

“The Era of Partners”

Review of the AMERICAN FEDERATIONIST, official organ of the A. F. of L., and its 1929 Convention

By JOSEPH ZACK

THE 1929 National Convention of the American Federation of Labor held in Montreal, just on the eve of the stock crash, synthesized the fascization process of that organization going on since the world war. The theoretical leader of this convention (recognized as such editorially by Green in the November issue) was Sir Henry Thornton, President of the Canadian Railways. This gentleman made the principal speech at the Convention, laying down the line for the A. F. of L. The Convention was greeted by the Premier of Canada, the ex-Premier, the Governor of the State Mr. Ramsay MacDonald, the Mayor of the City, various capitalists, etc., etc. Says Sir Henry:

“The future contact between capital and labor will find in the decades to come its finest expression in the era of the partners. . . . In the present day and in the days to come those industries will prosper most which accept labor as an *equal partner*, and labor will best prosper when it recognizes the obligations and the dignity of that partnership.”

Otto S. Beyer, capitalist efficiency engineer, “Friend of Labor” and the Brains of the A. F. of L., puts a little more light upon this question. He also was one of the principal speakers at the Convention. Says Mr. Beyer:

“Instead of calling it ‘workers’ control of industry’ or ‘Democratic control of industry,’ or even ‘workers’ participation in management,’ by fortunate coincidence, the able men of the A. F. of L. have made it ‘*union and management cooperation.*’”

“We see this idea spreading, thriving, growing. . . . This is the meaning of the conference we read about in England, in Germany under the leadership of the ‘German Federation of Workers,’ also in Australia, France, the labor office of the League of Nations,” etc.

It is necessary to say a few words on this “new” reformism.

The great majority of American workers before the world war had a petty bourgeois ideal, that is, they aspired to become petty proprietors, either farmers or business men. Their ideal was to “go into business for one’s self.” The economic basis for this ideal existed in the rapid growth of U. S. capitalism on the basis of

the inner market, free and cheap land, promotion to well paid posts in the rapidly growing monopolies, etc., etc. This created an enormously broad base for bourgeois reformist movements, and prevented the crystallization of broad working class parties, mass trade unions, etc.

Already before the war the economic base of this type of ideology was disappearing, and after the war, a contrary process strongly manifested itself, that is, not only could the worker not escape from his class and become a petty bourgeois, but on the contrary, the petty bourgeoisie in agriculture and the city were driven out by monopoly by the hundreds of thousands yearly. *Instead of the worker becoming petty bourgeois, big masses of the petty bourgeoisie in city and country were being proletarianized under the rapid inward march of monopoly.*

At the same time, a big section, three millions, of those that were proletarianized and others that have been proletarians, were displaced from industry by rationalization and put into the army of *chronically part employed.*

This double process has now been going on for the last six years, and the crisis will further sharpen this development.

Although the economic basis for petty bourgeois ideology has considerably narrowed, the favorable position created for the U. S. bourgeoisie as a result of the world war helped to maintain the strong petty bourgeois traditions of the American workers, which the A. F. of L. bureaucracy is now trying hard to continue on a "new" basis, that is, labor is to become a "partner" in big business. It would have been quite difficult to make this "new era" policy before the war, as then the U. S. worker was not interested in long term perspectives in industry, but rather in getting as soon as possible enough money to get out of the factory and into his own business.

As a reformist theory (now fitted to imperialism by the social-fascists) this is nothing new; long before the war the "revolutionary" syndicalist theoretician Arturo Labriola spoke about the "gradual invasion of trade union organization into the economic processes," and L. Bissolati, Italian reformist, built upon this a whole theory of social reform.

Characteristic of the third period is that now Sir Henry Thornton, President of the Canadian Railways, and other big capitalists, consider it necessary to champion these theories in order to fool the Leftward moving workers. Says Sir Henry:

"The constructive functions of great labor organizations are not in dealing with such common things as hours of work and rates of pay; these are details . . . the right to fair treatment in such things has long been won. . . . The great constructive work

lays in those larger policies upon which to erect an enduring industrial structure, which will in a bigger sense promote the welfare of man. . . .

"I believe it is given to labor to make such a momentous contribution to the advancement of civilization, a contribution which will rank equally with the great discoveries of the ages."

