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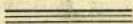
# Industrial Democracy

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*By H. C. Ogden*

Address before the  
Chamber of Commerce



Barnesville, Ohio  
December 2, 1920

# INDUSTRIAL DEMOCRACY

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ADDRESS BEFORE THE CHAMBER OF COMMERCE, BARNESVILLE, OHIO, DECEMBER 2, 1920

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By  
H. C. OGDEN

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Mr. Chairman, Gentlemen of the Barnesville Chamber of Commerce: I wish to express to you my pleasure in being able, through your kindness, to meet and greet this representative body of substantial American citizens. I am reminded that tonight in a short hour's ride, I have crossed a state line and have come into what once might have been considered a stranger territory. There was a time when the men of Ohio and the men of Virginia looked in different directions, thought different thoughts, and were stirred by different hopes and passions. But that time, thank God, has long since passed. The line upon the map that divides our states has become a geographical shadow, and today the people of Eastern Ohio and Western West Virginia proudly rejoice in a common citizenship, greater and richer and fuller of opportunity than the citizenship of any state, and that is citizenship in the great Ohio Valley, the workshop of America. We of West Virginia fully realize that an all wise Providence has, for some inscrutable reason, withheld from us the privilege of growing presidents and running the politics of the country; not that we have not the capacity or the ambition, but for some special purpose we do not seem to have been set apart for that particular function of government. But we are not jealous. We rejoice, on the contrary, that it is graciously permitted to us to vote for Ohio candidates, just as we are allowed to furnish you coal to run your mills and gas to warm your homes, and we are content to sit upon the eastern hills, that for three hundred miles fringe the valley of the noble river that winds its silver stream between our states, and look wistfully across the charmed border into the chosen land; the home of warriors and statesmen; the state that gave us Ulysses S. Grant, and Tecumseh Sherman, and Rosécrans, and the fighting McCooks; the state of Rutherford B. Hays, the knightly soldier and president, James A. Garfield, and the martyr McKinley; the state that in this year of grace 1920 had the nerve to ask all her forty-seven sister states to stand back while she gave her exclusive attention to the job of furnishing presidential candidates, and sitting there looking across the valley we West Virginians wonder how, in the name of heaven, these Ohio dubs get away with it.

We hear today a great deal about the Americanization of the foreign workman; about our duty to instruct the alien who comes to our shores in the principles of our republican form of government, and in the character of our institutions. But plans for Americanization, however sincerely they are formed, will avail little unless you men here tonight and men like you think clearly yourselves; face, bodily, the questions which come up and finally take the lead in teaching clear thinking to others. This is a republic,

a land in which the will of the majority is finally translated into law, a land in which the people are the sole fountain of authority, and unless the people themselves think straight; see facts distinctly, and reason honestly, sooner or later republican government will be a failure. Bodies of men like we have here cannot more profitably employ themselves than by giving earnest consideration to our pressing industrial problems. We will not solve them alone, but we can do the part of responsible citizens in trying to reach fair conclusions for ourselves, and in contributing to that compendium of intelligent consideration which is necessary if just results are finally obtained.

The controversy between the man who works for a wage and the man who pays a wage is not a new one. The questions between master and man are as old as history, and they will continue to be perplexing problems for centuries to come. No settlement will be permanent; no agreement can be enduring. No establishment of labor conditions can last, because, with the flight of time, new situations arise; new standards of living become necessary, and new ambitions and aspirations are cherished. Lord Leverhulme, one of the largest employers in England, makes this statement:

"It is a mistake to think that any rate of wages, or any fixed standard of hours, will permanently satisfy the working men. To suppose this is to suppose that the worker is a vegetable and not a human being."

Men seek always to better their conditions, and as they increase their incomes they increase their wants. The standard of wages and conditions of living which satisfied a half century ago will not satisfy now; and the standard of wages and conditions of living today, in all probability, will fail to satisfy the worker a quarter of a century hence.

