Labor Philosophy of Albert John Hayes, International President of the International Association of Machinists

Theodore G. Mazarello
*Loyola University Chicago*

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LABOR PHILOSOPHY OF ALBERT JOHN HAYES
INTERNATIONAL PRESIDENT OF THE
INTERNATIONAL ASSOCIATION
OF MACHINISTS

by
Theodore G. Mazarello

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 and Industrial Relations

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APPROVAL SHEET

The thesis submitted by Theodore G. Mazarello has been read and approved by three members of the faculty of the Institute of Social and Industrial Relations.

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

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

February 1, 1964
Date

[Signature of Advisor]
LIFE

Theodore G. Mazarello was born in Goa, India, on October 11, 1930.

He has: Bachelor of Arts degree with major in Economics from St. Xavier's College, University of Bombay; Bachelor of Commerce degree from Siddharth College of Commerce and Economics, University of Bombay; and Bachelor of Laws degree from The Law College, University of Bombay. He also has a Diploma in Social Service Administration, with specialization in Industrial Relations and Personnel Management, from Tata Institute of Social Sciences, Bombay. He began his graduate studies at Loyola University in September, 1962.

He is an Assistant Personnel Officer, Tata Oil Mills Co. Ltd., Bombay, India. He came to the United States on an Exchange Program for Social Workers and Youth Leaders jointly sponsored by the United States State Department, the Cleveland International Program, Cleveland, Ohio, and the Chicago International Program at Hull House, Chicago, Illinois.

The author is a member of: Industrial Relations Research Association; American Economic Association; American Sociological Association; Society for Personnel Administration; the American Academy of Political and Social Science and Junior Chamber of Commerce and Industry, Chicago, Illinois.
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CHAPTER I
INTRODUCTION

Labor in America today enjoys a unique place. Its present enviable position is partly due to the integrity and dedication of American labor leadership to the cause of the American workingman. Since the memorable days of the Knights of Labor, the American labor firmament is starred by men of the stature of Samuel Gompers, Eugene V. Debs, John L. Lewis, George Meany, Walter P. Reuther and a host of others who continue their vigil over the fortress of labor.

The key to an understanding of a labor movement is its leadership. The American labor movement is no exception. Just as any other labor movement, it is fashioned by labor leaders and mirrors their philosophies, convictions and beliefs.

The purpose of this thesis is to examine and interpret the labor philosophy of an American labor leader — Albert John Hayes, International President of the International Association of Machinists (IAM). It will analyze critically, his beliefs, opinions, views and intellectual convictions vis-a-vis the American trade union movement.
The thesis forms a part of the general Research Project on Labor Union Philosophy undertaken by students of the Institute of Social and Industrial Relations, Loyola University, Chicago, Illinois. The aim of the Research Project is to study the labor philosophies of outstanding American labor leaders who have shaped and continue to shape the fortunes of millions of American workers.

A question may be raised as to why the author chose the leader of the IAM for the purpose of this study. Several reasons could be advanced for this choice. The IAM, founded in Atlanta, Georgia, in 1888 is one of the largest international unions in the North American Continent with a membership of 898,139. Like other international unions, its membership is diversified and envelopes almost all industries. It is the largest union in missile, aircraft, airlines and business machine industry. It is also the largest representing government blue collar workers. Thus the diversified and "giant" nature of the IAM was one of the reasons for selecting Hayes.

In addition, Hayes has many "firsts" to his credit, e.g., in 1956 he was a co-partner with U. S. Industries, Inc. in establishing the Foundation on Employee Health, Medical Care and Welfare, Inc.; in 1961 he was the prime force in convening the first conference of its kind on world trade ever held.

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under the auspices of a labor union; and, in 1962, again Hayes and the U. S. Industries, Inc., took the pioneering step of jointly promoting the American Foundation on Automation and Employment, Inc. He is the Chairman of the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) Ethical Practices Committee. Some of these reasons explain why the writer chose Hayes for this research study.

BIOGRAPHICAL SKETCH

Albert John Hayes was born in Milwaukee, Wisconsin, on February 14, 1900. He attended the Milwaukee public schools and the University of Wisconsin Extension Division Courses in Economics and English. He also attended night school and took courses in steam and gas engines. He started to work in the Milwaukee railroad shops in 1918.

Hayes completed his machinist apprenticeship in 1919 and then became a member of IAM Lodge 234. After serving as Shop Chairman in several Northwestern shops, he was elected President of IAM District 7 in 1924 which included all lodges in the Chicago and Northwestern system. He was still serving as District President in 1924 when the late International President Arthur O. Wharton selected Hayes as a General Vice President and he was subsequently elected to this post in 1945. Mr. Brown then brought him to Washington to serve as Resident Vice President at Grand Lodge Headquarters.

2 The author would like to thank Mr. Robert G. Rodden, Special Assistant to the IAM International President and Mr. Elmer Beck, IAM Press Representative, Office of the General Vice President in Chicago, for their help and co-operation in his research work.
In 1949 he was elected International President which office he holds today.

During World War II, Hayes served as a Labor Member of the Sixth Regional War Labor Board with offices in Chicago. In 1950-51 he served as Co-Chairman of the United Labor Policy Committee. In 1954-55 he was a member of the AFL-CIO Unity Committee and since the merger of the AFL-CIO he has been one of its Vice Presidents. At the present time, he is Vice President of the AFL-CIO Industrial Union and Metal Trades Departments and Chairman of the AFL-CIO Ethical Practices and Internal Disputes Committees.

In 1950-51 Hayes was Special Assistant, Manpower, Department of Defense. He was Vice Chairman of the American Red Cross Campaign, 1960; member of the National Power Council, Columbia University; and a Director of the American Heart Association. In addition to this, the IAM President has been a member of several Presidential Commissions, i. e., President's Committee for the White House Conference on Education; President's Committee on Health Needs of the Nation; and, President's Committee on the Physically Handicapped.

At present, Hayes is Co-Chairman of the Foundation on Health, Medical Care and Welfare, Inc., and American Foundation on Automation and Employment, Inc., a Trustee of the National Planning Association and a member, Board of Directors of the American Arbitration Association. He is a member of: The Advisory Council, U. S. Committee for the United Nations; Federal Advisory Council on Employment Security; Labor-Management Advisory Committee; Atomic Energy Commission; and National Committee of the Conference on Economic
Progress. Further, he is a member of the Board of Advisors of the Industrial College of the Armed Forces; National Bureau of Economic Research; National Religion and Labor Foundation; and, National Institute for Labor Education.

METHOD

The author followed the same research method utilized by the graduate students of the Institute of Social and Industrial Relations who have conducted similar theses under this general Research Project. This method surveys the testimonies, statements, speeches, and writings of the selected labor leader over a particular period and concretizes his philosophy based on the survey. In the case of this thesis, the period covers 1952 through 1963.

For the purpose of this study, the concretization of Hayes' labor philosophy will be broken down into definite areas, namely, exploration of his views on the national and international goals of the American labor movement; the means through which these objectives are to be achieved; and other trade union and industrial relations subject matters which have a significant bearing on the development and progress of the American labor movement.

SOURCES

The primary sources used were the official newspaper of the IAM, The Machinist; The AFL-CIO News; The American Federationist; and Vital
Speeches. The Convention Proceedings of the AFL-CIO since 1955 and the Convention Proceedings of the IAM for the years 1952, 1956 and 1960 were analyzed. In addition, primary source material was found in The Christian Science Monitor, the New York Times, the New York Times Magazine, Management Record, the American Teacher, U. S. Congressional Record, Congressional Digest and U. S. News & World Report. The author also received mimeographed copies of speeches and addresses delivered by Hayes from the IAM Research Department in Washington, D. C. Several helpful discussions were held with the IAM Press Representative, Office of the General Vice President, in Chicago.

Books which were used to get background and historical material of both the Union and Hayes were The Machinists: A New Study in American Trade Unionism by Mark Perlman; AFL-CIO: Labor United by Arthur J. Goldberg, and Democracy in the International Association of Machinists by Mark Perlman.
CHAPTER II

HAYES' VIEWS ON THE LABOR MOVEMENT OBJECTIVES

A close and detailed survey of the many statements, Congressional and Senate testimonies, speeches and writings of Hayes helps us to interpret his views on the objectives of the IAM and the American Labor Movement. For the purpose of this analysis, three categories will be discussed: (A) The objectives of the IAM; (B) The national objectives of the American Labor Movement; and (C) The international objectives of the American Labor Movement.

