

The Economic Club of New York

37th Meeting
9th Year

Should the Right to Strike of Public
Service Employees be Regulated by Law

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Hotel Astor
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Introduction

Frank A. Vanderlip, President

Gentlemen: It is my honor to call to order the 37th meeting of this Club. We are starting in our 9th year now and I predict that we are starting into a period when there will be more and more interest, deeper and deeper concern, about those economic questions that we have been organized to discuss.

This Club has always been in favor of free discussion and has always given opportunity for adequate presentation of both sides of important questions which it is gathered to listen to. So tonight, we are to have representing the public, Dr. Van Hise; representing the railroads, Mr. Lee; representing the unions, Mr. Garretson.

Remember that this discussion refers only to public service corporations employees. It is narrowed by that definition and it is in that light that these speakers will regard it.

It is my very great honor to introduce to you the first speaker, whom you have heard before with much pleasure and who, out of his wide experience, will come prepared to represent the views of the public on this important question. I have the pleasure of introducing Dr. Van Hise. (Great Applause)

First Speaker

Dr. Charles R. Van Hise

President of the University of Wisconsin

Gentlemen of the Economic Club: As the chairman of the meeting has said, in the discussion this evening I do not represent capital or the unions, but merely that part of the people of the United States who too frequently have been disregarded by both -- the public.

I am in favor of the organization of capital when capital regards the interests of the public. I have always been in favor of the organization of labor and I am willing to support labor whenever their interests are pushed with due consideration for the interests of the public.

The subject this evening is the public utilities or that part of the public utilities, known as the railroads. Slowly through the years there has developed public control of the railroads. This movement was resisted strongly by the majority at first. They insisted that the operation of the railroads was a private business and that the public should take such service and such rates as they decided under the principles of what traffic would bear.

The movement to control the managers through regulation was resisted before the state and the United States to the utmost. It was literally forced upon the managers by the people. However, it

has become now recognized by the managers and by the public alike that this policy is the settled policy of the United States. But up to this time the control has been simply in regard to the management. There has not been any control or any attempt to control labor and the unions in the public service.

In the early days of the differences between the managers and the unions, the managers were powerful, were in fact, dominant, and it was with great difficulty that labor, either organized or unorganized, received sufficient consideration; indeed, the managers took the same position in regard to the unions and in regard to labor that they did in regard to the public. They were their employees and they might discharge those employees when they wished and the conditions of service and the pay were to be decided by the managers.

Under those conditions when difficulties arose and the men suggested arbitration, the managers very frequently refused to arbitrate and said that they must accept the conditions which were offered or they could do what they pleased, and some disastrous strikes on divisions or on the railroads have been the result of refusal of the managers to arbitrate, the men having as a last resort the right to strike.

But the unions finally became well organized and they appreciated the great advantage, not of acting for a division or for a railroad, but for a great section of the country and in 1902 began the concerted movement under which the engineers or the firemen or the conductors or the trainmen

asked for a great section of the country that the railroads grant certain concessions or change the condition of labor and the rates of compensation.

The unions found under those conditions that they were very much more powerful. They found they were in a condition in which they were at least equal in strength to the managers and under those conditions in which there was the concerted movement over a great section of the country with a single organization effective, arbitration was the rule and there have been a number of arbitrations under that arrangement, the two sides having substantially equal power and therefore willing to submit their case, either to arbitration by a special law arrangement, or arbitration under the Erdman law or the Newlands act.

But finally the men, learning how powerful they had become by this concerted movement, conceived the idea of a concerted movement for the entire United States, not only for one branch of the train service, but for all four and under those circumstances, the center of power had passed from the managers to the unions, and therefore, this being the situation the managers were ready to arbitrate, but the unions would not. There isn't a particle of difference between one of the other. Each one when it was in power used that power for the advancement of its own interests with small consideration for the interests of the public. (Great Applause)

The question now is: Will the unions, having begun this course, will they pursue it as the managers pursued it until the public forces control upon them or will they take advantage of the

history of the past so far as the managers are concerned and steer a better course? This is the question which confronts them.

Coming now to the existing controversy, the demands present by the men were for an 8-hour day as the basis of service, time and a half for overtime, retention of present advantages.

I shall not this evening attempt to discuss the merit of those questions. It would be presumptuous of me to do so. In regard to no one of them could a wise adjudication be reached without a prolonged investigation, with help of the best assistance in the way of statistics and experts. I doubt if any group of men here, the best that can be found among them could attempt to adjudicate any one of these questions in less than 30 days' time.

I, however, wish to state merely what the question is in the one case of the so-called 8-hour day. The division points of the railroads have been built up on the principle of 100 miles for the day's work, however, being shorter than 100 miles or longer than 100 miles for the reason that the terminals must necessarily be at the great centers and therefore longer or shorter than 100 miles they are. By act of Congress the position of a metropolis like New York can scarcely be changed. It is therefore not feasible to change these terminals or even their positions in the less densely settled part of the country except by enormous expense.

The question is in regard to this demand of an 8-hour day, whether or not 8-hours in the freight service is a reasonable time in which to run 100 miles. It should be recalled that already the men have a 5-hour day in the passenger service, and justly so, for the reason that 5-hours is a reasonable time in which to make 100 miles in the passenger service.

If 8-hours is a reasonable time in which to make 100 miles in the freight service, then the men should have overtime after 8-hours. If 8-hours is not a reasonable time, then overtime should begin at whatever time is a reasonable time -- somewhere between 10-hours, which has now been recognized as a reasonable time, and 8-hours, or remain as 10-hours, if it is decided that 10-hours is a reasonable time in which to make this 100 miles.

It should be recalled in this matter that the difference between the freight and passenger service has already been recognized by pay per mile run for the freight trains and for the heavier locomotives. I am not saying whether the differential is large enough or small enough, but I do so that the principle is sound -- to make a proper differential between the passenger service and the freight service in consequence of the heavier work of the freight service and that is already recognized in the pay that the men receive from all of the roads. Therefore, I say that the question is not of an 8-hour day, whether this demand is an 8-hour day or not, but whether 8-hours is a reasonable time in which to make 100 miles.

There is no one in this audience knows better than the gentlemen who are to follow me that it would be impracticable, impossible to pass a law which compelled the men in the freight service to discontinue after 8-hours. If that is a fact, the so-called Adamson 8-hour law as an 8-hour law is a misnomer.