Students of English history will recall the slow and painful development of the rights and privileges of workers. Under the British kings, and for many centuries under the Saxon and Norman kings, the English laborer was either a serf or a villain attached to the soil. Gradually a class of free men grew up. These men frequently gained their freedom through services rendered in war. By the middle of the fourteenth century serfdom in Great Britain had almost disappeared; but other kinds of industrial slavery had developed, more burdensome, perhaps, than the actual slavery which, while recognizing human beings as chattels imposed upon their owners the care of their maintenance. Farm laborers belonged to the farm on which they worked, or the village in which they lived. The first labor laws of which we have record in modern England were in the reign of Edward III, the great warrior king. During his reign, from 1320 to 1360, three different enactments were passed dealing with the conditions of agriculture and the wages of laborers. It may seem odd today that these laws were intended to regulate and control the rising independence of working men. Their purpose was to oppress and not to uplift. The English landed gentry controlled the English parliament. The king needed grants for his wars, and the price of these grants was successive laws designed to force men to work long hours in the fields for scanty wages, and to limit their movement from place to place. The first statute of Edward III forbade laborers to ask, or land-owners to pay, more than a certain fixed wage, which wage was the average of the rate paid for the five preceding years. Two years later, another statute gave authority to sheriffs of counties to arrest artificers and workers who left work and sought employment in distant fields. In 1360, another statute was passed providing that laborers who fled from their employment were to be retaken and branded on the forehead with the letter "F" as a mark of falsity. Infamous as these acts were they had this merit: They recognized the existence of a free labor class, something that did not then exist in any other country in the world. In the days of Good Queen Bess, it was enacted that all artificers and laborers "shall be

at their work before five o'clock in the morning and not depart therefrom until between seven and eight o'clock in the evening, except for breakfast, dinner and supper." The first definite enactment of British law, designed to protect the interests of working men, rather than to control and suppress their activities, was early in the last century, and that enactment provided that no child under ten years of age should work more than twelve hours in any factory. As late as 1867, Lord Elcho, as a result of the investigation of labor conditions in Great Britain, prepared and had passed, an act, which even in that enlightened day, was called the "master and servant act," and not until 1875 was there a recognition in the legislation of Great Britain of the fact that the employer was not a master and the employe was not a servant. In that year a great English prime minister thought it worth while to refer to, as momentous, the fact that the words "master and servant" had been dropped, and the words "employers and workers" substituted, and for the first time in the history of Great Britain, employers and employed sat under equal laws.

Since 1875, the trades of Great Britain have been organized perhaps more thoroughly than in any other country in the world. They have gone into politics and the labor party has a large representation in Parliament. The result has been to create class consciousness, and class division that has more than once threatened the stability of the English government. The coal strike a few weeks ago tied up all of British industry, and caused enormous loss, and the settlement finally reached through very considerable concessions to the workers was only a temporary makeshift. Frankly, the aim of the majority of the British trades unionists is the socialization of all industry. In Australia, another English-speaking nation, socialization has already made much progress, and the time is not far distant at which there will be a test of strength between the forces that aim to socialize the great industrial operations of Great Britain, and of Australia, and the elements of the citizenship that stand for private ownership. This is a danger which we have to face in this country, but it is a danger which we can meet with confidence if we use wisely our strength and the experience which we have gained in 125 years of self-government.

We cannot trace the gradual development of labor conditions in America by the records of many statutes. We have never had oppressive labor laws. On the contrary, our legislation has generally tended to protect the workers; to encourage the independence of the artisan and to limit excessive hours of labor, and to throw the mantle of the state around the unfortunate and the sufferer from industry. Each successive period has brought improved working conditions. Each change has been for the better. Through processes, sometimes painful, but always sure, the slave has become free; the toiler, whose labor has belonged to masters, has become an independent workman who sells his labor in the best market. The miserable crowded and unsanitary hut has given way to a decent and comfortable home. Ignorance has fled. Intelligence has come. Long hours have been shortened, and the right to an equitable share in the profits of industry and its direction and control is freely demanded and freely given. We know that most of this advance has been made in the past century, and we know that America has led the world in the paths of progress. The American working man today often lives in a better home than a king lived in a century ago. He has food for his table, comforts in his dwelling, clothing for his family and opportunities for amusement, for education and for self-improvement, that the wealth of all the world could not have bought for our grandfathers. Yet, with each step forward, the workers as a class demand more and more of the better things of life. As they learn more they seek more; as they get more they consume more. Like the mountain

climber slowly toiling upward from the mists of the valley, every yard brings a wider vision. They see things not seen before and aspire to things not known of before, and it is well that this is so. Were it otherwise, it would be because ambition had died in the heart; because hope was satisfied, and because, to use again the words of Lord Leverhulme "man had ceased to be a man and had become a vegetable." It is the law of human development that the more we know, the more we want, and that law applies just as properly and justly to the man who works with his hands as to the man who works with his millions.

The labor problem then is ever with us. It was with our fathers and our grandfathers, and it will be with our children and our grandchildren. It will not be settled until men have ceased to think and to aspire, and the best that we can expect is that with such knowledge that we have; with such understanding as we may gain, to try to do equity; to favor just conditions as to individuals, and to advance, in some measure, the common welfare.