Sir Henry then points out how the employee goes to work with the pride of a partner, having a "fine patriotic pride that his efforts are a substantial contribution to the welfare of the country." The workers employed under this class collaboration scheme Sir Henry calls "sixteen thousand partners." Henry claims that 6,000 suggestions for improvement of production have been made by the workers in his employ, most of which have proven of value; his efficiency engineer, O. S. Beyer, speaking at the Convention, put it forward as the "new" patent medicine to avoid the class struggle in the U. S. Beyer said:

"What a competent working man wants first is to be enabled to do a good job, and what he wants next is the privilege to be of influence as an intelligent human being in shaping all of the conditions which affect his job and livelihood."

The reader should note that this brain of the A. F. of L., Beyer, compares the "union and management cooperation" with "workers' control of industry" and claims that the worker under this plan has influence "in shaping all of the conditions which affect his job and livelihood." How does that differ from the phrases of the "Left" social-democrat?

The role of the workers in this new partnership was, after all, the "lofty" talk, specified by these two representatives of capital in the following capitalist fashion:

1. To increase output with reduced costs.
2. Utilization of the ingenuity and brain of our men.

In return for this the workers are promised:

3. A more kindly relationship between the management and the employees. (Very charitable!—J. Z.)
4. Continuity of employment.

There is another point advanced by Mr. Beyer personally:

5. Willingness to help the unions solve some of their problems in return for services rendered.

Point 5 means that the company will cooperate with the union officials in checking off the men's dues and assessments from their pay, weeding out militants, etc. That is, if the union officials "behave."

We live in the days of parasitic imperialism of absentee owners

who contribute nothing and who retain such as Beyers as their management, hence Mr. Beyers explains his theory further:

"It is necessary to place the workers in a position of advice, of counsel to the management, so that the various inadequacies and shortcomings in industry can be checked up . . . in other words, the interest, *the incentive, must be shifted from the conventional owner to the workers of the industry*, who in reality have far more at stake than any stockholder has or ever will have." While Mr. Beyers presented this "new" social theory he must have had a feeling that he said too much, that the workers cannot be made eunuchs and robots so easily, hence he tried to cover up somewhat the real sense of his capitalist scheme:

"And lest anyone may conclude that *this* ("partnership"—J. Z.) is a *one-sided proposition*, permit me to observe that it fits ideally into the theory of high wages and their benefits advocated by the A. F. of L." (My emphasis.)

This is, then, the theory which these gentlemen imagine will rank amongst the "great discoveries of the ages," in order to continue to keep the workers petty-bourgeoisified. Later on, on the basis of other quotations, we will show what a poor substitute indeed this is for the pre-war "cheap land" and "going into business." It is the last brave effort of the American bourgeoisie anticipating the end of class peace.

DIVIDING THE EMPLOYED FROM THE UNEMPLOYED

A part and parcel of "The Partnership" policy is what the A. F. of L. call "*regularization of employment.*" This means that the A. F. of L. union helps the employer to get rid of the superfluous men, and that to those that remain employed there should be steady work; when, new rationalization methods develop as a result of "The Partnership," then those superfluous are again gotten rid of and the remaining men remain "steady," etc. The leading article on unemployment in the Convention number, November issue of the "American Federationist," is by Solomon Barkin of Instruction College, New York. Says this "friend of labor"; "*Regularization of employment means freeing the industrial plants of these appendages.*" (The superfluous workers.—J. Z.)

B. M. Jewell, President of the Railway Department of the A. F. of L., in the September issue has an article with the headline "Fifty Million Dollars Wage Increase." Does this not sound great? Mr. Jewell and his colleagues were more successful than their brethren in other industries; they succeeded in inducing the government to embody "The Partnership" into a compulsory anti-strike law on the U. S. Railways, the result of which is that in-

stead of two million workers being employed on the railways there are only about 1,600,000, that is, 400,000 less.

Fifty million dollars would employ about 40,000 men for one year; the company got rid of 400,000 workmen and this Mr. Jewell, scoundrel incarnate, calls a fifty million dollars wage increase. Of course, Jewell is not concerned with those thrown out of work; on the contrary, as at another occasion stated by Mathew Woll, "*It is better to have a small group of contented men than a mass in turmoil.*" To create a labor aristocracy out of those steadily employed, to set them against the unemployed and part employed, this is the plain purpose of the "regularization" policy.

The biggest finance capitalists control the U. S. railways; the A. F. of L. policy has had success with them, some of them are inviting the A. F. of L. to replace the company unions. This is what Jewell calls: "A substantial testimonial to the improved relations between management and employees."