Recurring now to the events, it will be recalled that the President under threat of strike by the unions, recommended to Congress that a law be passed granting an 8-hour day in the sense that law is used in the Adamson act. At the same time the President made that recommendation, he made several other recommendations, only one of which I shall allude to and that was that at the same time the laws be amended along the lines of the Canadian Industrial Disputes Act, providing for investigation and recommendation before there could be a lockout or strike. However, Congress, passed the first recommendation and disregarded the second as well a several other recommendations made by the President. What is the effect of that action? The managers, I believe, claim that it will add 50 or 60,000,000 dollars to the cost of operating the railroads. I express no opinion upon this point. I found in the arbitration in which I was concerned in 1912, that the claims on either side in regard to the amounts involved and in regard to other matters needed, while honestly presented, investigation from a strictly scientific point of view without taking for granted that the calculations were correct. However, whether the amount is 50 or 60,000,000 dollars makes little difference so far as the principle is concerned. This amount, whether it should be 50 or 60,000,000 dollars, or be 20 or 30,000,000 dollars, is now passed on to the public, for in the long run, in the long run, every increase in the operation of the

railroads passes on to the public. At time of prosperity, the railroads may have a surplus; their service increased and may be able to add additions and betterments. At other times they are not in that situation and only recently when they were in this situation, the Interstate Commerce Commission added 5% to the freight charges. The principle is settled that in the long run, the railroads in this country can earn enough and only enough to pay a fair dividend upon the stock, the interest on the bonds and fair compensation to labor and pay for the material which they introduce to their structures. That is all they can charge and therefore any great increase of the charge to the railroad passes back on to the public, if not tomorrow, next month or next year. Therefore, it is clear that without any adjudication, without any investigation, without determining whether their charge is fair charge or an unfair charge, the millions have been passed on to the public.

This, however, is a trivial matter, as compared to the principle that is involved. We have this situation now, where the precedent has been set that the unions tell the government what laws shall be passed and it meekly obeys. (Applause) The principle is yielded that 400,000 men can refuse to arbitrate, can refuse to have their case adjudicated, threaten strike, secure legislation and hold up a 100,000,000 people. (Applause) If their cause was just, why not have it investigated and adjudicated? (Applause) If it was just, there is every reason, I believe, that their justice would have been recognized. If it was unjust in whole or in part, it would have been denied to that extent. I protest for one against the surrender of government to any group of men, be they large or small! (Great Applause)

With this precedent before us, what is to prevent the unions two years hence or four years hence, when an election is pending, coming forward and demanding time and a half for overtime and saying that “we will not have this arbitrated, we will not have this adjudicated, we will not submit to investigation, but if you don’t accept it, we shall strike?” The precedent has been set; the government has encouraged them. In this case they are in a far stronger position to pursue these tactics at that time than they have been in the past, and is not the probability, with the vigor and ability with which the unions are organized, that they will select some practical time to make their next demands?

In the United States there is one metropolis with a population of over 5,000,000. I am speaking of this in considering the question as to what would have happened if the strike had been called and it would have been successful. There is another city - Chicago - with a population of over 2,500,000; another, Philadelphia, with a population of over 1,500,000; five others with a population of between 500,000 and 1,000,000; 11 between 250,000 and 500,000; 9 between 200,000 and 250,000, and 22 cities between 100,000 and 200,000. In other words, there are 50 cities which have populations varying from a 100,000 to 5,000,000.

This is a new situation in the world. There is no other country in the world that has the number of great cities which the United States has. There is no ancient nation that ever had cities comparable in number and in size to those of the United States. We may conclude that when

histories tell us that ancient cities had 2,000,000 or 4,000,000 of people, that that was a myth.

Why? Because they could not be fed. Just as the United States has the largest and most numerous cities so it has the greatest railroad mileage of the world. One is a function of the other. One could not exist without the other. Both are the direct result of our modern industrial system.

What would happen if under these conditions a strike were called and the strike were successful?

In 24-hours, milk would be short in New York and in a large number of the cities of the country, the perishable foods would be scanty in a week. The very necessities of life would not be available in sufficient quantity in a month. Manufacture would be paralyzed for the two reasons that the manufacturer could not get his supplies and could not sell his products. People would be thrown out of employment by the hundreds of thousands and possibly by the millions, and those people thrown out of employment would be those that would be least able to cope with these adverse circumstances. The rich, the very well-to-do, the gentlemen in this room would not suffer for food, nor would their families, for they would have “first call” to use the expression upon the food that was available. It would be much harder for those who are just in the middle classes, who are, if not poor, at least near the edge of poor and for the great multitude constituting more than 9/10 of the people of the cities there would be want and misery. Babies would die and want and misery would be everywhere.

You may think that I over-paint this picture, but I believe that I am incapable of representing the situation which would exist in our cities, in the strongest language which I can give, if the

railroads ceased to operate for one month. There was never a condition in the world before like this so that the comparison can be made. If this is true, what of the position of the managers or men? Who should take responsibility for it?

If the managers by any action in their part refused to have their case adjudicated and insisted upon the tactics which they used to pursue in the past, upon them would rest the responsibility for this awful calamity. If, on the other hand, the unions should refuse to have their case adjudicated in accordance with the principles of law and order and equity, which are held to be fundamental in this country, they would be responsible for the consequences. For my part, I have a better opinion of the unions and the men than to believe if they understand the facts that they would ever take this serious responsibility, would ever bring this calamity upon the country, would bring disaster to those least able to resist - the poor, the less fortunate in circumstances than they themselves. I cannot believe that any group of responsible men will ever take this serious responsibility and bring this disaster upon the public.

But if either side did, what would happen? President Wheeler, in his first address before the university of Berlin as Exchange Professor, said: "In America, the ultimate source of authority is public opinion," and I tell you, gentlemen, if the time came that either side had refused to abide by law and order and took this responsibility, there would be a power which Congress fears more than they do the union vote or any other vote. (Great Applause)

What, then, is the line of progress? It rests upon the principle that in the operation of the railroads the public interest is paramount and to that paramount interest, both the interests of the managers and the men must be subordinate. It is an intolerable situation, an intolerable situation when any group of men or any group of managers or any combination of men and managers can stop the continuous operation of the railroads. The trains must continue to move, the wheels must never stop and the solution of this question must be reached that shall settle that principle. I appeal to the unions and I appeal to the managers to help in the solution of this problem, not to resist it, to find a wise way to accomplish this purpose.

Before bring forward my own suggestions, I wish to present o you the experience of a few other countries in these matters. There is one country of the world in which a general railroad strike was begun. That was in France in 1910. Minister Briand under authority of military law commanded mobilization of the structures for 3-weeks' military training and the military duty to which they were summoned was operating the trains. Disobedience in that case would have entailed punishment under military law. The strike was broken in 60 days.

Later in discussing this mater, Briand declared "That public servants must be required to discharge their duties regularly without interruption." Indeed, he regarded the operation of the railroads so imperative that he declared if the government had not found in the law that which gave it the power to remain the master of the frontiers of France and master of its railroads, which are indispensable instruments to national defense, if in a word the government had found

it necessary to resort to illegality, it would have done so. This he regarded as defensible under the principle “The good of the public is the supreme law.” Briand is Prime Minister of France at this momentous crisis in the history of that nation, which shows how his courageous conduct was rewarded in the case of that country.

In Germany while trade unions are strong and socialism very strong, employees of railroads are not permitted to organize labor unions. The government holds, the position of employees of the public utilities are in an exception position as compared with other industries, and labor organizations are very strong in Germany. They take the position that the public utilities, which must be operated, constitute an exception.

In New Zealand, strikes and lockouts are illegal altogether until a hearing has been held before a council of arbitration and recommendations made. The law has so worked that lockouts and strikes have practically ceased.