One thing we can safely assume: that is the day has passed when either the employer or the employee can regard his participation in industry as strictly an individual matter. America has been an intensely individualistic country. The idea of personal liberty and of personal rights has been accentuated. To a degree, we have minimized responsibility to the state and to society. But necessity is forcing us to other views. Every day we see more clearly that the right to give work, or to take work; that the power to employ thousands of men, and put the wheels of machinery in motion for the production of great quantities of goods, and the power, on the other hand, to stop that machinery and to cause a cessation of industry, is not an individual matter. It is a power, whose exercise must be limited. Society must, in order to maintain its own existence, find some means of forcing its interests to be recognized. Let our railroads stop for forty-eight hours, and the factories employing millions of men are closed, and cities are brought face to face with starvation. Let the country's coal supply be cut off for two weeks, and widespread idleness comes. Let the steel industry be idle for ninety days, and the hurt is felt in every hamlet from Maine to California. Strikes in the coal and clothing factories in New York City; in the woolen mills of Massachusetts, and the shoe factories of New England and New York, mean a tax upon every man, woman and child between the two oceans. Organized society, in the long run, pays the bill for labor disputes, and disturbances. It bears the burden of the lack of production. If organized society, as we know it, is to continue in this, or any other country, if we are to have great cities teeming with manufacturing plants, employing many thousands of workmen; if we are to have railroads, carrying away the products of these factories, and replenishing them with steady streams of raw materials; if back of these cities, we are to have a great agricultural population, whose work produces yearly the food and materials for the clothing of the entire people, and if the activities of all these elements are to be coordinated and made effective for the common good, the public must insist that no part of the great machinery of production and distribution can be arbitrarily destroyed or stopped for any considerable time. It must be able to say that the workers must be fed and clothed; that the streams of raw materials must continue to flow to the mills; that the railroads and steamships which carry their goods all over the world must not be blocked; that the food which the farmer grows must find its way to a market; in short, that all the essential processes of life, dependent as they are upon each other, must be continued with regularity, and that no arbitrary power, whether exercised by employer, by employee, by great corporations or by labor unions, can be permitted,

for any great length of time, seriously to disturb these operations or to check their efficiency.

How is this result to be brought about? No suggestion which anyone can make under present conditions can be more than tentative, and certainly no suggestion can be made that will not be open to some objection. Gradually, I believe, in this country, we will tend to create what might be called industrial democracy, a democracy that in a large degree will parallel in industrial and social life, the organizations which we have created in our political life; a democracy which will create for itself, machinery for the adjustment of difficulties, and for the regulation of employment akin to the machinery which we have created for the operations of our government. We have grasped the ideal of political democracy; the greatest good to the greatest number; the right of the majority to rule, and as a self-governing people we have given many splendid illustrations of our obedience to that well-grounded and broadly accepted principle. We have, for instance, just passed through an exciting national election; an election that appealed to the ambitions, the self-interest and the passions of many millions; an election that was to determine the future employment in office, and the public activities of thousands of men and women, and yet we passed through that great contest peacefully, and its result has been everywhere accepted without a murmur.

Why

Because one hundred million American people have been taught that the rule of the majority is the safe rule in public life; that the greatest good for the greatest number is the foundation of self-government, and that a republic can only be maintained through submission to lawful and orderly processes. If we can, without friction, without the violation of law, without the shedding of blood, decide for ourselves the problems in our political life, why may we not find the means of deciding in the same manner, and with the same lawful and orderly processes, the problems that arise in our industrial life? I am sure that it is possible, and I am sure that with the development of the ideas of an industrial democracy, sooner or later we will realize that possibility. Strife between labor and capital implies not a democracy, but an autocracy; not peaceful conference, but warfare, the power of one to defeat and crush the other, and so long as we fail to recognize the public interest in industry, this condition of antagonism between capital and labor will continue. But here is one thing which you can rely upon as absolutely certain. If this country ever has to choose between an autocracy of capital and an autocracy of labor, it will be an autocracy of labor, because political power rests with the people. In the long run, the masses of the people will rule, and if we are forced to an autocratic condition of any kind it will eventually be an autocracy on the part of the representatives of the men who work with their hands, and who toil in the mines, the fields, and the factories. The industrial democracy is the answer to that threat, and the shield against that danger.

Now what do we mean by an industrial democracy?