Mr. Green is somewhat concerned with this by-product of "The Partnership" policy. He complains in the October issue that "The Middle Aged Worker has increasingly found work opportunities restricted and his income reduced. . . . There is a steadily increasing number of inmates in alms houses." The A. F. of L. Convention referred this problem "gracefully" to a commission to "study" a project of a law to insure old workers of 65 and more years of age, the compensation to be \$300 per year, \$25 a month; a beggar in the U. S. paying no rent for lodging could not live on less. The impudence of these \$10,000 a year scoundrels knows no limit. This then is the program and policy elaborated at the A. F. of L. Convention.

THE CONVENTION GOES TO THE "LEFT"

The Convention took place at a time when numerous strikes particularly in the South, indicated the new temper of the masses; the bourgeois representatives were getting exceedingly quarrelsome amongst themselves in Congress and a number of leading capitalists in control of big chains of newspapers were calculating on new methods, new misleaders with which to hoodwink the masses. A new "progressive" group headed by Muste and Thomas was being given extensive publicity in the bourgeois press.

Later on, Thomas, running for Mayor of New York on the Socialist Party ticket, was given a boost by the bourgeois press and several hundred respectable business men endorsed his candidacy and formed a committee to carry on his election campaign. The Howard-Scripps chain of newspapers, with an advertised circulation of 15,000,000, attacked the A. F. of L. leadership for their "labor

aristocracy" backwardness, in short, the American bourgeoisie was in a planful way preparing to intercept the Leftward swing of the masses by furnishing it with a near "Left" leadership. This new leadership professes to be in favor of industrial unionism, Labor Party, organization of the unorganized, etc., but on the question of rationalization, the principal problem, it agrees with the policy of the A. F. of L. as we shall show.

The Convention leaders found ways to clothe their politics in more "progressive" phrases, "The Partnership Era" you see, is supposed to be more than mere cooperation; the Convention went *on record* for social insurance and Green even said that *when* the time comes American labor will not hesitate "to discuss" the question of going into Labor Party politics. Green spoke a great deal about organizing the unorganized, particularly in the South where the Communists are organizing the workers. Green even let out some complaints against rationalization; "*the stretch-out system* in addition to long hours and low wages spurred patient workers to revolt. He became eloquent: "high standards cannot continue to exist in industry (North) if low standards are tolerated in considerable areas" (South). He took a fling even at the capitalists, by saying: "They believe to have the right to decide industrial issues by force and have invoked the help of State troops." With considerable noise a resolution was adopted to mobilize the entire A. F. of L. in order to organize the South. To help the reader to get clearer what this actually means I will let Mr. Green speak. "There are employers who are afraid they will lose something if workers organize. . . . The power behind the anti-union forces is the conviction of some employers that they must keep labor down; they fail to grasp the advantages of cooperation. . . . *Educational publicity should answer these objections.*" (My emphasis.)

What Green means by educational publicity is illustrated by Mr. Darnal, president of a building construction corporation of Minneapolis, Minnesota, and who appears in the October issue of "American Federationist." Says this capitalist:

"This agreement (new contract with the union.—J. Z.) guaranteed to us that there will be no strikes . . . and while it was a one hundred per cent closed shop program, nevertheless a clause in the agreement gave us the right to hire and discharge, and if the unions were not able to furnish us satisfactory workmen with union cards . . . we had the right to employ other labor . . . we have saved from fifteen to twenty-five per cent in the cost of labor over what it would have cost us with non-union labor and we have obtained better workmanship."

So you see the organizing problem in the eyes of the A. F. of

L. leaders resolves itself in convincing the capitalists that with their help the workers can be enslaved much better. Against recalcitrant employers that fail to be convinced Green conceives of the possibility even of strikes, until negotiations with the employers to sell these workers in an organized fashion are possible, then the strike is off. *“Where the A. F. of L. is accepted there will be no strikes”* Green assures the capitalists.

Another outstanding “Progressive” event of the Convention was its adoption of a projected anti-injunction bill. The A. F. of L. was going on record against the “arbitrary” suppression of strikes by the State. This proposed law against injunctions is against State interference in strikes making, however, the following exceptions:

1. When unlawful acts are committed *or may be committed.* (My emphasis.)
2. When substantial or irreparable injury is done to property.
3. When public officers are unable or unwilling to furnish adequate protection to property.