In Australia, the Parliament has passed a conciliation and arbitration act with provisions similar to those of New Zealand, providing for compulsory arbitration for all labor disputes.

In Canada, strikes and lockouts are illegal until a board of conciliation has investigated the facts and made recommendations for settlement of the disputes. The operation of this law has practically prevented important strikes. There have been some subordinate strikes and some of

considerable importance, but any great strike in which the public has become interest, has been prevented since that law was passed.

South Africa has a law for preventing strikes and lockouts similar to that of Canada. The facts show that the United States is far behind other countries in the machinery to control emergencies such as that which arose last autumn. We have the Newlands Act as a substitute for the Erdman Act, which provides for mediation and arbitration provided both sides agree. The law has proved to be impotent under the existing circumstances at the present emergency.

Now in proposing, making the suggestions which I shall make, I do not present them dogmatically, I bring them forward for your consideration in connection with other possible solutions and appeal to the workmen, to the unions and to the managers to cooperate with the public in securing a wise law, which will prevent the recurrence of a condition such as that which took place this past summer.

We Anglo-Saxon people never make a final logical solution as do some countries. It is quite the practice in Germany to scientifically investigate a question, work it out to the end, and introduce a law which is complete and logical which handles the problem finally. In England and in Canada and in the United States, we never proceed in regard to any economic question in that fashion. We think of the next least step which we can take to prevent the recurrence of a condition with which we have come in contact and it seldom ever occurs to us to pass a law in

anticipation of a difficulty or an emergency. Therefore, knowing the temper of the people of the United States, the temper of the Anglo-Saxon, so I shall propose for immediate consideration as the next least step, which it seems to me should be taken in order to meet this emergency, and in that matter I wholly agree with the suggestion of the President of the United States. He has proposed that in order that there may be prevented a strike in the future that we amend the Newlands Act, which provides for mediation and arbitration, so that in case both mediation and arbitration fail, that it will be necessary to investigate and make recommendations, through a special tribunal in which the parties concerned and the public shall be represented.

That suggestion has its merit in this respect. It would not be possible for a strike to occur until that had been done. The public are wholly unable to reach any united opinion concerning any complex question which comes up. They cannot possibly do it. The public will be sure to be defeated in regard to any complex question which comes up involving economics in our industrial system. There is no other possibility, because the facts cannot be brought before them. But if there were a tribunal in which the unions, the managers and the public were represented and that tribunal investigated the matter fully and made recommendations in regard to what is proper, what is equitable under the circumstances, what is a fair solution of the question under the principles of equity, that action would converge public opinion, public opinion would unite, so that it would be overwhelming in support of the recommendations of the tribunal, provided it was a fair and just tribunal.

Of course, great care should be taken in formulating the law to insure that the tribunal would be absolutely fair and just in each case. It should have present representatives of the men and representatives of the managers. It should have, in my opinion, a majority, however, from the public rather than from either side, but that is a detail to be worked out when the law comes up. My reason for offering that the majority should represent the public, or if not the public, at least be independent of either organization, is that they then have the center of gravity which controls the situation. To neither party has the plan which has one representative of the unions and one representative of the managers and one representative of the public been satisfactory; unsatisfactory to all three, because it puts too great responsibility upon one man. The men upon one side insist of course upon their point of view and they undoubtedly believe in it. They are honest in supporting that as absolutely necessary and right. The managers upon the other side insist that this cannot be done and that it is wrong. Under all the circumstances all you can ask of all men in nine cases out of 10, under these circumstances, is that they will split differences and not adjudicate the case. But if there were three representing the public on such a board, that three would have a sufficient weight and a sufficient power so that they would not only consider the interest of the public but the interest of both parties and try to reach a fair adjudication of the case.

Of course, I perfectly understand that there is no such thing as finality in political economy; that there is no such thing as absolute equity in these matters; that there are no settled principles accepted by all which can be applied, but that it comes back to judgment and good faith and

honest investigation and under those circumstances, asking a majority which is not from the parties in interest, is likely to give better results and be more satisfactory to all parties than the method which proposes simply one from each of the parties to the controversy and one from the public.

If this law were passed, we should then have the situation such as exists in other countries where this law has been tried out, that strikes if at least not stopped, have been very greatly reduced in number and the probability would be that in a question so serious as the stoppage of the railroads that neither side would be willing to face public opinion and declare a lockout or a strike after such an adjudication had been made and recommendations presented to the public. Therefore, I believe with the President that it is probable that if the Newlands Act were amended along these lines that the danger of the recurrence of events like that of last summer would be very greatly decreased, although I can't say altogether eliminated.

This suggestion I do not regard as a final solution of the question. The final solution of the question, it seems to me, is to provide for a wage commission which shall have the power to sit continuously in regard to these matters and to put the men under regulation exactly as the managers have been placed under regulation. (Great Applause) I am not proposing this as a measure to be brought forward at the present time. I am simply presenting it as a solution to which, step by step, I believe it will be likely to come. At the present time, the situation is such as I have explained that the amount of money which can be paid for wages is limited, and an

increase in the total amount of wage must be passed on to the public. The railroads are earning enough money so that they can pay fair dividends, their interest on their bonds and fair wages, fair wages, not to one group, but to all. If there were a wage commission, with power to investigate, with power of making recommendations, which commission were considering this question all the time, then not one group of men, but all of the employees of the railroads would be considered.

Under the present conditions of increasing prices, the situation with regard to many of the employees of the railroads must be serious and already that has been recognized by some of the railroads.

This proposal is necessary as a protection to them. If the right to strike is taken away, if the right of free contract is to some extent curtailed on the public utilities and especially with respect to the railroads, then they are helpless unless they have an organization which looks at the whole problem all the time from the point of view of the managers, and of the public, and therefore we cannot ask that the right of free contract shall be surrendered without this protection.

I believe as in the case of the Industrial Disputes Act of Canada, that law would be held to be sound, and under the analogy of the decision which has said that the men cannot leave their trains between terminals under the principle that the public interest is paramount, therefore, gentlemen, I propose in accordance with the suggestion of the President that the first alleviating

step be taken in the direction of the amendment of the Newlands Act along the line of the Canadian Industrial Disputes Act, providing for investigation and recommendation before a strike is called. I propose for consideration in the future this broader question of how the problem is to be permanently settled and in order to produce a situation in this country in which a strike or lockout in the public utilities and especially the railroads is impossible. (Great Applause)

I have often thought of the views of the European countries at this particular time in regard to the situation in this country. The United States is looked to by all as the one great power not involved in the war, to which the belligerents, apparently unable to find a way to terminate the war themselves, will necessarily turn and yet we have shown our complete incompetency to handle one small economic problem. It makes my cheek burn with shame. I hope that no such intolerable situation will ever recur. This country must never be humiliated by like events. (Great Applause)

MR. VANDERLIP: I know that I voice the feeling of the members of this Club when I thank Dr. Van Hise for this lucid exposition of the public interest and the vigorous defense of its position.

The railroads have been slow; it seems to me, in recognizing the unity of their problems. They have been slow in forming national organizations, in presenting a solid front, but they have made progress in recent years in that direction.