(A) The Objectives of the IAM: The IAM has been a vehicle of economic, social and political progress to its members. Hayes has successfully carried on the trade union mission of the IAM founding fathers and has negotiated greater dividends for the members since assuming the Presidency of the IAM.

The year 1963 marks the diamond anniversary of the founding of the IAM -- an occasion which offered an opportunity for Hayes to take stock of the balance sheet of the Union and reiterate its goals. Seventy five years ago, Tom Talbott end the co-promoters of the IAM, in a statement on the aims and objectives of the Union, declared that, "We shall endeavor to create and maintain harmonious relations between employees and employers."\(^1\) The basic aims of the IAM remain the same today. Hayes sums up the goals by

stating that the "...fundamental objective...is to negotiate settlements, not strikes...Justice on the job and service to the community."

The achievement of these goals is reflected in the fact that about 97% of the union's contracts are negotiated without any loss of work or production time for the employers.3

Hayes points out that an essential goal of a trade union is the promotion of higher wages and economic security for its members. He is optimistic about IAM's role in raising the wage scale because for him, "Justice in society does indeed originate in justice for those who labor."4 The IAM is thus committed to serve the economic interests of its members with the full realization that their welfare is inseparably tied to the prosperity of the community and the country.

Another goal of the IAM, which has recently gained momentum because of the rapid pace of automation, is the demand for the reduction of the present work week from 40 to 35 hours. "Our...objective is the establishment of a 35-hour week in industry..."5 states Hayes. He elaborates this

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3 Ibid.


5 Albert J. Hayes, "Prescription for Progress," Your Union Today, p. 3.
goal by observing that, "We seek this objective because the tide of modern
technology has simply rolled over the 40-hour week and made it obsolete."\(^6\) He does not consider this proposal revolutionary but advocates it as a
solution to automation-bred unemployment. He discussed this aspect further
in an address before the Society for the Advancement of Management,
Binghamton, New York: "We do not seek shorter hours because American workers
have suddenly become lazy and afraid to work. In fact, if every worker who
wanted work could find it, shorter hours would not be an issue today."\(^7\) He
is of the opinion that a reduced work week will become a reality by 1970.

The IAM has not confined its objectives to the workplace alone but
gone beyond it and concerned itself with the welfare of the worker as a
citizen and a family man. Hayes emphasizes that the factory worker like the
factory owner is entitled to leisure to enable him to become a healthy and
useful member of society. In his own words, "I don't believe that all of the
refinements should be reserved only for those who own and operate business
and industry."\(^8\)

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\(^6\)Tbid.

\(^7\)Albert J. Hayes, An Address to the Society for the Advancement of
Management, Binghamton, New York (Washington, D. C.: IAM Headquarters, May 23,
mimeographed were supplied by the IAM Headquarters in Washington, D. C.

\(^8\)"Interview with Albert John Hayes: What Labor is After?" U. S.
Hayes considers the IAM as a vehicle to induct the members into democratic processes. "...unions have introduced," he maintains, "the processes of democracy into our industrial economy..."9 The International President of the IAM has in mind in this case, a local union meeting -- a symbol of the old town type of democracy, "...where each citizen has a right to attend, to voice his opinion and to participate in all other ways, directly and personally, in the affairs of the union at the local level."10

(B) The National Objectives of the American Labor Movement: There is a close relationship between the objectives of the American Labor Movement and the national objectives of America itself. Hayes brings this out clearly when he states that, "...the interests of organized labor are parallel to the interests of our country. I think they've got to be... It is my contention that organized labor must be concerned with the interests of the country as a whole, that we've got to...champion the cause of the majority of our people, that we've got to oppose the special selfish interests in the United States and not be one."11 Let us proceed to examine this relationship a bit further.

One of the distinguishing characteristics of the American trade union movement is that it has had no formal ideology. It claims to have no "dogmas" and no doctrinaire approaches. This is a tribute to the genius of

10 Ibid.
Samuel Gompers, the architect of the American labor movement and its archpriest of pragmatism. Hayes states that, "... the movement has not engaged in a struggle pitting class against class." He further declares that the movement seeks, "... its goals not in compliance with any master plan, but in conformance to the day-to-day needs of the workers it serves." "It has been a practical movement seeking 'bread and butter' objectives." He further submits that, "... we have tried to meet the problems of our society not with reference to an over-all ideological master plan but by responding to practical problems with practical solutions."

Hayes charts another objective of the American labor movement, namely, that purchasing power should match an increase in productivity. He states that, "Labor's chief objective will be to keep the purchasing power in balance with increasing productivity." He continues: "We need to pump tens of billions of dollars into the economy via the route of higher wages

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12 Albert J. Hayes, Goals of Organized Labor for the Coming Decade. (January, 1960), p. 4. (Mimeographed.)


15 Albert J. Hayes, Address to the Society for the Advancement of Management, p. 13.

16 Albert J. Hayes, Goals of Organized Labor for the Coming Decade, p. 7.
for low income families." And in this direction, the role of a labor leader, according to Hayes, "Is to raise the standard of life for the plain people of the country, not only for the people represented by his particular union, but for all the ordinary people, the workers and their families in the United States."18

Another objective of the movement is to cushion the impact of automation on the workers. The issue of technological change will be dealt with in detail in Chapter IV. Here it may be noted that Hayes has co-established, with the help of a large corporation, a foundation on automation, the American Foundation on Automation and Employment, Inc., the purpose of which, inter alia, is to deal with the human problems of automation. He sums up the objectives of the American labor movement concerning automation by stating that, "It is a basic article of faith with the American labor movement that the purpose of technological progress must be the advancement of the welfare of the people as a whole and not the means of making a portion of our citizenry expendable."19

17 Albert J. Hayes, Remarks at the 63rd Anniversary Celebration of Lodge 104, Huntington, West Virginia. (April 20, 1963), p. 11. ( Mimeographed.)


Hayes does not subscribe to the view of Professor J. K. Galbraith that American society is an affluent one.\textsuperscript{20} In his own words, "Despite the well-publicized myth of national affluence, a shocking number of families are today living under conditions which are as shameful as they are unnecessary."\textsuperscript{21} He, however, offers his own yardstick to feel the pulse of the nation's welfare -- "In terms of people rather than in terms of its treasury surpluses."\textsuperscript{22} He declares that it is rather a sad commentary that in the richest nation in the world, there are over "... 15 million families dwelling in dilapidated slum housing."\textsuperscript{23} On the issue of health, he states that, "It is unthinkable that a nation such as ours, with its high devotion to the dignity of man and the intrinsic value of the individual, can continue to tolerate a situation which permits millions of its citizens to languish in the twilight of ill-health or to slip prematurely into the grave."\textsuperscript{24} Hayes declares that the American labor movement will concentrate to bring the above 15 million families into the American fold by undertaking social, cultural, educational and economic activities. Toward this end, "... labor will push forward schemes of slum clearance, urban renewal, \textsuperscript{20}J. K. Galbraith, \textit{The Affluent Society}, (Boston, Massachusetts: Houghton Mifflin Company, 1958).
\textsuperscript{21}Albert J. Hayes, "Prescription for Progress," \textit{Your Union Today}, p. 4.
\textsuperscript{22}Albert J. Hayes, \textit{Goals of Organized Labor for the Coming Decade}, p. 9.
\textsuperscript{23}Ibid.
reclamation of depressed economic areas, establishment of recreational facilities and park areas."25 This is a laudable declaration but neither his writings nor his speeches offer a blueprint to attain those goals.

The 1963 summer has been referred to as the "summer of crises" because of the Negro demand for civil rights. Labor, too, has been seriously involved in this social strife. The labor movement is committed to a policy of racial harmony and civil rights. Hayes has spoken for racial justice. At a conference sponsored by the President's Committee on Government Contracts in 1958, he stated that racial discrimination is against the American ideal and represents, "...a denial of the principles on which our system of government is based."26 This declaration of racial harmony is welcome but Hayes does not have a program to open job opportunities for the Negro -- leave alone the fact that several AFL-CIO unions, particularly construction unions -- have no schemes to train Negro apprentices. It may be noted that the IAM was a white man's preserve until 1948 when its doors were thrown open to all machinists irrespective of color. Since 1948, however, the Constitution of the IAM is color-blind. An attempt was made by the researcher to determine the number of Negroes on the Grand Lodge, but the task was rather difficult. However, discussions with IAM officials in Chicago revealed that there were a few Negro organizers.

25 Summarized from: Albert J. Hayes, Goals of Organized Labor for the Coming Decade, p. 10.

The International Objectives of the American Labor Movement: The IAM operates actively in the international field by maintaining a full-time representative for this purpose. He is Rudy Faupl, the U. S. Worker Delegate to the International Labor Organization (ILO) and the IAM Representative to the International Transportworkers' Federation (ITF) and the International Metalworkers' Federation (IMF).