It is clear that this “progressive” measure to regularize the “unwarranted” State terrorism against strikes which the A. F. of L. leaders proposed in agreement with many of the bourgeois legislators in Washington is in reality a national anti-strike law. What strikes could not be outlawed under this bill?

This *pro-injunction* bill is in line with “The Partnership” policy of Green and company. The only strike that Green, Woll & Co., under this policy would consider legal is that which would arise out of the contradictions of capitalist competition where sometimes one group of capitalists want the workers of another group to go on strike in order to hurt the competitor’s business, etc. Another type of strike is of the highly skilled in certain trades who cannot be replaced and only need to sit home to make their demands effective; such “strikes” provided they are led by the A. F. of L., Green under this bill would be willing to declare legal; all others Green, Woll & Co. *through this law propose to crush with the aid of the State.* This is the essence of this proposed law. In the light of this no one needs to wonder at Green’s declaration to Hoover’s crisis conference that *“the A. F. of L. will call no strikes during the crisis.”* The question should be asked: *Which is the strike in the last six years that the A. F. of L. did not work against?*

It is a long time already that strikes take place in spite of and against the A. F. of L. The significance of Green’s statement means however, that now the A. F. of L. will openly step in on the side of the government against strikes instead of more or less covertly as in the past. As to the promise of the capitalists not to make

wage reductions, it is indeed amusing; they have been making direct wage reductions, and indirect ones by replacing higher paid with lower paid labor. Now these saintly capitalists are supposed to stop all this, and during the crisis at that. The huge new wage reductions already taking place in steel, machine manufacture, textile, etc. make the value of this promise already clear now. The essence of the reciprocal promise, however, is this: In return for the promise of the A. F. of L. leaders to *cooperate* in the breaking of the strikes of the masses of unorganized (ninety per cent of the working class) and outlaw strikes of the organized, the capitalists promise not to make any *direct* wage reductions to the ten per cent organized in the A. F. of L., considering the fact that the A. F. of L. under the "partnership" policy, itself "regularizes" the speed-up in the interests of the capitalists. Interesting to note, however, is, that the promise was made by the capitalists of the unorganized industries. The building construction capitalists where the A. F. of L. has the bulk of its membership did not really commit themselves.

As an interesting illustration of the A. F. of L. attitude on the injunction question *in practice*, should be taken Green's editorial comment on the New Orleans street carmen's strike. In this strike conducted by the local A. F. of L. organization, the local government was paralyzed, considerable of the population sympathized with the strikers, even sections of the police refused to act against them.

The Washington government stepped in through a federal injunction and deputized hundreds of gunmen (declassed petty bourgeois and bums) to maintain "law and order." Pitched battles between these "deputy marshals" and the strikers took place in the streets. Green personally made the usual *sell-out* settlement, which the street car company, reinforced by the Federal Government, attempted to apply against the will of the strikers who struck against it as soon as they *felt* what it was. Green, commenting in the August issue upon this, complains that the local government could not maintain "order" and puts the query: "Shall Federal Courts be allowed to continue their invasion of local government?" The proposed "anti"-injunction bill answers it *yes* when it says: "In the event that public officers are unable or unwilling to furnish adequate protection to property the injunction should be used." To make sure that there shall be no misunderstanding of the A. F. of L. position towards the "unlawful" militancy of the strikers Green says:

"The American Federation of Labor has no desire to protect persons guilty of *overt acts* or crimes" (my emphasis. Such is the new Progressive a la Muste spirit displayed at the 1929 A. F. of

L. Convention and its practice before and after the Convention in the light of utterances of the Convention speakers, resolutions, and Green himself.

THE MUSTE "PROGRESSIVES"

On the question of the economic crisis all shades in the counter-revolutionary camp agree. Green, like Hoover, and all apologists for capitalism, points out that it is "foolish" to doubt the soundness of American capitalist economy. Some use slightly different phrases to express the same point of view. Green says:

"The crash occurred at a time when business was fundamentally sound." Lovestone says: "The panic came as a result of the very strength of American capitalist economy." Muste and Cannon express the same view in a similar way. . . . On such fundamental questions Hoover lays down the law to all of them. The differences between the "Lefts" and the "Rights" in the counter-revolutionary social-fascist camp is one of methodology, that is:

1. Whether the workers can be fooled more effectively now through industrial unions instead of craft unions.
2. Through a Labor Party instead of the Democratic Party.
3. Whether the strike weapon must be more utilized or less in the establishment of "The Partnership."
4. Whether it is better to organize the unorganized for "The Partnership" inside or outside the A. F. of L.
5. Differences as to the degree of practicing "The Partnership" and how it shall be operated.