One of the organizations that has rendered great service has been the National Conference Committee. The head of that committee will next speak to you, representing the interest so the railroads. I have the pleasure of introducing Mr. Lee. (Great Applause)

Second Speaker

Mr. Elisha Lee

Chairman of the National Conference Committee of the Railways

As I get up here in the pulpit to make what I dare not call a speech, it calls to mind the predicament of the darkey from Dooly County, Georgia. Whenever there is a Negro excursion, it generally goes to some place where there is a lake and there is opportunity and which opportunity is availed of by nearly all on the excursion of taking boat rides. Erastus had a very good year in the cotton crop and he married and brought Mandy up north and when they had about finished their honeymoon they landed at Atlantic City and waling along the boardwalk, Erastus discovered the ocean, (Laughter) and though it was like the lakes at home in Georgia and he says, "Mandy, I'se going to give you a boat ride." So it was arranged and they got a canoe and went out in the ocean and after they had gone about 50 feet out in the ocean, the waves rather frightened Erastus, very much frightened him, and he said: "Mandy, I'se scared to death and I'se going to hug that shore." She said, "Nigger, if you hug that shore, you does it with your feet, 'cause I'se come out here to be amused." (Great Laughter)

I hope the members of the Economic Club and guests did not come here to be amused by me, because whenever I attempt speech-making, I hug the shore pretty tightly -- with my hands.

(Laughter) In reading to you as I will have to -- I haven't the ability to speak in the way that you have just heard and perhaps will hear after me -- I have a few observations that I desire to make on the existing railroad labor conditions and I have no doubt that you may hear those observations treated from a different point of view by my friend, who has often set on the opposite side of the table from me, and I say 'friend' advisedly, because when we take off our war-paint between scraps we are able to, both of us, I think, to separate our official life from our personal side.

I will not discuss this evening the Adamson law, because that law is now before the Supreme Court and it might be, if not impertinent, it might be imprudent to say very much about it.

(Laughter)

When the crisis came and the President felt compelled to intervene in the public interest, he found that the existing machinery of voluntary arbitration was inadequate to avert the threatened trouble.

Arbitration had been rejected by the employees. Their leaders advanced various reasons for the stand they then took, and I want to take this opportunity to review briefly some of their arguments.

The refusal of the employees to submit their demands to a public hearing before a board of arbitration was due, as we understand the statements of their leaders, not to their absolute rejection of the principle of arbitration, but to their dissatisfaction with the existing machinery and results of arbitration - this in spite of the fact that the Government mediators stated that the brotherhoods would not submit the matters in dispute to arbitration in any form, and had declined to suggest any plan for a peaceful settlement of the controversy.

One of the strongest objections made against the present form of arbitration by leaders of the organizations is that the awards are interpreted and applied by the railroads. An award when handed down by an arbitration board containing certain rates and certain general principles which must be applied on all railroads, and requires the adaptation of the schedules or agreements on the various railroads to the general principles of the award.

In some few cases the existing schedules may be easily adapted, but generally they are so complicated, varying on each road and often on different parts of the same road, that much study and discussion between the men and the managements is necessary in order that each may get whatever benefits accrue to them.

It is true that the Awards must be put in effect by the railroads, but this is done as quickly as an agreement can be reached. In the event of a disagreement, the Newlands Act provides that

questions in dispute may be referred back to the board, and this fact h\therefore does not leave the final determination in the hands of the railroads alone.

It must also be borne in mind that it is all retroactive to the effective date of the award - this is, the men get all their back pay in accordance with the final ruling.

Another objection raised to present methods is that the arbitrators having once made their award cannot change it even if they want to. An instance of this often quoted is one arising from the decision in the case of the conductors and trainmen of the Eastern railroads in 1913.

By the award, the board decided that the employees could exercise their option between what they had before the award as an entirety, and pay and the conditions of the award. That is, they could decide whether they wanted the old rates and accompanying conditions, wherever the combination was better in their judgment than the rates and conditions of the award, but they could not combine the new rates and old conditions, or old rates and new conditions. That is, the men cold not have the cream off of both crocks.

Previous arbitration awards had generally permitted the men to take the highest of the old and combine with the highest of the new and vice versa, and this was one of the points that the board had to pass upon a second time. Many cases came up, the largest one being the question of a

combination of the new rates with the old 10-hour day on the New England roads in passenger service, the men desiring to hold their old 10-hour day with the new passenger rates.

The middle arbitrators - Dr. John H. Finley and the late Mr. Seth Low - in handing down their rulings as to the meaning and application of the award stated:

“Owing to the highly technical character of the questions involved, the intermediate arbitrators failed to appreciate, when joining in the award, that general regulations such as this (speaking of the article just mentioned) applying to all runs and to all the men on road were involved.

“Were they free to do so they would prefer to give the Article at this time the significance which they intended it to have, namely, that it should apply only to anomalous runs?”

“The question of their right to do this under the terms of the law was submitted, with the consent of this board, to the Hon. Alton B. Parker, who advised that it is not now within the power of the board to make this ruling. This being the case, the intermediate arbitrators hope that the fact of this difference between the award as made and the award as understood by them will be taken into consideration both by the railroads and the men in applying the award.”

The railroads and the men did take this into consideration in applying the award on the New England roads, and these employees received substantially what the board would presumably have given them had they been able to change their award as they stated they desired.

Another objection to arbitration raised by the employees is the difficulty of selecting neutral and unprejudiced arbitrators capable of handling the complexities of railroad wage schedules.

One of the organization leaders said some time ago that almost any arbitrators chosen to represent the public were bound to be prejudiced. Any arbitrator, he said, who owned any railway securities would be opposed to increasing the railroad wage bill, and even workingmen chosen as arbitrators would be prejudiced against the trainmen because of the high wages the enjoyed.

We thought that we had met this objection last summer when we proposed to the President, when other forms of arbitration had been rejected, that he should himself name the members of the board of arbitration. But even this proposal was not accepted.

The attitude of the organizations toward arbitration calls to mind the statement of the man who was speaking about his wife. He said she was a very delightful and a very charming woman. He could not ask for a better wife, He never heard of a man having a better wife. There was only one objection and that was that she would swear when she got drunk. (Laughter)

It did not seem to us that the criticisms of the existing machinery for arbitration were of such importance as to justify the train employees in an absolute rejection of any form of arbitration,

and in choosing to resort to a trial of strength that might have brought this country to the brink of civil war. But they did make this choice.

The threat of a nation-wide stoppage of railroad traffic that would strike at the very heart of our national existence, found the country unprepared to defend itself, and it has brought home to everybody the necessity of finding a means of safeguarding the economic life of the country against the possibility of internal industrial warfare.

This is a problem that must be solved, and in its solution we must keep clearly in mind the rights and duties of all the parties at interest. The problem, it seems to me, is but another phase of the centuries-old conflict between private rights and public duties.

Railroad regulation has been an evolution. Our railroads grew up in an age when enterprise, initiative and energetic business ability had unrestricted opportunity for development. Unlike the railroads of Europe, they preceded population and took the risks of pioneers in developing the country and settling it.