The IAM is an international union and Hayes has a strong faith in international labor solidarity. He states that:

Democracy and freedom are the essence of our way of life, and free trade unions are the backbone of the maintenance of this way. . . . The world is facing a crisis -- a battle between the "free West" and the totalitarian "commy sector," and the latter has an edge in total manpower. But the free spirit, the initiative and the quality of the people in the free part of the world can offset the number advantage of the slave section, if the workers remain free.27

Elsewhere he declares: "We. . . .are completely and unreservedly opposed to communism, fascism and totalitarianism of any kind, whether in a greater or lesser form. We know that trade unions can only flourish in a free and democratic society."28

He declares that the American labor movement, in co-operation with the ILO, IMF, ITF and the International Confederation of Free Trade Unions (ICFTU) "...is promoting fair labor standards throughout the world and is trying to combat labor exploitation through democratic trade union


programs." The American labor movement has taken various steps to execute its responsibilities to the trade union movements of the free world. The active participation of the American labor movement in the work of the ICFTU bespeaks of the tasks undertaken by the movement. The recent establishment of the American Institute for Free Labor Development is an attempt on the part of the movement to meet its international obligations by way of training foreign labor leaders.

Hayes looks at automation as an international problem. The American Foundation on Automation and Employment, Inc., referred to earlier, of which Hayes is Co-Chairman, has held international conferences on automation to study its impact on workers and to alert international labor in meeting the challenge it presents in a scientific way so that the costs and gains of automation are shared by all its beneficiaries. American labor believes that democratic institutions develop through unionization and that a strong trade union movement is a bulwark against communism and, hence, the work of the American labor movement.

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In studying the labor philosophy of a labor leader, it is essential to know his views on the means to be adopted to attain the objectives which he has set for his union and the movement. The author proposes to discuss these means under three heads: (A) Economic Means; (B) Political Means; and, (C) Ethical Means.

(A) Economic Means: Under this heading, Hayes' views on the following economic means will be surveyed: (1) Techniques of organization; (2) Collective bargaining; (3) Strikes; and (4) Arbitration.

(1) Techniques of organization: Organization is the lifeblood of a trade union. A measure of a union's strength is gained by counting its members. Hayes once said, "...I suppose that the decisions will always be made by pressures." Certainly no pressure can be exerted unless it is organized. Hayes is an avowed believer in the ancient truism; "In unity lies strength." Though the IAM membership recorded a phenomenal increase during his first two terms as International President, the last few years of his

1"Interview with Albert John Hayes: What Labor is After?" op. cit., p. 52.
third term have witnessed a gradual decline in the ranks of the membership. This is true not only in the case of the IAM, but also of the American labor movement in general. Hayes is aware of this decline and proposes organization as one of the answers to the current "thinning out process." Hayes believes in preparing union organizers for their task of organizing both the "trade union dropouts" and the unorganized, as witnessed by his statement that, "We in the Machinists Union firmly believe in training our young local leaders." The IAM conducts educational institutes every year with the co-operation of universities for this purpose. "...by renewing its campaign to organize the unorganized," Hayes believes that organized labor will meet the many challenges of declining membership. Although set on organizing the unorganized, he has a greater goal -- that of molding an informed rank and file. Members of the IAM should actively participate in the affairs of the union. "...we've got to reach our own members -- in the workplace, in the local meeting hall and in the home." He proposes to reach the members through labor education, "...a better labor press,

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continued service in the community and redoubled political activity."\textsuperscript{6}

Hayes places great value on the press as a vehicle to carry labor's story to the membership and the public. He stresses this technique, "There is the need for a stronger and more influential labor press -- a press that reaches and interests every member and his family -- and that does more than merely report on union activities."\textsuperscript{7} The better press should have, according to Hayes, ". . . . the kind of features, news, and readability that will tell our (labor) side of the story, and that will interest people both in and out of the labor movement."\textsuperscript{8}

Another issue which bears comment is the IAM's co-operation with other labor unions. During the 1952 Convention, Hayes reported that no-raiding agreements had been responsible for settling many jurisdictional disputes.\textsuperscript{9} For example, in 1952 the IAM had one such pact with the UAW.\textsuperscript{10} Since then, it has signed similar pacts with the Rubber Workers, Carpenters, Plumbers and Pipe Fitters, Iron Workers, Printing Pressmen, Boiler Makers and Electricians.

(2) \textbf{Collective Bargaining}: One of the distinguishing features of

\begin{itemize}
\item[6] \textit{Ibid.}
\item[7] \textit{Ibid.}, p. 10
\item[8] \textit{Ibid.}
\end{itemize}
industrial relations in America is the institution of Collective Bargaining. Throughout his career as a labor leader, Hayes has demonstrated a deep and abiding faith in the process of Collective Bargaining. Speaking at a Conference on Collective Bargaining and Arbitration, sponsored by Texas Christian University, Fort Worth, he declared: "Over the years... collective bargaining has provided labor and management with a beautifully balanced mechanism for achieving industrial stability." At the same Conference, he referred to the flood of anti-union bills proposed since the 88th Congress convened. One bill by Senator Dirksen seeks to establish arbitration in the maritime industries; another by Senators Curtis and Mundt calls for the prohibition of strikes in defense industries and the substitution of compulsory arbitration by a board appointed by the Secretary of Defense; yet another by Senator Goldwater attempts to destroy the ability of unions to bargain by hedging the right to strike in a thicket of bureaucratic and time-consuming restrictions.

In the face of such bills, Hayes pleads for the retention of collective bargaining. In his own words, "Despite the profusely publicized labor disputes that have hit the headlines recently, the facts clearly show that collective bargaining has not failed and that no public or private emergency demands that collective bargaining be scrapped in America. ... Far from being a failure, collective bargaining has been spectacularly successful in America."12


12 Ibid., pp. 2-3
Hayes brings out the relationship between trade union goals and collective bargaining by posing the question:

... as a people, we must decide what it is we seek in our labor-management relations. If our total goal is simply industrial peace at any price, the way to achieve it has been blue-printed by every totalitarian dictatorship in history. Nazi Germany and Fascist Italy had industrial peace in the days of Hitler and Mussolini. The Soviet Union, Franco's Spain, and Castro's Cuba all have industrial peace right now. So industrial peace, as such, is not hard to come by. It can be achieved by any society that is willing to sacrifice the freedom of the workforce. But certainly this is not a legitimate goal for America. For it is obviously not possible to sacrifice the freedoms of the workforce without compromising those of business, managerial, and professional classes. And our goal is not to achieve an industrial peace based on submission and subjugation, but to provide human beings with an effective voice in their own economic destiny.\footnote{13}{Ibid.}

Hayes believes that collective bargaining is a means to achieve the twin goals of industrial peace and industrial justice. He recognizes the close link between a good society and a free process of collective bargaining, which is the application of the principle of democracy to the relationship between employer and employee. He urges both workers and management to make collective bargaining their beacon light of hope in order to "... solidify the foundations of the good and just social order which labor and management are both seeking in America."\footnote{14}{Ibid., p. 4.}

Hayes is convinced that collective bargaining does not only assure a healthy and respectable truce in industry, but that it serves as an instrument of social progress. As he puts it: "Because of collective bargaining, millions of Americans today enjoy paid sick leave, vacations,
grievance procedures, seniority, supplemental unemployment benefits and old-age pensions."\textsuperscript{15}

(3) Strikes: To Hayes, a strike is not the object of collective bargaining but a failure of the bargaining process. He states that, "Year-in and year-out strikes are the exception and not the rule in labor-management relations."\textsuperscript{16} No one in the House of Labor likes strikes, "But so long as industry enjoys an unrestrained right to make a profit -- no one can equitably suggest that workers should not have the right to strike."\textsuperscript{17} He further remarks that the right to strike is one that exists only in the free societies -- and "... is always one of the first rights to be destroyed in totalitarianism."\textsuperscript{18}

