

presented a thorough and authoritative treatment of a short period, and hence will produce a study of Republican administration from 1801 to 1828 rather than a less significant survey of public administration throughout the nineteenth century.

JAMES HART.

*School of Political Science,
University of Virginia.*

INSIGHTS INTO LABOR ISSUES. Edited by Richard A. Lester and Joseph Shister. New York: The Macmillan Co., 1948. Pp. x, 368. \$4.00.

This is a volume of thirteen essays by leading authorities in the field of labor-management relations and labor economics. Reading them has excited me somewhat and has taught me a good deal I hadn't known; but it has also made me feel depressed, since it has revealed to me the huge gaps in my own knowledge. Furthermore, I now realize that to do my job in the law school, I must keep abreast of at least the outstanding contributions in an entirely new field of literature—the periodic output of the industrial-relations centers. But this book offers one consolation—if it may be taken as a precedent—since its appearance suggests that in the future the cream from the annual product of such writing will be competently skimmed off and published between the covers of one fairly small volume. It goes without saying that I don't see how lawyers and students interested in labor-relations law can afford not to read this book. Regardless of what they may think of the various contributors' conclusions, they will acquire a good deal of valuable information and, what is more important, fresh points of view which it is impossible to get otherwise.

It is something of a task to review this book, because to do so fairly requires a baker's dozen of separate reviews. I have tried, therefore, briefly to suggest what these essays have to say, with little or no comment, my object being merely to indicate what the book is about and whether or not it is worth reading.

The first of these essays—"Toward a Theory of Labor-Management Relations"—expresses anxiety over the possibility that the many new industrial-relations institutes may dissipate their resources by not being sure in advance where they are heading, and why. Briefly, it recommends the adoption of hypotheses to guide research in labor-management relations in order to make such research uniform and effective as well as susceptible of being done on a basis of cooperation among scholars in different parts of the country. It then sets forth a framework within which research and special case studies in this field can profitably be conducted; and this over-all framework, in turn, consists of formal subdivisions. The breakdown concerns types of industrial organizations and incidental economic factors such as the nature of products markets and labor markets, as well as of capital requirements and cost conditions. It emphasizes the importance of studying motivations of the parties to labor-management relationships, with particular reference to union political and economic philosophies and varying employer reactions to these notions. Naturally, it touches on the human aspects of the relationships, briefly indicating the applicability of more or less scientific procedure in studying such matters; and in general it focuses attention on developing patterns of collective bargaining. While the authors of this essay create an air of conviction about their main point—that research in this field must be orderly and along preconceived lines—this point itself, and the positive suggestions set forth, are not sufficiently specific to be very enlightening. Although I am in complete agreement with them, I am still not sure just what we are all agreed upon.

Essay number two is a first-rate job of describing and evaluating multi-employer bar-

gaining in San Francisco; and it gives a most revealing insight into the organization of employers and unions for the purposes of negotiating and administering master agreements on a minuscule industry-wide basis. It tells how this development occurred and relates the various factors involved, anticipating and answering objections aimed at it and indicating on the whole that it has proved to be a fairly healthy and successful evolution. I regard this as a most illuminating and instructive account, on a small scale, of a type of labor-management relations growth that promises to become very important everywhere on a very large scale, indeed.

The next contribution deals with grievance proceedings as an aspect of collective bargaining. I cannot help admiring the orderly fashion in which the author of this essay presents the pros and cons as to whether or not the handling of grievances is collective bargaining and what difference it makes. Here is a good discussion of the distinction between the so-called legislative and administrative phases of collective bargaining, with a thorough canvassing of the various issues arising in the operation of an already bargained agreement, including several aspects of arbitration.

In the following essay on "Union-Management Cooperation" there is presented a discussion which is of fundamental importance to the future of successful unionism in this country. The phrase "union-management cooperation" is used as a somewhat restricted term of art which means the willingness of unions and employers, under relatively prosperous conditions and not because the employer is backed to the wall financially, to get together voluntarily and to work out some method of increasing production and lowering unit costs, to their mutual advantage and general security. The author of this essay indicates that neither unions nor employers can get anywhere on such a program of cooperation unless both groups are willing to retreat from their traditional respective objectives. Thus, a union bent only on higher and higher wages, regardless of ability to pay and of the economic health of the industry or of sections or units thereof, simply cannot engage in such cooperation; while an employer merely bent on getting a cheap labor supply, regardless of his employees' lack of security, and unwilling to make their consideration of his interests worth while by rendering his and their interests mutual, is equally unqualified to participate in such cooperation. In a skillful discussion of this type of cooperation and of the few instances of its actual operation, the author holds out great hope of an economically sound future for union-management relations and offers a dynamic answer to the sort of thing embodied in the so-called Nathan report.