In the early days we were too busy building the railroads to think much about regulation. But when the whole country became grid ironed with steel rails and steam transportation became an integral part of the life of the nation, there developed our modern conception of the public character of these arteries of commerce, and of the need of constructive regulation in the public interest.

Times have changed since the school board of Lancaster, Ohio wrote to the young men who wanted to hold a debate on railroads in the schoolhouse:

“You are welcome to the use of the schoolhouse to debate all proper questions in, but such things as railroads and telegraphs are impossibilities and rank infidelity. There is nothing in the Word of God about them. If God had designed that His intelligent creatures should travel at the frightful speed of 15 miles an hour by steam, He would have clearly foretold it through His holy prophets. It is a device of Satan to lead immortal souls down the hell.”

The mandate of the people, through acts of Congress and decisions of the courts, is that the railroads must be continuously operated in the public interest - that the public interest is greater than that of individuals who own those properties, or of the individuals who earn their livelihood in the operation of them.

When the private rights of the railroads have come into conflict with their public duties, the public through the courts has declared that public duties are greater than private rights. To the railroads the public says: “You must operate continuously, under such regulations as we provide, and under such tariffs as we approve.”

But to the 2,000,000 of our citizens who are actually engaged in this public service - and without whom it could not be conducted - the public has neglected to issue any instructions. It had failed to mark the difference between the private rights and the public duties of the employees.

The unfortunate controversy of last August brought vividly before the country the weakness of a system of public regulation of railroad, which fails to provide insurance against a paralysis of the internal commerce of the nation.

The employees now have a legal right to leave their posts on every division of railroad in this country.

Is not this unrestricted right of the railroad employees to quit work in a body a menace to the public welfare? Does not the individual who chooses to earn his livelihood in the public service of transportation assume a duty to help keep open these vital arteries of commerce, a duty greater than his private right to strike? (Great Applause)

A member of the Interstate Commerce Commission, Judge Clements, recently expressed the opinion that railroad employees are affected with a public interest that they can no more ignore than can the carriers, and he suggested that there should be a legally established obligation upon these employees not to interrupt the service by strike until the justice of their demands had been determined by some public tribunal.

Such a definition by law of the public duties of railroad employees must have been in the mind of the President when he told a gathering of businessmen recently that “the business of Government is to see that no other organization is as strong as itself; to see that no body or group of men, no matter what their individual interest is, may come into competition with the authority of society.”

In discussing the question how far individuals may be compelled to regard the public interest, Mr. Wilson said:

“America is never going to say to any individual, ‘You must work whether you want to or not.’ but it is privileged to say to an organization of persons, ‘You must not interrupt the national life without consulting us’.”

The President has urged upon Congress the necessity of translating this idea into the law of the land - that no organization of persons shall interrupt the national life without consulting the Government.

The remedy proposed by the President in that “a full public investigation of the merits of every dispute shall be instituted and completed before a strike or lockout may be lawfully attempted.”

This, in essence, is compulsory investigation rather than compulsory arbitration - restricting the right to strike or lockout pending on investigation, but in no way restricting the right of the parties in the controversy to fight it out afterwards should they refuse to accept the recommendations of the board.

It is plain that the finding of such a public tribunal could not well be rejected by either party without alienating public sympathy; and without the support of the public, no body of men, whether employers or employees, can hope successfully to wage industrial warfare regardless of the public interest.

Several years ago, when we had to adjust a wage controversy with the engineers of our Eastern roads, a very distinguished board of arbitration, in settling our differences, pointed out the dangers inherent in attempting to settle railroad industrial disputes by resort to the strike.

This board said; "From the point of view of the public, it is an intolerable situation when any group of men, whether employees or employers, whether large or small, have the power to decide that a great section of the country shall undergo a great loss of life, unspeakable suffering and loss of property beyond the power of description, through the stoppage of a necessary public service. This however is the situation that confronts us as a nation."

It was the opinion of this board that “the public utilities of the nation are of such fundamental importance to the whole people that their operation must not be interrupted, and means must be worked out which will guarantee this result.”

That situation, so vividly portrayed, still confronts us as a nation. It confronted us in that crucial week in August when the President told the country, “This situation must never be allowed to arise again.”

We must all agree that railroad strikes are intolerable, but to frame a law that will prevent railroad strikes and deal justly with all interests concerned is no easy task.

Compulsory arbitration will be bitterly opposed. Even compulsory investigation, as proposed by the President, meets with the determined antagonism of these spokesmen for the workers who assert that any restriction on the right to strike means “involuntary servitude.”

When we were in Washington, we heard the chief spokesman for several million organized workers warn Congress that any law restricting the right to strike would be fought by the workers he represented. Mr. Gompers, in speaking before the Senate Committee, placed in the record, as the view of organized labor, the dissenting opinion of the late Justice Harlan in an admiralty case, in which the principles of human liberty as guaranteed by the Constitution, were most clearly and forcibly laid down.

“The supreme law of the land,” said Justice Harlan, “now declares that involuntary servitude, except as punishment for a crime, shall not exist anywhere in the land.”

But Justice Harlan, in the same opinion, pointed out that “involuntary service rendered for the public, pursuant as well to the requirements of a statute as to a previous voluntary engagement, is not in any legal sense, either slavery or involuntary servitude.” He was referring particularly to service in the army and navy, but is not service rendered in interstate commerce likewise in public service? Has not the nation the right to say to the railroad workers, as suggested by the President, “You must not interrupt the national life without consulting us?”

During the recent wage controversy, when it became apparent that the problem could not be settled across the conference table, we asked the train organizations to join with us in laying the whole dispute before the Interstate Commerce Commission.

No other body, we pointed out, with such an intimate knowledge of the railroad business had such an unquestioned position in the public confidence; this Government board, with its control over rates, was in a position to make a complete investigation, and render a decision that would protect the interests of the railroad employees, the owners of the railroads, and the public.

It may be that this will be the ultimate solution of the railroad wage problem - regulation of wages by the same Government commission that regulates rates.

When it is considered that nearly $\frac{2}{3}$ of the cost of railroad operation is the wage bill, it is seen how closely related are rates and wages. A 10% flat increase in the wages of all railroad employees is equivalent to a 7% increase in all freight rates. The demands for higher wages made by the train organizations (only $\frac{1}{6}$ of the employees) were equivalent to a 5% advance in freight rates. Wage demands of the same magnitude by all the employees would have been equivalent to a rate advance of 18%.

If the all-embracing commerce power under the Constitution covers railroad wages as well as railroad rates, then the way would be open for Congress to turn the whole problem of railroad wages over to the Interstate Commerce Commission, or, as has been proposed by eminent publicists, to an Interstate Wage Commission, working in cooperation with the Commerce Commission.

No matter what remedy is finally adopted by Congress for safeguarding the nation against the sudden interruption of interstate commerce, there are many earnest advocates of a continuous oversight of railroad labor conditions by a permanent body of expert commissioners - men of the same high attainments and integrity as the members of the Interstate Commerce Commission.