Hayes sets his own yardstick for calling a strike. He states that, "When men go out on strike, they have to have more than superficial justification. They must feel that their cause is just and their grievances are deep."\textsuperscript{19} He maintains that, "The right to quit work -- in concert with

\begin{itemize}
  \item \textsuperscript{15} Albert J. Hayes, \textit{Remarks at the Phillips Brooks Club, Trinity Church, Boston Massachusetts.} (April 8, 1962), p. 8. (Mimeographed.)
  \item \textsuperscript{16} Albert J. Hayes, \textit{The Compatibility of Labor's Goals with National Goals in Time of Crises}, p. 9.
  \item \textsuperscript{17} Albert J. Hayes, \textit{Remarks at the Industrial College of the Armed Forces}, p. 12
  \item \textsuperscript{19} Albert J. Hayes, \textit{Remarks at the Industrial College of the Armed Forces}, p. 12.
\end{itemize}
one's fellows -- is one of the most precious rights of free men. The right of a union man to work or not to work is comparable to the right of a business man to operate or not to operate a business."20 He declares that although the right to strike is one of the first to be destroyed in totalitarian countries, the destruction of the right to strike, ". . . . does not solve labor problems, it only conceals them -- as both Khrushchev and Franco have found out in recent years."21

(4) Arbitration: Hayes is of the opinion that voluntary arbitration has a definite place in labor-management relations. He states that every year, the IAM, like other international unions, is involved in thousands of arbitration hearings at all levels, and, "As a union, we agree to arbitration of disputes arising under the contract in about 95% of our negotiations."22

Hayes points out the difference between collective bargaining and compulsory arbitration:

In free collective bargaining, where the ultimate right to strike exists, both parties have a reason to reach agreement. For neither normally wants a strike. . . . The possibility of a work-stoppage provides both parties with a compelling motive to reach an agreement that is not only mutually satisfactory, but which forms the foundation for a harmonious relationship throughout the life of the contract. . . . Compulsory arbitration will never lead to the kind of mutually satisfactory agreements that are normally achieved through collective bargaining. . . . The chances are that neither party will be satisfied, that production will suffer and that, as time goes on, the settlement will become increasingly political. . . . If nothing else, the experience of other countries should warn those who think that compulsory arbitration would be a labor relations cure-all. An arbitration is a

20Ibid.
21Ibid.
22Albert J. Hayes, "What's Right With Labor Relations?", p. 3.
quasi-judicial proceeding. As such, it replaces negotiators with lawyers, issues with technicalities, and substance with form. 23

Hayes is opposed to compulsory arbitration in general. He states that, "It is said that we must adopt compulsory arbitration, at least in transportation and defense industries, because we cannot risk strikes or lockouts in occupations that connect so closely with national health, safety, and welfare." 24 He elaborates by stating that, "It is true that today we hear a lot about the so-called 'missile gap.' We also hear a lot about jurisdictional disputes at missile bases. It seems that some people would like to take one missile lag, mix it with one problem of jurisdictional disputes and come up with a recipe for union busting." 25

(B) Political Means: Under political means, the author will examine the concepts of Hayes on the following issues: (1) The Formation of a Labor Party and Partisan Political Support; (2) Political Education and Political Use of Funds; and, (3) Labor Legislation.

(1) The Formation of a Labor Party and Partisan Political Support: Hayes has been active in political campaigns since the early 1920's when he was a loyal supporter of the elder Robert La Follette. Pictures of La Follette and President Franklin D. Roosevelt are to be seen on his office wall.

Hayes proclaims that, "Unions have increasingly sought to reinforce

23 Ibid.
24 Ibid.
economic action with political action." He remarks that:

Today the functions and interests of a labor union reach into every phase of life. ... every phase of our operations, in one way or another, involves politics. I believe politics and politicians just about decide everything that organized labor is for or against. Because of that. ... organized labor has got to become interested in politics and we've got to become more than interested. ... we've got to become more effective politically than we have been to date.

Elaborating the reasons why labor is in politics, Hayes declares that labor wants to have some say, "Not only over their own wages and conditions of work, but also on the kind of community in which they live." He further states that labor has learned that many of the economic forces cannot be controlled through contract negotiations on a shop-by-shop or even industry-wide basis. These forces are controlled by men and women in public life -- politicians. "... if the wrong men are in public office, they can arrive at wrong policies -- policies that create problems rather than solve them."

As far as political activity is concerned, Hayes would like labor to imitate management which is and has been very active in the political arena. The IAM President states that:

We are still novices as compared to industry, when it comes to political objectives. ... We will get better laws,

26 Albert J. Hayes, Remarks at the Industrial College of the Armed Forces, p. 9.
27 "Interview with Albert John Hayes: What Labor is After?", op. cit., p. 50.
29 Ibid.
better administration, and better government only when we, as trade
unionists, realize how closely our standard of living is tied to
government action. . . . It is time we begin doing effectively what
business has always done. Not only has business always been deeply
immersed in nation's politics, but it is now redoubling its efforts
to select and control the men and women who represent us in Congress
and state legislatures. 30

Hayes declares emphatically that, "If any group is to counteract business
pressure on government, it must be organized labor. We cannot hope to out-
spend them, but we can outvote them. To do that, we must get to work in
the precincts. We must ring doorbells, get our people registered and out
to the polls on election day." 31

Hayes likes to remind his membership that unions and management
bargain not only across the table but across the ballot box and, "For this
purpose it is necessary to influence the terms of legislation by putting into
office friendly legislators and administrators and by keeping the pressure
on such legislators and administrators once elected, they inevitably find
themselves engaged in highly organized political activity." 32

In 1952, when asked pointedly whether he would favor a labor party
in America in order to achieve the aims of the labor movement, he stated that
he is not in favor of a labor party. He elaborated: "I don't believe that
this is possible in the United States at the present time. One day it may

30 Albert J. Hayes, The Challenge Today: Communicating to Society
the Need for a Strong Labor Movement, p. 13.

31 Ibid.

32 International Association of Machinists, Proceedings of the
Twenty-Third Convention, p. 72.
come, but I don't believe that the time is now." 33 Eight years later, however, in an address to the IAM 25th Convention, he declared that:

It is significant that the Canadian Labor Movement has already decided to solve its problems through the formation of a new political party dedicated to the welfare of the majority of the Canadian people. . . . In the United States, such formation of a third political party has not yet been seriously considered, but let me say that if the major parties continue to fail to serve the majority of our people, it may well come to pass that we, too, will have a third political party in the United States. 34

Hayes was asked to comment on the political philosophy of Samuel Gompers, who strongly advocated the philosophy of not supporting either party. He did not second the views of Gompers. He stated that the philosophy of not supporting either party is outmoded. He asserts that, "Organized labor must be interested in politics. We must educate our membership politically. My contention is that if the workers in the United States were educated politically and knew the facts, then there would not be as many voting against their own interests as at the present time." 35

(2) Political Education and Political Use of Funds: Hayes recognizes that political education is the sine-qua-non of effective trade union political activity. He says, "We have got to reach our own members -- in the workplace, in the local meeting hall, and in the home. If we can't convert and convince them, we won't convert and convince anyone else. And

33"Interview with Albert John Hayes: What Labor is After?", op. cit., p. 50.

34 International Association of Machinists, Proceedings of the Twenty-Fifth Convention, p. 74.

35 "Interview with Albert J. Hayes; What Labor is After?", op. cit., p. 50.
that I realize is going to demand more education and continued service in the community.\textsuperscript{36}

Hayes makes a case for educating the membership and the public through the labor press. He says that we must continue the education mission, "Not as a matter of patting ourselves on the back, but because we must have public understanding of our aims, objectives, and contributions, if we are to prevent the further spread of restrictive laws... that are meant to weaken the trade union movement."\textsuperscript{37}

He has been a Co-Chairman of the IAM's Machinists Non-Partisan League since 1947. The League performs the same work as the AFL-CIO Committee on Political Education (COPE). He subscribes to the view that labor should have good government and good officials acting under good laws. Hayes wholeheartedly favors the use of political funds to support candidates whose records and public lives have been pro-labor. He is not opposed to Federal laws which supplement labor's legislative drive.

(3) **Labor Legislation:** Hayes believes that labor legislation is one of the basic means of achieving labor's goals. Economic gains take roots through labor legislation. Hayes states that labor led the fight for decent industrial safety, "... we are still fighting for a better life for all people. We are working in Congress and in the state legislatures to get better schools for our children, to get decent minimum wage legislation for

\textsuperscript{36}Albert J. Hayes, *The Challenge Today: Communicating to Society the Need for a Strong Labor Movement*, p. 8.

\textsuperscript{37}Ibid., p. 11.
millions now denied such protection, to get better old age and survivorship benefits and more adequate unemployment insurance coverage and benefits. 38

An issue connected with labor legislation is the question of bringing trade unions within the existing anti-trust legislation. Organized labor is opposed tooth and nail to any such moves. This is a continuing debate in which the National Association of Manufacturers, the U. S. Chamber of Commerce, and the National Right to Work Committee are allied against the labor movement. Hayes questions the apparent fairness of the suggestion that since corporations are covered by anti-trust enactments, unions should also be, by listing the following distinctive qualities of the value of labor:

(a) What a worker has to sell is not property, but a part of himself. Property can be withheld from the market without loss of value, until the price offered is profitable, labor on the other hand is "perishable." Any attempt to withhold it from the market, when the price (i.e., the wage) is too low results in an immediate loss to the worker.