The editors of this volume of essays wisely inserted at this point an account of post-war union bargaining demands based on the thesis that wages can and should be increased without at the same time raising prices and supported by the purchasing-power theory, tied in with full employment. This presents a very nice perspective, indeed, on the subject matter of the previous essay; and the two accounts fit neatly together. What is more, by their objectivity they afford a refreshing contrast to the partisan "briefs" issued by both employers' associations and unions on this subject.

Part I of this volume, having to do with Labor Relations, is concluded by two more essays, the first of which deals with collective bargaining by societies of professional employees such as engineers, architects, teachers, and nurses, and the second of which sets forth a theoretical framework dealing with the development of labor organizations. This last essay is a most competent synopsis of various theoretical interpretations of labor unionism from the point of view of why they came into existence, what they were intended to achieve, and what they are actually accomplishing, with emphasis on their broad social, political, and economic purposes and effects. Its paragraphs are embellished with the author's original observations in a most instructive and stimulating fashion.

Part II of the book deals with Wages and the Labor Market. In the first of the four essays appearing in this part, one of the editors of the volume challenges the routine assertions of marginal-productivity economists by stating some facts which do not bear out their conclusions. While these facts are gleaned from actual wage studies, the conclusions which they are used to challenge are, in the main, theoretical deductions from hypothetical illustrations. Industrialists, in the role of producer, are apparently using one kind of economics in pricing their commodities, and, in the role of employer, are using another in rating labor. Studies show that to a considerable extent, the folklore commonly governing the setting of wages—such as knowledge based on regional differentials, local prevailing wage rates, industry rates, etc.—furnishes criteria of the most doubtful validity. I have to confess that I am in no position to pass judgment on the author's assertions; but I can say that I find his skepticism fascinating. If he is right, then an awful lot of people and talk about wage rates, competitive factors, and the market in general, are wrong. And the fact that the seed of doubt can be so plausibly planted makes this essay well worth reading carefully, and offers a real challenge to the occupants of ivory towers.

The next essay is an extension of this general theme, being an attempt to interpret post-war wage trends and to suggest that they imply a redistribution of national income among the working class. When you consider that this really includes everyone who works for a living on a salary or wage basis, it makes you stop and think, especially if you wear a white collar to think above. At any rate, the point is made with a nice detachment which lends this trend the inevitability of cosmic change.

I found the third essay in this part fascinating reading. The authors undertook in a brief space to show that the premises of the traditional marginal-productivity economists are so changed by the advent of modern unionism and its effects on the actual operation of industry that the conclusions of these economists are to a considerable extent indefensible. But while the authors see some theoretical economic justification for the program of organized labor, the "margin" (if a pun may be permitted) distinguishing the "new" from the traditional economics is fairly slight; and when this "margin" of justification is exhausted (as it may already be) the unions are going to have to face the stern lessons of traditional economics, since their bargaining pressures cannot go on indefinitely altering the premises and thus continuously justifying the upward trend of wages. For the whole process has to a large extent been financed by narrowing the "margin" of profit; and when this "margin" is endangered, the unions will either have to cover or be sold out. Anyhow, it is a provocative essay, even if it is in spots somewhat incomprehensible to a lawyer.

The remaining three essays in this volume deal respectively with the construction of a realistic labor-market structure, with labor-union policy under full employment, and with the national labor force under the influence of economic change. While they make profitable reading, the limitations of space in this review render it impossible to do them justice.

I am indebted to the editors and their contributors, indeed, for several insights into some of the most puzzling of labor issues; and whether or not they have the truth by the tail, I am sure that they have furnished a good deal of provocative material for reflection and some excellent collateral reading for students of modern labor-relations law.

C. O. GREGORY.

University of Chicago Law School.