Under our present system of voluntary arbitration, each new controversy is laid before an entirely new body of investigators. Some of our most eminent public-spirited citizens have accepted places on these boards, and they have made painstaking efforts to render fair decision on the intricate technical questions brought before them, but they have pointed out the difficulties faced by a temporary board of arbitration, composed of men untrained in railroad wage investigation, and with no accumulated experience or knowledge of wage schedules.

This objection was one of the reasons why our committee recommended that the recent wage controversy be settled preferably by the Interstate Commerce Commission, but failing of agreement on this commission, we suggested the only other plan that had the sanction of the Government - arbitration under the Federal law.

We are at the parting of the ways. One road before us is a continuation of the system of unrestricted private wage bargaining that eventually leads to settlement by force.

The other road is a restriction and regulation of private wage bargaining for the protection of the rights of the public, trial by jury instead of trial by brute force.

This is a problem in which all of us, as American citizens, have a vital interest. I have endeavored to state the facts without prejudice. I have not come before you as an advocate of any particular plan - but I am an advocate of industrial peace - not peace at any price, but peace that will insure the best possible wages and working conditions for our employees, together with the

highest efficiency in the operation of our transportation system. There must be, as President Wilson has so well said, “a full and scrupulous regard for the interest and liberties of all concerned.”

I am not prepared to say that all wage problems on the railroads should be placed unreservedly in the control of a public commission, but I do believe that when a controversy between the managements and the men reaches a stage where the interests of the public are imperiled - that then there should be a peaceful settlement, a judicial settlement, that will conserve the public interest as well as the rights of the parties to the controversy, and if it is finally determined that anybody of men be required in the public interest to subordinate their private rights to their public duties it should be with the full understanding that their rights must be in every way safeguarded by the public. (Great Applause)

MR. VANDERLIP: For 10 years the members of the Order of Railway Conductors of America have kept at its head one man. That man, I think it is fair to say, speaks with authority for the great railroad unions. We are peculiarly fortunate in having him here to present the other side of the railroad argument. I have the pleasure in introducing Mr. Garretson. (Great Applause)

Third Speaker

Mr. A. B. Garretson

President of the Order of Railway Conductors of America

When I listened to my friend who spoke first (Dr. Van Hise) and in fact when I read or had read to me newspaper comment back in this time of strife that has been referred to, I felt a little bit like the story I heard the other night. This is not a reflection on the character of the Almighty, but it simply describes what my own feeling might be after listening to the description of the Czarship that that I in the name of others had exercised or had been charged with exercising.

The average knockabout comedian said to his partner: "I had a dream the other night that was rather peculiar. I died and went to heaven and when I got to the gate I got in conversation with St. Peter and I wanted to get news from the other side and I asked him for experts on military opinion. I asked to see General Grant. He said, 'He isn't here; he is down there overlooking the war in Europe.' 'Well, let me talk to Napoleon a little bit.' 'Over there, too.' 'All the leading military lights there?' 'Yes.' 'Well,' I said, 'to settle the question I want to know, I suppose I will have to speak to God himself?' He said, 'Take my advice and keep away from Him. He thinks he is the Kaiser.' " (Great Laughter)

What is the ultimate public opinion? I have heard of public opinion, not for 10 years, but for 30 in this business. I have never seen a time when industrial strife, either affecting only a limited territory or whether it involved the confines of the republic, that I didn't hear 'public opinion' referred to as the ultimate board of decision. What I would like to know is: How the great body of the public delivers that opinion? What medium of communication has the great submerged

portion of the public and how does it ever express itself, unless it may be through the ballot? Is public opinion the expression of small group, as small as these 400,000 are that have been referred to, or is it the expression of the 100,000,000? That is what I would like to see settled once.

If the common people express its opinion only through the ballot, it would seem to me that the last casting of the ballot expressed something of what that public opinion was and it wasn't altogether condemnation of what had been done by the President of the republic in this matter. (Great Applause) And for a one-horse Republican that doesn't work at it all the time, that is a fair opinion.

I suppose that the question of the settlement of industrial strife is as old as the first time that one man worked for another. Men that are old enough to remember or men that have taken interest enough in the history of mankind to read and study the attitude of men in any country when considering the question of the abolition of slavery, would pretty thoroughly recognize the same old arguments when they are put up now in favor of compulsory arbitration as applied to either the servants on public utilities or to any other class of employees. There never has been but one reason why men should be deprived of the right to use any means within their power in the way of a strike for the betterment of conditions, except the economic one -- it interferes with profits.

You feelingly heard the hardships that would ensue in the event that it went to the acme of effort by tying up the commerce of a nation. The picture is not overdrawn probably, but has it ever occurred to you that these people who would suffer stood in exactly the same relation to the men who would have brought about the trouble that the suffering people of a war, that it is war, caused through accepting it as one of the consequences of that war, which they believe is for the upholding of their national right and of their national honor? When all this was threatened, what expression did you hear from any wage-worker who would suffer, unless it was coerced from him? Wherever laboring men gave vent to their opinions, they were willing to undergo the suffering and the statement of what would ensue in every case came from proxies, self-elected.

Industrial war is precisely of the same character as actual war. No battle has been fought in establishing the rights of mankind, either real or fancied, where the hospital hasn't been filled afterwards and the corpses left upon the field and it is just so in industrial war. American laboring men haven't fought themselves to the position that they occupy in comparison with the workers of the rest of the world without having filled the hospitals and strewn the battlefields its corpses. Industrial wrecks have marked the whole progress of human mind and it will mark it further. There is your public opinion. A public opinion is largely formed by those who possess the channel of expression and it is shaped, expressed and carried forward by those who stand to lose and not by those who stand to suffer.

No sane man but deprecates that loss and deprecates the suffering. Every element of loss enters into national wealth and sooner or later the working man becomes hurt to a fragment at least thereof - he may only get the crumbs that fall from the table, but the crumbs are his all and he is just as much interested in the crumbs as the other men may be in the full loaf, therefore he looks with regret, but he goes into it ready to lose his crumb if he believes that by that loss he can gain a larger share of the loaf.

Most of the things that have been quoted against the spokesman of the men have been correctly quoted. Men in general, laboring men, have no quarrel with the principle of arbitration. What they quarrel with is its result and there is much that has been said by the representatives of those men that has been quoted that was in no wise true.

Here is the difficulty that confronts us. Search your memory and see if you ever heard of a laboring man being put on an arbitration boards. It has got to be a distinguished publicist. It has got to be a man that has got prominence in the public eye and the workingman don't get prominence in the public eye, unless he earns it like some of us professional laboring men and then the glare of the spotlight hurts his eye. There is the difficulty. It is an utter impossibility to make up an arbitration board without -- to borrow a phrase from another man who is engaged in the same pursuit that I am -- who isn't in some degree affiliated with the master class, because the man who studies at night, the man who confines his interchange of ideas with those who pursue the same calling with himself, who belong down there in this submerged great majority of

the people, never attracts to himself the public eye. I have met men working for a \$1.50 a day that had a keener interest in, a more wide knowledge of, the actual vital principles of political economy than any man that ever walked out of a university and still nobody knew it. The knowledge of that fact was confined to a dozen men with whom he came in contact all through his lonely life. He studied it for the love of it. He studied because he believed that it was an element that might be used for the betterment of men and for his like improvement, but the knowledge that he had gained, the experience that he had stored were absolutely valueless to his fellows, in the capacity of acting for them in any public capacity, because he was unknown. Those are the things that enter in to the feeling of laboring men in general and don't think it is confined to union men.