One of the most interesting contributions to the labor problem which I have met recently is the so-called Whitely report made by one of the industrial commissions appointed by the government of Great Britain. This commission studied the conditions of the basic industries in England, particularly the production of coal and railroad transportation. It embodied its recommendations in a very brief report in which the principle of public interest is broadly recognized. It recommended, in effect, that the highly developed industries of Great Britain, particularly the coal industry, should be brought under the control of an industrial commission, this body to be composed of a certain number of miner representatives, a certain number

of representatives of the mine owners, and a third number of citizens, representative of the general public. This commission to have power to create regional sub-commissions organized along the same lines, and the main commission and its subordinates to have full power to establish working conditions and fix rates of wages for the coal industry of Great Britain. It seems to me that along these lines, industrial democracy will come. We have undergone a great educational process during the past three or four years. The people of this, and every other, country, are thinking more perhaps, today of labor problems than they ever did before, and more and more the great consuming masses begin to feel that their interest has not heretofore been protected, and that this in the long run, should be the most potent factor in determining the relations between labor and capital. It is only through some such organization, legal or semi-legal, that the public will be able to make its interest felt, and protect itself against exaction. The anti-strike feature of the Cummins railroad bill embodies practically the same idea as the Whiteley report, and it seems to me that the application of this principle is absolutely essential if railroads are to continue to be operated without unnecessary strife, and disturbance. As most of you, perhaps, know, the Cummins bill creates a transportation commission, composed of railroad workers, railroad owners and representatives of the public. That commission has the power to create subordinate or regional commissions with like membership, and these commissions will determine and recommend labor conditions and wages upon the railroads of the country, and having determined them will so report to the public. The bill, as it passed the Senate, made the findings of this commission legally binding. As it finally passed Congress, the commission's findings have only moral force, but even so, they will have back of them a great weight of public opinion, and the railroad owner, and the railroad worker will be rash indeed who, in the face of such findings, deliberately attempts to tie up a great railroad, paralyze the industries dependent on it, and starve the cities that it serves with their daily food.

Only four years ago before a strike threat made by a body of railroad men, the President of the United States forced through both houses of Congress a special legislative measure creating concessions to this particular class of workers. We all know that the Adamson bill would not have passed if a general railroad strike had not been threatened. Do we want more Adamson bills? Do we want more humiliating surrenders on the part of the whole people to the demands of special organizations? If not, we must maintain machinery which will insure equal justice between the workers on the railroads, the owners of the railroads, and the public, which, in the long run, has to pay the bill, and whose patronage supports railroads and makes the payment of wages possible. That is exactly what the Cummins anti-strike feature of the railroad bill proposes to do, and in this emergency, it seems to me that no clear-thinking American citizen should fail to make what influence he has felt for the maintenance of a measure that, in the long run, will insure equal justice to the entire body of our citizenship, and will prevent arbitrary exactions by any class.

The Kansas Industrial Court law is another embodiment of the principle that the public interest is the first interest that should be considered. The law briefly provides a court with power to arbitrate industrial questions arising in five of the great basic industries. It was bitterly fought by certain labor leaders, but in spite of that fact it became a law and so far has operated satisfactorily. These are suggestions of the broad lines on which I believe an industrial democracy will eventually be built. The essence of this democracy, just as is the essence of our political democracy, is the supremacy of the state, the right of organized society to protect itself;

the greatest good for the greatest number; the rights of the many against the few. In that industrial democracy there will be no room for the employing despot, who arbitrarily claims and exercises the power to stop great factories, and to throw thousands of men out of work. There will be no room for the labor union which brandishes a club over the heads of the people while it attempts to pick their pockets. Both will have to acknowledge a power greater than themselves, a power which springs from the people whom they serve and whose patronage makes them possible.

Such an industrial democracy paralleling our great political democracy, in the years to come, will be the answer to the threat of Socialism and I. W. W. ism. It will be the instrument of justice between the man who works and the man who hires; between the utilities that serve and the public that is served. It will operate for content instead of discord; cooperation instead of warfare, and to forward that day when all men will rejoice in a common brotherhood.

The world democracy is here: Royalty is in the discard; despots have been tumbled from their thrones; a great galaxy of new republics have sprung into glorious life. A century and a half ago, when this republic was born, it was laughed at as a joke of a hand full of farmers and fishermen. Today nine-tenths of the civilized world acknowledges the power of democracy and is made glad in its shadow. Let the industrial democracy come. Let us show the same courage and wisdom in meeting the industrial problems of the day that we have shown in meeting our political problems in the past. Political equality to all men, and equal justice to all men, are the foundations of our political fabric. The structure that we have built on that foundation is the state, the state that represents organized society; that stands for the whole people; the state before whose supremacy we all bow. By applying with firmness these principles and these processes to our industrial problems, we can confidently anticipate long years of peace, progress and happiness.