(b) Commodities can be easily transferred from an unfavorable to a favorable market. Labor, on the other hand, is relatively immobile, as it is rooted in a particular market not only by such ties as family, friendship, church affiliation and familiarity of surroundings, but by lack of knowledge about the job market and opportunities elsewhere.

(c) Buyers of commodities are vastly more varied and numerous than employers of labor. In fact, in recent years Hayes suggests that a trend of corporate mergers and absorptions has concentrated greater control of production and jobs in fewer and fewer hands.

(d) Owners of commodities, corporate and otherwise, have far greater financial resources in cash, credit, property and inventory than do workers. Not only do they have greater resources, but while employers have preached individualism, they have customarily practiced combination.

(e) On a commercial market, it is the seller of a property who sets the price. But in a labor market, it is not the seller, i.e., the worker, but the buyer, i.e., the employer, who establishes the amount to be paid for labor. This is because even in times of prosperity the need and competition for jobs is greater than the need and competition for workers.

For these reasons Hayes concludes that, "Workers... have never been able to create a monopoly of labor which is anything like the monopoly of management over goods and market." He further states that, "In view of these considerations, it is clear that those who prescribe anti-trust laws for labor, either have no conception of what they propose or no conscience for the consequences." He remarks that, "Not only is this attempt to equate human labor with commodities a cynical denial of the basic principles of our Judaic-Christian morality, but it assumes that human values will be safeguarded in a society of unchecked corporate industrial power."

Hayes sums up his views on the legislative program by stating that:

As responsible citizens, union members seek the election of those who agree with Abraham Lincoln that the legislative objective of government is to do for the community of people whatever they need to have done, but cannot do at all, or cannot do so well for themselves in their separate and individual capacities.

40 Ibid.
41 Ibid.
42 Albert J. Hayes, Remarks at the Industrial College of the Armed Forces, p. 13
43 "Labor and Elections," The Machinist, (June 2, 1960), p. 8
(C) Ethical Means: One of the reasons which led the writer to conduct research on the labor philosophy of Hayes is his deep interest in labor ethics and his work in the AFL-CIO Ethical Practices Committee (EPC) as its Chairman. After the McClellan Hearings on labor racketeering, the AFL-CIO drafted Hayes to head its EPC which established a spectrum of ethical codes for the House of Labor. During the period covered by this research, Hayes has delivered numerous speeches and written several articles on labor ethics.

While he does not absolve the labor movement from the charge of corruption, he takes the position that it is present in other institutions and professions also and to a much greater degree.

Speaking before a 1958 Union-Management Conference at the University of Notre Dame, South Bend, Indiana, Hayes spotlighted the role of the EPC. He declared that its main role, "...is to formulate basic ground rules -- to define in certain unmistakable terms, the boundaries of propriety for trade union officers." The most significant contribution of the EPC has been to

Some of these speeches and articles are listed below:

See footnote 36;
Ethics, Democracy and a Free Labor Movement, (March 13, 1958), (Mimeographed.);
Labor and the Public Interest -- Ethics and Responsible Leadership, (October 30, 1963). (Mimeographed.)

See Albert J. Hayes, Remarks at the Phillips Brooks Club, pp. 11-12.

provide the labor movement, "... with a code of ethics of its own -- a code separate and distinct from that of the business world." Hayes also commented on business ethics: "The philosophy of our business system is summed up in the phrase 'caveat emptor' -- let the buyer beware -- a phrase which certainly implies that the public has no right to expect ethical treatment in the market place."48

To date, the EPC has formulated six specific codes of ethics which established standards for trade union practice and policy. Hayes explains the impact of the Codes:

The simple act of adopting a code, of proscribing certain actions as unethical, is in itself a warning to the would-be racketeer and a strengthened conscience for the weak of will. And the justice which has been so speedily meted out to the violators of the codes is clear evidence to all that the labor movement means business.49

Hayes sums up the entire range of EPC activities by stating that:

Organized labor has gone further at this point than any other private institution in our nation to establish and to police standards of ethical behavior on the part of its members. And I also venture to say that if the ethics of organized labor were compared objectively with those found in business, professional, academic or political life, we would find that they are certainly no worse -- and are, in fact, probably better than those of other institutions.50

47 Ibid., pp. 3-4.
48 Ibid., p. 3.
49 Ibid., pp. 4-5.
50 Ibid., p. 5.
CHAPTER IV

HAYES' VIEWS ON SOME SIGNIFICANT RELATIONSHIPS OF THE
AMERICAN LABOR MOVEMENT

In this chapter, the author proposes to discuss and analyze critically the concepts and views of Hayes on the relationships between the American Trade Union Movement and the following areas: (A) The Capitalistic Economic System; (B) Management; (C) Government, with particular regard to its role in Industrial Relations; (D) The Health Needs of the Nation; and (E) Technological Change.

(A) The Capitalistic Economic System: The American Labor Movement has largely had common cause with and sought to work within the scope of the free enterprise. Hayes has commented upon the Capitalistic Economic System during several of his addresses to associations of trade, commerce and labor. His views and concepts indicate his faith in the capitalistic system working with free labor. He declares in his introductory remarks before the Pocatello Chamber of Commerce, Pocatello, Idaho, that, "Ours has not been a vehicle of the class struggle. It has not been our purpose to destroy management or the free enterprise system."¹ He continues that, "Class struggle -- and

class hatred -- have not been part of America's history because our people found a better way to advance the welfare of workers without destroying the rights of private ownership."^2 He asserts that, "... free enterprise cannot endure without a free labor movement. This lesson was learned in Mussolini's Italy, Hitler's Germany, Peron's Argentina and Stalin's Russia."^3

In May, 1958, while addressing the Southwest Area Conference on Industrial Relations in Houston, Texas, he declared that the, "... American labor movement is firmly committed to the free enterprise system. We not only believe in the system, but we believe... businessmen are entitled to fair profits in the same way that workers are entitled to fair wages."^4

In 1960, President Hayes, in an address to the National Military Industrial Conference in Chicago, weighed the compatibility of labor's goals with national goals in time of crises. At that time, the uppermost thought that engaged the attention of Americans was the rapid economic growth of the Soviet economy. He declared that of the many questions facing America:

"None are more basic than the one that confronts this conference, namely, whether the American political and economic system -- in its present form -- is equal to the challenge posed by a tightly disciplined and rapidly expanding Soviet economy."^5

^2 Albert J. Hayes, Remarks at the Industrial College of the Armed Forces, p. 3.

^3 Albert J. Hayes, Remarks at the Industrial Management Club, New York, (May 18, 1960), p. 15. (Mimeographed.)


He submitted that there was no need to surrender American principles to meet Soviet competition and stated that, "We have a political and industrial system -- which, if properly used for the benefit of all our people -- will achieve miracles of industrial production surpassing anything the communists can achieve with a rigidly regulated labor force." He further emphasized that, "We have a good thing in America. Despite many inequities, we have created the basis for a just society. We need not be frightened by the recent successes of Soviet enterprise. Nor do we need to alter or modify our system."

Speaking before the Industrial Management Club, Port Chester, New York in 1960, Hayes remarked that, "In our kind of free enterprise system . . . we have the greatest vehicle for human progress ever designed by men." And in 1962, in an address to the Industrial College of the Armed Forces, he stated that the American labor movement:

... has tried to raise the living and working standards of the American people without injury to basic political and economic institutions. For example, the mainstream of the American labor movement -- the labor movement of Samuel Gompers -- the labor movement out of which today's AFL-CIO has grown -- has not challenged the private ownership of the means of production. We have not questioned the right of management to make a fair profit. We have no quarrel with private wealth. Our fight has been for private ownership with fair wages, private profits with shorter hours, private wealth with decent working conditions. We not only believe that private ownership, profits and wealth are in harmony with good wages, hours and working conditions, but absolutely dependent on them.

