parties involved. It would be more clarifying

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4 Tannenbaum, pp. 198-199.
if the problem were broken down into more precise elements, that is, what specific types of non-cooperation between management and workers are related to the effectiveness of the communication system; what types are almost entirely unrelated; under what circumstances does good communication actually lead to conflict, instead of cooperation? This is quite possible in those situations where workers clearly understand management motives and interests conflicting with their own. The same is true of management's understanding the motives and interests of workers. But since the Mayo school dismisses any consideration of the relevance of conflicting interest in labor-management relations, thus implying that the interests are identical or should be, they are mostly restricted to a concentration on problems of communication. This approach is not equipped to study the problem of social accommodation of conflict groups who consciously manipulate economic power in the attainment of their ends.5

To conclude, it seems that the Mayo approach to industrial relations has serious limitations. It displays an insufficient awareness of the institutional and technological exigencies of contemporary large scale organizations. It is questionable whether it can deal with the critical problems

consequent on the destruction of the hierarchy of skills and the blockage of mobility. The Mayo school's philosophy of industrial cooperation does not consider the interorganizational relationships of unions and management. The essential human dignity of the worker is also overlooked by the Mayo school through the emphasis upon labor conforming to the leadership that ascertains managerial "prerogative."

The development of constructive industrial relations can be brought about only by administrators, from both unions and management. But it is through the cooperative activity of administrators representing not only management and labor, but government as well. The problem of lack of industrial cooperation is deeply grounded in the loss of the dignity of the worker through the increase of machine production, the failure to obtain a living wage or security of employment, and the lack of recognition of the worker's right to organize for mutual betterment and protection. These problems are considered by the labor encycicals. The Mayo school has completely evaded the basic issues in the problem of human collaboration in modern industrial society. "Paternalism" is definitive of the Mayo approach. The individual himself has no meaning except as a member of a group.6

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The answer then to the problem of industrial cooperation is not a return to a "rugged individualism" that never was, nor is it a slackened interest in social science and human relations.

Human relations recognizes that the human resource is a specific resource. It has made American management aware of the fact that the human resource requires definite attitudes and methods, which is a tremendous contribution.

Yet, human relations is, at least in the form in which it exists thus far, primarily a negative contribution. It freed management from the domination of viciously wrong ideas; but it did not succeed in substituting new concepts.

One reason is the belief in 'spontaneous motivation'.

Though such a human relations approach lacks any awareness of the economic dimension of the problem, the failure of Mayo is in not apprehending what man is. Man is to him the "engineer," the future worker, never man in terms of his essence.

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B. ARTICLES