You have been told how the great body of the workers hates the brotherhoods because they have taken the money that the others ought to have had. Don't you believe it. They look to the brotherhoods and to the unions, to the brotherhoods in railway service and to the other unions in other pursuits, to blaze the way, that by comparison they may gain a portion at least and eventually as great benefits as come to those who are organized. The men who are unorganized, the great body of them in labor, are not unorganized because they dislike organization. It is because they realize they have got to do what the railroad employees did. I have lived the history of railway labor organization and it doesn't take any casting back of my memory to know when the mere knowledge of the fact that the man had joined one of these four brotherhoods meant his discharge.

The ideal condition in society under our present system is in mutual respect. There was a day when the combination didn't respect the brotherhoods.

I have passed hours and days in the ante-rooms of managing officers of the railway either to be met with a curt refusal to discuss the affairs of their employees with me or else to be notified that they didn't know anything about the brotherhoods not any outsiders. They don't do that now. I may not be a welcome visitor (Laughter) in the average manager's office, but I am received with courtesy and it isn't altogether on account of their love for me personally. (Laughter)

And lest that may not be misunderstood, I want to echo the sentiment that was expressed by my friend (Mr. Elisha Lee) and I say it advisedly and with pleasure, my friends. I know a whole lot of men managing railroads in this country if they were not managing railroads and if I wasn't a delegate, we would be really good friends, but they can't afford to associate with me and what is more, I can't afford to associate with them in a general way. (Great Laughter) Well, if I rode across a single division of a railroad with the manager of that road in his private car, well, I wouldn't be up to the standard that Caesar set for his wife. I might be pure, but I wouldn't be above reproach.

Consequently there is that mutual respect existing. I think I can find 100 men out there in the audience who on any ordinary business matter would take my word and they would take it in

good faith. It is because in the years of dealing that has been taken place between the brotherhoods in these later years, it has been demonstrated that I deal in ordinary good faith. I am not climbing up on any pedestal. I am exactly of the same clay that the managers are made of. If he had been a walking delegate and I had been a manager, the qualities that show in us now would show in us then. He would have been the same kind of walking delegate that he is now a manager and if fate had made me the chairman of a conference committee and he made Elisha Lee the representative of the four Brotherhoods, the scrap would probably just as good as it was. (Laughter)

Now in regard to the limitation of the rights of the men that is involved in the question before us tonight. Have you ever stopped to think that there are some things that can't be done by legislation? Legislation is good just as long as the law is observed and when you enact a law that you know will be broken, you are breeding a contempt for law in the minds of every man who is a probable breaker of that law and that creates a conditions\ that militates against all respect for law. (Applause) Every judge on the bench that hands down a decision that is either an infringement of a law or that is an infraction of the moral ethical law, breeds contempt for the courts. Consequently every legislative body that passes an enactment that produces law-breakers is putting one more nail in the coffin of the commonwealth.

Mention was made here of the case where the French strikers were called to the colors. What would have happened when called to the colors if they wouldn't have done the work? That is

worth thinking about. The result would be just like it is over here in Canada under the Canadian Industrial Disputes Act.

I have the advantage of some of the people who speak of the Canadian Act, because the jurisdiction is international. I have been “Lemieuxized” as often as I have “Erdmanized” and I am talking about what I know. When they tell you that the Lemieux Act, the Canadian Industrial Act, wiped out important strikes, you had better look at the record. For instance, on the 19th day of April, 1910, with the Lemieux Act in full force and effect, after investigation therein, and I will say that both sides repudiated the finding, what did public opinion have to hang on? We tied up the Grand Trunk Railway in Canada and that can't be passed over that that strike didn't interfere with the public. There are only three great railroads in Canada - The C.P.R., the Great Northern and The Grand Trunk. We tied up every mile of the Grand Trunk, all right, and the public was somewhat interfered with.

The Industrial Disputes Act didn't minimize that strike any. There have been on the railroads of Canada more verdicts by investigating boards repudiated than accepted during its life and there have been more of them repudiated by the management than there have been by the men.

You are told what it has done in New Zealand and in Australia. But first, let me draw attention to the attitude of the worker in Canada toward this act. The Trade and Labor Congress met over here in Ottawa in August. By an almost unanimous vote - I think there were three dissenting --

that body representing all organized labor in Canada, railway as well as A.F. of L., repudiated the act, demanded its repeal or modification and today Canada has more criminals, if violating that act is criminal, within her borders than she has soldiers on the other side fighting and the statement has been openly made by officers in her government that there weren't enough jails in Canada to hold the men that had violated the law.

What kind of a condition is that, where it offers wholesale inducement to men to violate the law? Laws are only good as long as they are observed and as long as it is in accord with the interests of the great body of the people and its statistics are to be relied upon, from 7 to 8/10 of the body of the people are wage earners.

When the men were called to the colors in France, revolution would have faced the country had the men disobeyed. Get a universal enlistment act with such a purpose in view if you want revolution. The Frenchmen might answer the call to the colors. They haven't been bred to it on this side and if they brought it over here, it has been taken out of them largely.

I say to you that the laboring men of this country will never -- and right on such as a situation as this, thousands of them who are on the fence in regard to universal military conscription, won't make their opinions heard in any uncertain tones on that subject; first, they won't be enlisted, that would be only one result and the men who think now that this is so, if they know humanity and there are a lot of things that I don't know but I know human nature fairly well -- it has been

a book that I have studied for a good many years and I have studied on my own side of the table and on the other -- and I say to you that the American workingmen will never have a strike broken by being called to the colors if there is any body of him involved therein. He isn't in love with the military as he has found it and if that is a means that anybody has in mind of settling industrial strikes, well, it will be quite a ways off - that settlement.

Professor Van Hise just described the American temperament. We never do it until it is on us. During this campaign you heard a great deal of acts being passed without careful consideration and investigation. Have you ever stopped to read the history, or to think of what it is, of labor strife on the railroads of this country? Have you forgotten '77? My friend on the Pennsylvania hasn't forgotten, for the Pennsylvania got here under mob rule. They could not charge that to the railroad unions nor to any other kind of unions. It was a rising of men. Again in '93, and they can't very well charge that to the unions, certainly not the brotherhoods for the brotherhoods were on the other side, but the American Railway Union brought about a condition that on ¼ of the continent established just what was cited here, although it didn't last long.