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6 Ibid., p. 3.
7 Ibid., p. 17.
8 Albert J. Hayes, Remarks at the Industrial Management Club, p. 15.
9 Albert J. Hayes, Remarks at the Industrial College of the Armed Forces, p. 6.
During the 75th Anniversary Banquet of the IAM, Hayes declared that:

It is important that we accomplish the ends we seek, not merely for our own gratification, but as a living proof to all of the peoples of the world, all those who yearn to be free, that individual enterprise is synonymous with social justice and that within the structure of democracy lies man's best hope to achieve economic justice, political equality and personal dignity.\(^{10}\)

He pays a final tribute to the free enterprise system when he proclaims that, "We want to conserve as fully as possible the institutions of free enterprise and democratic government that make the American experiment unique in the annals of men."\(^{11}\)

(B) Organized Labor's Relation to Management: Hayes asserts that labor and management have much in common. In his own words, "It is a cornerstone of my own personal philosophy. . . . that labor and management have far more in common than they have in opposition."\(^{12}\) He continues that, " . . . within the framework of democracy and free enterprise, we have perfected a system in which the goals of labor and management are both compatible and mutually beneficial."\(^{13}\)

At the Southwest Area Conference on Industrial Relations, Hayes called for a "meeting of minds" and for greater understanding between


\(^{11}\) Albert J. Hayes, Address to the Society for the Advancement of Management, p. 13.

\(^{12}\) Albert J. Hayes, Remarks to the Pocatello Chamber of Commerce, p. 1.

\(^{13}\) Ibid., p. 10.
management and labor. Such a working understanding, according to him, leads to industrial harmony. He pleads with management to accept the, "Free Organizations of working men, not as enemies, but as contributors to the process of production." In 1961, in an address to the Mohawk Valley Society for the Advancement of Management, Ithaca, New York, he stated the opinion, "Management must realize that its own future is inescapably tied to the future of the workforce. . . . They must realize that no group can make lasting progress unless it shares that progress with all the people."

As it was stated earlier, Hayes emphasizes that labor has not engaged in a class struggle to destroy employers and the system of private profits. On the contrary, he stresses that relationship between unions and management are firmly grounded in mutual trust and respect. He deplores the nonacceptance of this fact by management when he states that: "Though the workers of America approve and support the free enterprise system, the organizational spokesmen for management do not in turn accept the fact that unions play a needed and beneficial role in a free enterprise economy. Thus, instead of accepting unions as a partner in production, many employers tend to look at it as the 'enemy'."


15 Ibid., p. 10.


17 Albert J. Hayes, "What's Right with Labor Relations?", p. 3.
During the McClellan Hearings, Hayes disapproved management's campaign and propaganda against labor. He declared that it is ridiculous for labor and management to continue waging class warfare, especially an institutional struggle which does not reflect the true compatibility of labor and management in America, at a time when America seeks to provide the world with a suitable alternative to communism. He made a plea, "...to bring the institutional relationships between business organizations and unions into harmony with the personal relationships that exist between businessmen and union representatives." He further states that, "At the institutional level, the organizations of business -- the National Association of Manufacturers, the U. S. Chamber of Commerce, the National Right to Work Committee and the like -- are waging war, class warfare, against the American labor movement." He questions the existence and purpose of such an institution as the NAM's "Center for the Study of Union Monopoly Power." He states that, "This and other weapons of class war. . . . can only obscure the basic compatibilities of labor and management within the framework of the free enterprise system."%

There is another thorn which Hayes sees in organized labor's relationship with management. He resents unions being referred to as "seats of monopoly power." He declares that, "No union in the country has the power, 

18 Ibid., p. 4.
19 Ibid.
20 Ibid.
the resources, the wealth, or the income of any one of the scores of large corporations that dominate various sectors of American industry."21 He continues that, "It is ludicrous to compare the resources of the UAW with those of General Motors; the Steel Worker's Union with those of the U. S. Steel; or the Machinist's Union with those of any of the major producers in the Aerospace Industry."22

Hayes would like to consolidate labor-management relationship because both can do much to make America and the world a better place in which to live and work. He states that, "We can build a greater America, if, instead of fighting one another, we join together in a cooperative effort to meet some of the real and fundamental challenges that confront our country and its people today."23 "Labor and management must bring to an end the institutional class struggle which now overshadows the basic compatibility of our goals."24 He concludes that: "If we will work together fairly... we can build a truly great, prosperous and secure America."25 Elsewhere he states, "Let us... find and broaden the many areas in which we can agree. And let us go forward in the building of an even stronger and more secure

21 Albert J. Hayes, Remarks at the Industrial College of the Armed Forces, p. 13.
22 Ibid., p. 14
23 Albert J. Hayes, Remarks to the Pocatello Chamber of Commerce, pp.10-11.
24 Ibid., p. 12.
25 Albert J. Hayes, Remarks at the Industrial Management Club, p. 15.
democracy in America."26 And again:

We Americans have created the best possible foundation for a good and just social order. . . . It is now the responsibility of Labor and Management to work together to correct remaining injustices, to eliminate residual inequalities and to strengthen free enterprise in the world by making it synonymous with social justice at home.27

(C) The Role of Government in Industrial Relations: This is a crucial area in American industrial relations systems. By and large, the American Labor Movement is opposed to direct governmental involvement in Industrial Relations.

While elaborating on its merits, Hayes commented on the alternative to collective bargaining. One such alternative was government participation in industrial relations to settle industrial disputes. He states that:

This might successfully eliminate the need for unions, but by the same token, it might also eliminate the need for management. For when government begins to regulate wages, hours and working conditions, it is but a matter of time before it has to start regulating markets, production, prices and profits. Throughout history, the road away from collective bargaining has always led to the dead end of complete government control.28

Hayes fears that government directives will replace the "give and take" of collective bargaining. He maintains that if he were a businessman, he would much prefer to settle differences through collective bargaining rather than through bureaucratic machinery. "For, I would know that once


28 Albert J. Hayes, Remarks at the Industrial College of the Armed Forces, p. 17.
the government began telling me what wages I must pay, it would soon be telling me how much I could charge for my products and how much profit I could make."  

Hayes reminds the business community that the sword of government intervention cuts two ways. He states that if collective bargaining fails:

...the alternative will not be a return to laissez-faire but compulsory arbitration and other forms of direct government participation in the processes of industrial relations. Thus, before businessmen go on blindly and blithely demanding laws which will bring government even more directly into the employer-employee relationship they ought to consider exactly what this means.  

He elaborates by pointing out that:

For almost 30 years now, the government has been taking an increasingly larger role in industrial relations -- interfering first on one side and then on the other. When President Truman seized the steel mills...and started operating them under government supervision -- the business and industrial community of America were shocked and justifiably so. But now, in their head-on rush to destroy collective bargaining and substitute government intervention for union negotiation the spokesman for business seem to have forgotten that the sword of government intervention cuts two ways.  

Hayes states categorically that government intervention is a poor trade for free collective bargaining between labor and management. He declares that before employers make this trade, "A trade which is likely to be irrevocable once it is made, employers ought to honestly consider whether

31 Ibid., pp. 6-7.
they would prefer to bargain with unions or carry out decrees of government agencies." He pleads with them that:

In making a judgement on this issue, businessmen should realize that government intervention in the relations between labor and management will not be limited to wages, hours and working conditions. Quite the contrary, once government begins to regulate the conditions of employment it must of necessity regulate the related components of production including, incidentally, prices, profits and marketing.33

The above discussion indicates that Hayes is opposed to government intervention in labor-management relations. However, he makes an exception in the case of national emergency disputes covered by the Taft-Hartley Act, 1947. During the 1954 Taft-Hartley Revision Hearings, he presented a detailed plan to deal with national emergency disputes. He suggested that the President of the United States be empowered to decide whether a labor-management dispute is a serious threat to national safety or welfare. In the case of such a dispute, the President would appoint a tripartite emergency board consisting of an equal number of representatives from labor, industry and neutrals to conduct a full hearing and such other investigations as may be necessary. The parties to the dispute would be allowed a 30-day "cooling off" period during which they would either accept the emergency board's recommendations or settle the dispute on a mutually satisfactory basis. In the event either or both the parties refuse to accept the recommendations of the board or fail to agree on a mutually satisfactory settlement within the 30-day period, the board's recommendations would become binding upon them.

32 Ibid., p. 7.
33 Ibid.
and would remain in effect for a period of time not to exceed one year.\footnote{34}{Summarized from: The Testimony of Albert J. Hayes in Taft-Hartley Revisions Hearings before the Senate Committee on Labor and Public Welfare, 83rd Cong., 1st Sess., part 4. pp. 1806-1810.}

(D) The Health Needs of the Nation: During the Kennedy Administration a lot of controversy centered around the Administration's proposed Medicare legislation. Organized labor has a record of supporting Medicare for the aged under Social Security. Labor's interest in health needs of the nation antedate the Kennedy Administration's Medicare proposals.