Only the new trade union center led by the C. P. of U. S. A. (*minus Lovestone*) has now really a principle position *against* "The Partnership." *All others have not.*

A few illustrations as to the *practice* of the Muste leadership on this central question as illustrated by the Schlesinger Socialists in the Needle Trades in New York, which is the subject of the entire December issue of "The Federationist." Schlesinger, president of the Union, relates there how he brought "order into the industry" after the Communists destroyed it. He "made a loan" from the bankers interested in the industry in order to "reestablish" the union; then he says:

"We entered into negotiations with the employers *primarily* to stabilize the industry. The associations of employers (there are several in this industry) accepted our proposal and a permanent joint commission was organized for the purpose of *joint control* over the industry. We further proposed that a representative of the Government (public) head this commission." (My emphasis)

throughout.) Could the trinity of capitalists, government, and the trade union bureaucracy be put forward more brazenly?

As to what the workers were to get out of it, it is stated in one sentence: "*We did not look for new gains.*" As to the control the union is to have, insofar as it is not in the interests of the dominant group of employers in the industry, is stated in the following:

The union has the "right to enter shops *once in every season* (six months) for the purpose of examining *the dues books* of the workers." The meaning of this is quite plain; this model Muste union gives the bosses a free hand to do as those that control the industry see fit to do, in return for which the bosses will force the workers to pay dues and to show their good faith they allow agents of the socialist Muste union to control the dues books twice a year. When it comes to such a fundamental question as "partnership" in imposing the yoke upon the workers there is no difference between Muste and Green. Says Schlesinger:

"We were assisted especially by President Green, Vice-President Woll . . . and by Lieutenant-Governor Lehman (representative of the bankers and government of the State of New York.—J. Z.) who took a deep interest in the settlement." All the other Muste unions have essentially the same characteristics as this. There is no wonder then that this kind of "lefts" find a "progressive spirit" even in the phrases and proposals of the 1929 A. F. of L. Convention, and still for reasons indicated in the above five points find ways to pose as the representatives of "genuine progress."

CONCLUSION

As Sir Henry Thornton said at the A. F. of L. Convention: "*No general, however great his skill, ever won victories with a discontented army.*" Hence you see, the American capitalists try to make the biggest noise in order to becloud the obvious fact that the whole economic base "for a contented working man" is crumbling; they try to glorify into a new era their efforts at separation of the employed from the unemployed and part employed by offering their rationalization schemes to the steadily employed worker as a partnership. It is, however, not so easy to fool the workers on concrete material things, hence they are already answering by a mass flight from the A. F. of L. controlled miners union, needle trades union, and by a wave of strikes, particularly in the South under Communist influence and leadership. Glorified company unionism (characteristic form of trade union fascization in U. S.) with the camouflage of being independent of the capitalists because of its A. F. of L. label, will no more succeed than the company

unions of 1921-25. In spite of the crawling eagerness of the A. F. of L. leaders to be recognized as "the standard unions" patented by Hoover and the latter's assistance and help through "Federal contracts for government construction work" etc., and the assurance by the U. S. Department of Labor to the employers to the effect that "*the American Federation of Labor has always shown a willingness to cooperate with the Government and the employers.*" The contradictory interests amongst the capitalists (inner contradictions) themselves make the establishment of "standard" fascist unions no easy matter, and as far as imposing this type of unionism upon the workers, there will have to be many defeats and battles before the mass of workers will even acquiesce temporarily to such "partnership" slavery.

Already important groups of employers are angling for a new "labor" leadership (Muste unions), a clear sign of the narrowing base of reformism, and the maturing of vast revolutionary struggles under Communist leadership. Sir Henry is mistaken, it is not a "contented" army that is being created by the A. F. of L. and Sir Henry's and Hoover's "standard" unions, but a disillusioned and discontented one that is moving to the Left, a movement that may be more or less effectively hampered by the Muste "Lefts" if our Party does not completely liquidate the opportunist practices of the "prosperity" period, but which essentially and inevitably goes in our direction. Yes, Sir Henry, we agree, capitalism "*however great its skill cannot win victories with a discontented army.*"