Did Congress do anything either in '77 or '93? Oh, no. Did the great mass of the common press on public opinion try to arouse the public conscience to the need for action? No. It was over. In '77 and '93 they simply used in one case the militia and in the other regular soldiers and stamped it out. They have been confronted with the probability, well, I will modify it, I will say the possibility of those same conditions at least three times in the last three years. Have there been

any measures taken unless they were taken by the brotherhoods? Look at the legislation that has been enacted and find out who is sponsor for the most of it. When the Erdman Act was changed to the Newlands Act, the railroads through their management and the brotherhoods through their channels of expression were the people that brought it about. It wasn't the public, nor it wasn't the legislative body of the country; the legislative body acted then to relieve a certain situation that was existing. Although I wasn't charged with holding the government up, the government wasn't surrendering to me as the representative of the four Brotherhoods, but they held the Senate in session that day to sign the Newlands Act after it adjourned seven hours for adjournment and until the conference at the White House was concluded and at that conference were present the representatives of the railroads, representative of the railway brotherhoods and the then existing Erdman Commissioners and there are men here in this room who were at the conference in the White House in conference with myself. Was there any following action taken to carry this thing further? Oh, no. the American people do not act until the pressure is on and then they do patchwork. There isn't any doubt of that.

In New Zealand where compulsory investigation originated, what has been the history? They repudiated and repudiated on both sides the award that was handed down. The act was modified and the award became compulsory. Time after time the industrial class accepted the verdict. Can you frame a law that will force the employer to continue on with his industry? Oh, no. You can frame a law that will make a man stay at work, but you cannot reach the employer by any such means. If there is an honest desire to place it on both sides alike, you have got to devise a means

whereby it will be equally binding on both sides and where a man cannot retire from the industry because the worker gained his point, if you are going to hold that the worker is going to remain if the employer gains his point.

You have had cited what foreign countries have done along those lines. If the result that today exists in those countries is to be the result of following in their lead along scientific industrial lines, I don't believe that you will find a great majority of the people who will give their approval to the methods that have existed there and that have brought the conclusion that there is to it. You talk about one regulation by the Interstate Commerce Commission, by a federal board. I don't know but what I can go along with you in a certain direction if you are ready to do the consistent thing.

Take the Interstate Commerce Commission. There is one great trouble now existing that has got to be met or the buck has got to be passed, to use the ordinary phrase. I wouldn't indulge in slang for the world, but it is expressive sometime. As it now stands, the only industry on this continent that is absolutely regulated by the government is the operation of railroads. They have got the railroads between -- well, this ain't slang; it is older than slang -- between the devil and the deep blue sea. They can only charge so much and they have got to meet all the rising charges. As long as the railway company is in that condition, well, they are not well pleased. If you believe they are, go down to a hearing at Washington when they are asking for more money. But if you put in the hands of the Interstate Commerce Commission, which has the power to regulate rates, the

power to fix the wages of the employees, all you have done is to pass the buck to the employees, unless at the same time you fix by government regulation the price of everything the worker has got to spend his money for. If you are ready to let the government boards fix the price of food, of wheat, of clothing, of house rent, of real estate, then those who advocate that method are in the consistent position, but if not, they are in an utterly inconsistent position. What is sauce for the goose is very excellent dressing for the gander.

Now to talk about compulsory arbitration, whether it is compulsory investigation or compulsory arbitration, it becomes an utter absurdity to talk about compulsory arbitration in those words. The moment it becomes compulsory arbitration, it ceases to be arbitration and only becomes another form of court with a judge possessing different qualifications presiding therein. It is only a legal tribunal for the settlement of those questions. How many men have ever begun the study of the history of wage regulation by government? Take the country alone in which we can read its literature. Between Edward III, following the Black Death in England, and Elizabeth, there were over 300 statutes in the English Code fixing wage -- not allowing labor to charge over a certain amount and not allowing the employer to pay above that and under that law laboring men were hung and at least one lord of the realm was exiled, because he paid more than the legal wage. Take the farm laborer, whose wage was fixed by local wage boards and in the history of civilization there has been no such burdensome poor rates as existed in England for the purpose of eking out his wage. Take the truism of Asquith, when Old Age Pensions were under consideration in England five years ago, when the usual cry of the man with his pocket lined

with money about the thrift of the laboring man went up in debate, he said, “Good God, talk about thrift on sixpence a day!” That is what government fixing of wage ratio brought the agricultural laborer of England to. Take away the right to quit when he will from the laboring man and you might just as well enslave him to start with, provided he will submit to it. There is no difference in principle between tying a man on a public utility or elsewhere to his labor and actual slavery.

It is exactly like the idea that labor is a commodity. If labor is a commodity, the man who does the labor and furnishes the effort is a chattel. There is the consistent attitude and here the public utility men of this continent probably embrace 4,000,000 laborers. That is likely a low estimate. 4,000,000 laborers means 12,000,000 of population at the very lowest. You have gotten your salvation, whatever number of you happen to be Christians for the last 1800 years vicariously and now you want us to proceed vicariously if you advocate that plan. You want these 12,000,000 people to relinquish the rights that other men are guaranteed and that other men are supposed at least to enjoy. Talk about the public good. They are part of the public.

When a street car strike takes place, do you ever find the laboring people kicking about it? No, they talk or they ride on anything that has got wheels on. The public that are disturbed are the public that are drawing a profit from the business that is interrupted.

But there is the essential element. If a man is a free agent, ethically it is the same thing to make him work for one hour against his will as it is to make him work for one year or 100 against his

will. The guarantee of liberty, the pursuit of happiness according to his own concept of what is right as long as it doesn't infringe, not on the profits, but on the apparent rights of others, and whenever you take that away from the meanest laborer that there is on earth, you have deprived him of something, well, there are some of us yet who believe it is God-given and it will bring its logical result. The mass of the people are exactly like the elephant, - dangerous when they learn their strength and whenever legislation is proposed or is enacted that infringes on the rights of man, for no cause that can be cited except for the profits of others, not necessarily the comfort, but for the profit of others, it is bound to bring a reaction that will lead the man into the course that will educate him as to his strength. If you complain that 400,000 men held up the government, what will 80,000,000 of them do if they can, to hold up the government? Are they going to be that government or is the other 20,000,000 going to be the government? It is worth careful consideration. The signs of the times are not to be disregarded.

You will find in studying the history of mankind that we are the only country, that is, the English speaking peoples, are almost the only country that associated slavery with questions of color. In all the old slaveries, men held men of their own race and blood in subjection. It was the vanquished that were enslaved; men on equal social status were enslaved by the might of others; sometimes by a sister nation, sometimes by their own. Men were enslaved for debt, but there was one race at least that freed every one of its members after the expiration of a certain time and the stigma of slavery did not attach to children and there is a lesson that we might draw from that race.

The social conditions that exist are of a character to make every man who has honestly the interest of the people at heart, and I am not speaking of the people as “peepul” either, -- the great body of the race honestly at heart, to give careful thought to whether or not evils that exist must not receive the honest effort of all classes for the correction of the same or whether there is to come a cataclysm that will make previous occurrences of its character all go into the shade. This is the age of colossal things. If it comes, it will come in a way that will make it overshadow all former industrial upheavals precisely as the present war blots out of existence virtually all of the wars that preceded it and it is worth of the best effort of every honest man, no matter what he is, --- union man, laboring man, capitalist or employer -- to

(TRANSCRIPT ENDS HERE)