Medicare has been a problem in America for some time. Hayes' interest in health and medical care crystallized in the early fifties when he was named a member of President Truman's Commission on Health Needs of the Nation. In 1956, the IAM and U. S. Industries, Inc., jointly established the Foundation on Employee Health, Medical Care and Welfare, Inc. The Foundation was a pioneering labor-management attempt to help all unions and employees in the United States to obtain greater value for their collectively bargained health and welfare benefit dollars.

Writing in The Machinist in 1954, Hayes put forward his blueprint for better health care for Americans. This Health Plan was cited in the U. S. Congressional Record.\footnote{35}{U. S., Congressional Record, Vol. 100, No. 28 (February 15, 1954), p. A-1207.} The seven-point program called for the training of more doctors; building of more hospitals; promotion of group medical practice; streamlining of the Public Health Service; outlined
measures to combat serious illness; chalked out Health insurance provisions and proposed that the government make health loans.\textsuperscript{36} These measures call for a comprehensive and coordinated attack on the various phases of the health needs problems, like shortages of adequate medical personnel, training facilities for such personnel, medical research and pre-payment of health care costs.

Hayes does not approve private health insurance which, according to him, has never met the health needs of the nation because of built-in limitations. He states from first-hand experience of his membership that "Some private health insurance is downright deceptive."\textsuperscript{37} He continues that, "Many of the policies are cancellable at the option of the company -- and this option is too often exercised about the time the first illness occurs. Although the insurance industry has been moved by the controversy over health care for the aged to design special policies for older people, it is obvious that private insurance, by its very nature, will always be inadequate to meet the health care needs of people over 65 years of age."\textsuperscript{38} He affirms that:

\textsuperscript{36}Summarized from: "Hayes Offers Congress Seven Steps to Provide Full Medical Care for All," The Machinist, (January 21, 1954), pp. 1 and 3.

\textsuperscript{37}Albert J. Hayes, Testimony on H. R. 4222, The Health Insurance Benefits Act, Before the House Committee on Ways and Means, (August 1, 1961), p. 5. (Mimeoographed.)

\textsuperscript{38}Ibid., p. 6.
The aged are a high risk group. . . . and in the insurance business, a high risk must necessarily carry a high premium. And yet, we have also seen, most of the aged, on their reduced incomes, cannot even afford normal premiums. No amount of finagling -- or working out of special policies by the industry -- can overcome these economic realities. 39

The answer to the vagaries of private insurance, according to Hayes, is a new program of insurance that spreads the cost of high risk and old age health insurance over the entire working life of the insured.

Hayes believes that the problem of:

Providing a system of adequate medical care for the aged is one that seriously concerns not only the aged but their children and their children's children. . . . For when aged parents or grandparents cannot finance care for the inevitable infirmities that come with their later years, the burden falls heavily on their children. 40

And Hayes would not like this to happen because when it does, "Family funds that should properly be used for the nourishment, education, clothing, housing and medical care of the young must too often be drained to provide medical care for the old." 41

Concluding his arguments in favor of health care for the aged under Social Security, Hayes states that, "It is only good sense to let American workers pay now for the medical care they will need later." 42 He concludes by stating that, "Through a well-rounded and eventually complete national health program our nation, more truly than ever before, could be a symbol of

39 Ibid.
40 Ibid., pp. 1-2.
41 Ibid.
42 Ibid., p. 7.
the value of freedom in bringing hope and progress to its people and a strong bulwark against the forces of communism." 43

(E) Organized Labor and Technological Change: Hayes' approach to the whole problem of automation is symbolized in the establishment of the American Foundation on Automation and Employment, Inc., which was jointly sponsored in 1962 by the IAM and U. S. Industries, Inc. The Co-Chairmen of the Foundation, Hayes and John I. Snyder, Chairman and President of the U. S. Industries, Inc., explain the aims of the Foundation: "We recognize that the spread of automation cannot and should not be stopped. But the fruits and benefits that automation can bring to a free country can never be achieved if the effect on the worker of this new industrial revolution is not simultaneously considered and dealt with." 44 This is then the philosophy of the Foundation and Hayes explained his own when he declared, "If automation continues to result in the growth of a large, frustrated and aggressive citizenry -- without satisfactions rooted in work -- it will inevitably threaten the democratic institutions that have been our country's greatest contribution to mankind." 45

The Foundation on Automation and Employment is a good example of whole-hearted labor management cooperation. It was organized specifically


44 The American Foundation on Automation and Employment, Focus on Automation, p. 2.

45 Ibid., p. 11.
... with human problems, to develop ways to ease automation's impact on workers whom it displaces."

Since its establishment, the Foundation has assembled a group of eleven leading United States industrialists, union leaders, educators, attorneys and labor relations specialists to serve as directors. It has initiated several important projects, including a study in depth of the reduced work week as one possible solution to the problems of automation. In addition, the Foundation is studying the problems of retraining adults displaced by automation and financing a detailed study of private and public methods adopted in Western Europe to maintain stability in wages and prices there. It has an arrangement under which the New York State School of Industrial and Labor Relations, at Cornell University, Ithaca, New York, acts as its research arm and repository of all information; and it also has working agreements with New York University and the University of Illinois.

During the autumn of 1962, the Foundation began working on two projects. First, it supported the establishment of a companion British Foundation on Automation and Employment -- a group with a completely separate Board of Directors consisting of outstanding representatives of industry, labor and the public in Great Britain. And at the same time, it organized a series of international conferences on the impact of automation on workers, management and industrial relations in general. Subsequently, two separate meetings were held in London. The first of these, an Inter-

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46 Ibid., p. 1.
national Research Conference, took place at the University of London, School of Economics. It was organized by the Cornell University in association with the University of California at Los Angeles, the University of Chicago and the University of Illinois.

When the London meetings ended, the Directors of the Foundation departed for the I. L. O. Headquarters in Geneva, Switzerland, at the invitation of the Director General, David Morse. In the two days of discussion with the Director, they reached agreement on several programs to be undertaken jointly by the Foundation and the I. L. O.

Hayes emphasizes time and again that labor is not opposed to automation and declares that:

"Despite the enormity of the human problems that have been caused by automation... the labor movement in the United States is not opposed to technological progress. To the contrary, we welcome it. We welcome it because we know that automation can improve and enrich the lives of workers both on and off the job." 47

Labor has diagnosed automation. What about the prognosis? Though labor is not opposed to automation, it is, however, "Opposed to the philosophy that workers displaced by machines should bear the full economic and social cost of technological progress." 48 But does labor have any panaceas to automation? Hayes points out that:

Organized labor is well aware that there are no quick and easy answers. But working from the principle that increased productivity


48 Albert J. Hayes, Goals of Organized Labor for the Coming Decade, pp. 7-8.
without increased over-all demand, is a clear-cut formula for recession and unemployment -- the Machinists Union has established certain bargaining objectives which we believe are necessary to protect both our own membership and the economy.49

These objectives are negotiations first,

(a) For advance notice and consultation whenever employers plan major automation moves

(b) For the right to transfer to jobs in other plants with adequate allowances to cover living and moving expenses

(c) For preservation of previous rates of pay of workers who have been downgraded and the maintenance of a substantial part of the income of those who have been laid off, either through supplemental unemployment benefits, severance payments or some other device

(d) For early retirement at adequate pensions for workers whose age will unduly handicap them in securing new employment

(e) For continuation of insurance coverage and other fringe benefits during periods of lay-off

(f) For negotiations of new job classifications and pay scales wherever automation has increased skill requirements or responsibility or has imposed additional demands on workers.50

Hayes views the reduction of the work-week as a solution to the automation-bred unemployment. He states that:

In seeking to adjust to a situation where fewer and fewer people can turn out more and more goods in less and less time -- it seems evident that one fundamental change we will have to make in our society is to reduce the number of hours an individual works, not merely in a day, a week or a year, but in his lifetime.51

49 Albert J. Hayes, Address to the Society for the Advancement of Management, p. 8.

50 Ibid., pp. 8-9. (Summarized.)

51 Albert J. Hayes, Remarks at the Conference on Automation and Social Change, Canada, (Sept. 18, 1963), p. 7. (Mimeographed.)
Hayes proposes more leisure in the form of more holidays, more long weekends, more vacations and more sabbaticals for more people. He states that, "Eventually we must provide more and better educational opportunities for our youth...training, for example in data processing, programming, computer mathematics, industrial electricity and electronic theory." He calls for the establishment of advanced technical institutions and for early retirement clauses in the collective bargaining contracts.

