

August 10, 1943

Mr. Thurston

Attached Letter and Pamphlet

Kenneth B. Williams

re Chrysler Case

### The Case

The Chrysler case is awaiting decision by the War Labor Board. A special War Labor Board panel of three persons representing the public, industry, and labor submitted its report to the War Labor Board, May 29, after holding hearings and studying the evidence since January 7.

The Chrysler pamphlet "beyond the facts" is a criticism of the recommendations which the tri-partite panel submitted to the War Labor Board. With the industry representative dissenting, the panel made the following main recommendations:

1. That the union be granted union security in the form of the standard War Labor Board maintenance of membership clause;
2. That the union be granted the check-off; and
3. That a permanent umpire be selected by the company and the union to arbitrate grievances.

The union had asked for a union shop. The panel denied this request but recommended maintenance of membership. This provides for a 15 day period during which the individual worker decides whether to remain or become a union member and be liable for payment of dues for the life of the contract or whether to withdraw from the union.

The company objected to granting maintenance of membership on the grounds that the union was irresponsible, was not in danger of losing its membership, had repeatedly violated its no-strike pledge, and was torn by internal politics.

The company claimed that a permanent umpire was unnecessary, that present grievance machinery had been working until sabotaged by the union, and that the union wanted compulsory arbitration because of internal union politics.

### Evaluation

Good labor relations are not achieved by assessing relative degrees of blame for bad relations but by adopting policies designed to prevent bad relations from developing. The panel recognized that the union as well as the corporation had been deficient. The panel's recommendations were not intended to reward one side and punish the other. Rather, they were designed to offer constructive help in improving labor relations to the advantage of both parties.

It is true that the United Automobile Workers has had an unhappy history of internal politics. However, the union has become increasingly unified. Its present leadership (R. J. Thomas, Reuther, and Frankenstein) is responsible, far-sighted and fairly moderate. The union leadership seems remarkably restrained and effective in dissipating unrest in view of the unstable social environment in Detroit, the wage ceilings, the bitter and ruthless resistance of the automobile companies to unionism, and the continued refusal of many companies (such as Chrysler) to accept and to learn to live with the union.

The company can not excuse its own bad faith and irresponsibility in labor relations by pointing to union irresponsibility. Sharp practices of management call forth aggressiveness and ruthlessness on the part of the workers. This is especially true when a union is still suffering from growing pains, still fighting for its existence, still conscious of years of uncompromising resistance to its organization.

It seems to me that Chrysler is not only wrong in issuing propaganda such as is contained in this pamphlet but is also unintelligent. The pamphlet is clear evidence that Chrysler is antagonistic to the union and trying to discredit it. It is foolish for Chrysler to think it can break the union. The trend toward union organization is still upward. The United Automobile Workers is a strong and growing union. Petty sniping tactics of the kind illustrated by this bulletin can not reverse the trend toward union organization. Such tactics, however, can foster ill will among Chrysler employees, encourage the election of aggressive men to union office, goad workers to reprisal, and raise the company's labor costs.

Maintenance of membership is a sound device to encourage responsible union leadership. It permits union leaders to spend their time selling members on constructive cooperative relations with management rather than spend all their energies fighting to prevent the company from destroying the union. It makes it less necessary for leaders to build up interest in the union by dramatizing company deficiencies. It enables the leaders to take a longer run view and to be more effective in disciplining members for contract violations.

It is a bit inconsistent for Chrysler to complain about union irresponsibility at the same time it fosters irresponsibility by refusing to accept reasonable procedures designed to encourage responsibility. General Motors has a maintenance of membership provision in its contract with the United Automobile Workers. Ford has a union shop.

Such a policy is also suggested by the issuance of this pamphlet. The pamphlet is not merely an attack on the United Automobile Workers but is actually an attempt to undermine the prestige of the War Labor Board. The attack on the War Labor Board is, of course, more subtle than that which John L. Lewis is making but it is no less anti-social. Indeed, using funds obtained from Government war contracts to print such pamphlets in order to undermine a Government agency which is doing a key job in holding the home front seems entirely without justification.

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