The above objectives are not the complete cure-all for automation. Hayes believes that government will have to play a major role in solving problems raised by automation. He states that, "Only the government can provide the over-all stimulus that is needed for economic expansion."

Hayes suggests that the nation catch the bull of automation by the horns. He states that, "Man holds in his hands a set of keys with which it is possible to open one of two doors. The first leads to abundance through rational planning. The other to economic chaos. The question is which door will we open? Unfortunately, even at this late date, we do not yet know."

Hayes sums up his views on automation by stating that, "Although we know it will not serve society to smash machines, still we must remain aware

of the need to work together for the purpose of insuring that the machines will not smash society." 56

CHAPTER V

CONCLUSION

A close scrutiny of Hayes' views, convictions, beliefs and opinions helps us to concretize his labor philosophy. He is a sincere leader who believes that practical trade union goals in the economic, social and political fields can be attained. He is neither a social philosopher nor an idealist with utopian goals. He is a liberal -- not a conservative. He is an optimist and a believer in the unity of labor. One of his major acts after election as International President was to re-affiliate the IAM with the AFL. He also played an active role in the historic merger of the AFL and the CIO. His "no-raiding" pacts with the United Autoworkers opened new avenues of unity in the labor movement just as Reuther's demand -- "to see the books" -- gave a new dimension to American techniques in industrial relations.

Hayes is a disciple of the Gompers school. His 'ism' in labor philosophy is pragmatism. He considers the trade union as a pragmatic institution committed to solve day-to-day problems in the economic and political areas with practical solutions. His pragmatism is evident in his endeavors to work for labor within the framework of a free enterprise economy. Like Gompers, but unlike Debs, in putting forward labor's demands,
he sought the cooperation of the business community to demonstrate to the world that free enterprise and social justice can co-exist. Like Reuther, he wants an expanding economy matched by an increasing purchasing power. His approach to automation, Medicare, collective bargaining, labor legislation and other related issues, discussed in earlier chapters, is pragmatic -- an approach determined to attain labor's objectives by humanizing the existing economic and political system.

Hayes has a socialist background. He supported the elder La Follette for the Presidency of the United States. Most observers of the American labor scene had expected Hayes to second Debs' socialist manifesto and to campaign for a labor party in America. But today, he has found friends in both the major political parties and supports Senators Hubert M. Humphrey, Democrat of Minnesota and John Sherman Cooper, Republican of Kentucky. This typifies Gompers' political credo -- "reward your friends and punish your enemies." Hayes, the pragmatist.

How does Hayes compare with other American labor leaders? He shares the liberal platform with Meany, MacDonald and Pat Gorman. He is not an individualist like John L. Lewis and James R. Hoffa. He is primarily concerned as Dubinsky, with domestic trade union goals, though in two areas -- automation and world trade -- he has mobilized the support of international labor. He is less vocal on civil rights than Reuther. Nor has he concerned himself directly with international political issues like Reuther who criticized the 1956 invasion of Hungary by Russia. While Reuther has strongly
endorsed the Democratic party, Hayes has not indicated his inclination for any party, though one could safely place him in the Democratic camp.

A few inconsistencies in Hayes' thinking have been noted during the period covered by this research. At one time, he was opposed to compulsory arbitration of any type to settle industrial disputes. Later, however, he modified this stand in favor of compulsory arbitration to solve national emergency disputes. Further, though he is opposed to government intervention in industrial relations, except, as pointed out above, in the case of national emergency disputes, he welcomes government assistance, stimulus and direction in grappling with the problems of technological change. This shift in thinking is based on Hayes' conviction that no single private institution is able to cope with the multifarious problems of automated technology. Hayes has thus cast a role for government in industrial relations -- the very thing he so often warned against.

Another inconsistency is noted in connection with the formation of a third political party. At one time, Hayes did not favor a third party to achieve labor's platform. But now he does not rule out a third party -- a labor party -- should the existing two major political parties fail to deliver the goods.

Now to examine Hayes' actual record vis-a-vis his verbal declarations. Is he a propagandist? Are his statements and declarations for public consumption? Are they backed by action? Two areas are noteworthy -- organisation of the unorganized and civil rights.
During his first two terms of office as International President, the IAM membership registered a sharp increase but today it is on the decline. This decline is true of the entire American labor movement and could be attributed to two factors: First, changing automated technology which has decreased the cadre of technicians; second, restricting labor legislation -- such as the Taft-Hartley Act, 1947, the Landrum-Griffin Act, 1959, and the various state's Right to Work Laws -- which has created an atmosphere unconducive to the organization of the skilled personnel required by automation. The IAM, however, has now embarked on a campaign to organize the technicians in the rapidly growing electronics industry.

In the area of civil rights, it was shown in Chapter II, that Hayes has noted labor's responsibility to advance the rights of Negroes. But in actuality, he has failed to match Reuther's contribution to the civil rights issue. In August, 1963, when Negroes all over the United States were preparing for the historic March to Washington, Reuther spoke in favor of and participated in the March. Hayes neither supported nor participated in it. It was not expected that he take part in the March but his participation would have been proof positive of his limited verbal declarations on civil rights.

Turning now to another matter: What has been Hayes' unique contribution to the American and international labor movements? The American press symbolized him as "labor's police chief" and keeper of its conscience. As Chairman of the AFL-CIO Ethical Practices Committee, he had a big hand in
weeding out those elements in the ranks of organized labor who feathered
their own nests. It may be noted that several unions including the giant
Teamsters have been expelled by the AFL-CIO for failure to observe these
codes. If organized labor (AFL-CIO) today has a spectrum of ethical codes,
and these have been fairly observed, much of the credit must go to Hayes.

Hayes' notable achievement in the international labor field has
been the mobilizing of the trade union movements of other nations to face
the challenges of technological change. Through the American Foundation on
Automation and Employment, Inc., he has; helped to establish a British
companion foundation; held several international conferences on automation;
and enlisted the support of the ILO in conducting studies into the various
phases of automated technology. Thus, a beginning has been made to ensure
that the social costs of automation will also be shared by all those who
reap its benefits.

Let the author conclude this quest into the labor philosophy of
Hayes. The pattern of his labor philosophy which emerges from this research
is a philosophy of pragmatism and social welfare, a philosophy which is
neither narrow nor confined to the welfare of labor in America alone -- it
crosses national and international boundaries.

Hayes is a firm and yet a polite leader. His twin tools of control
are persuasion and negotiation. He has faith in logic and common sense. He
is not pessimistic about the future of the American labor movement and has
little patience with the prophets of doom who forecast that, in time to come,
it will become an impotent force.

Fortunately, America so far has had a fair crop of labor leaders, who have made the labor movement an instrument of economic, social, political and cultural progress. Today one sees behind every great trade union a captain of unusual ability who has projected his personality and philosophy on the union and given meaning, content and life to it. We have a Meany, a Reuther, a Pat Gorman, a Dubinsky, a MacDonald and a Hoffa -- to mention only a few -- great names who have withstood hard work, deprivation and "picket line" suffering on behalf of labor. We can add to this "roll of honor" the name of Hayes.

In America today, a great experiment is in progress. Can free labor and free enterprise achieve social welfare and social justice without socialism? Hayes and his colleagues in the labor movement have demonstrated that intelligent labor, motivated by a democratic zeal, is able to wrest from capitalism many benefits which workers in several professed socialist countries have not attained even today in spite of their socialist governments. It is difficult to pass a final verdict on Hayes. But the future historian of American institutions will find in him a blending of the New Dealer and the New Frontiersman who has pledged his leadership of the labor movement for the benefit of the industry and the nation.
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Abstract

This thesis forms a part of the general Research Project on Labor Union Philosophy undertaken by members of the Institute of Social and Industrial Relations, Loyola University, Chicago, Illinois. The aim of the Research Project is to study the labor philosophies of outstanding American labor leaders who have shaped and continue to shape the fortunes of millions of American workers.

It examines and interprets the labor philosophy of Albert John Hayes, International President of the International Association of Machinists (IAM). It analyzes his views, beliefs, opinions and intellectual convictions vis-a-vis the American trade union movement.

It contains five chapters. Chapter I is introductory. Chapters II, III and IV explore Hayes' views, as evidenced in his speeches, writings, Congressional and Senate testimonies on the objectives of the IAM; the national objectives of the American labor movement and the international objectives of the American labor movement; the means, economic, political and ethical, which he advocates to attain these goals; and his views on some significant relationships of the American labor movement, namely, the capitalistic economic system, organized labor's relation to management; the role of government in industrial relations; the health needs of the nation; and, organized labor and technological change. The thesis concludes in Chapter V with the author's summation and an evaluation of Hayes' labor philosophy.