

Mortimer Mudd in the Haunts of the Serious and Cultured



At last sister-in-law Prunella Pitt has Mortimer Mudd at the sort of place she thinks he ought to be, Lake Pine-Whisper in the White Mountains, where serious and cultured people are supposed to congregate. Anyhow, it's

away from the pitfalls and perils of Atlantic City. At the present moment Mortimer seems to be engaged in a scientific endeavor to suspend the Law of Gravity. The inspiration for this effort may easily be detected.

Miss Pitt is to be seen conversing with Dr. Whoozis, the house physician, who Mortimer has found isn't a bad sort at all. The Doctor is telling her about her brother-in-law's condition and is advising her to see that he is not allowed to

mope and is kept subject to influences which will tend to elevate his spirits and take him out of the fit of despondency in which he was entangled until he took the above wild leap from the springing board.—Copyright, 21st Century Press.

Vanderlip Foresees New Type of Financial Relationship With Europe

(Continued from Preceding Page.)

hold firmly to the principles of sound commercial banking, the role which they will play in the future world of finance has no limit that I can see.

CHAPTER XI.

"Comfort and Liberty."

The motto of the chief Syndicalist organization of to-day, the Confédération Générale du Travail of France, consists of two words—"Comfort and Liberty." Here is the key to an understanding of the greatest problem of the age, the labor problem. If one will grasp in their significance what these two words connote in the mind of labor, he will have pretty much the whole story of labor's aspirations. By comfort is meant a larger share in the earnings of industry; by liberty is meant a less subordinate position in industrial surroundings and social status. It has been keenly observed that the aspirations embodied in these claims have been ripened by the war, which has quickened the consciousness of merit in the lauding classes.

A man who has had enormous experience during the war in handling the English labor situation, Sir Lynden Maccaesay, sums up the essentials to peace in industry under the three headings of Contentment, Cooperation and Production.

Factors of Contentment.

The factors on which contentment depends, he says, are in their respective order of importance:

1. Security of employment.
2. A voice in fixing conditions of employment.
3. Remuneration and a fair division of profits.
4. Working hours.
5. Prevention of profiteering.
6. Housing.
7. Economic education.
8. Opportunity to rise.

The factors on which cooperation turn depend on:

1. Elimination of suspicion.
2. Creation of confidence between employer and employee.
3. Recognition of their mutual community of interest.
4. Machinery for facilitating cooperation.

The final factors upon which production primarily depends are:

1. Economic education.
2. Modernization of their methods by employers.
3. Repudiation by labor of limitation and output and of demarcation restrictions.

The significance in this catalogue is the arrangement in respect to the order of importance of the different factors. Only preceded by the factor of the security of employment is the weight given to having a voice in fix-

ing the conditions of employment. That I believe is giving its just weight to this aspiration of labor. I found the situation the same in every labor community where I had the opportunity to observe conditions. There is a determination on the part of labor to have more to say about conditions of its job. No matter in what country one studies this all important matter he will find the wage question is subordinate to the question of the workers' status. There is a determination to have a larger share in the profits of industry, but there is even a stronger determination to see to it that society no longer regards labor as a mere commodity, and, instead of that, that society shall grant to labor, not as a concession but as a right, a voice in determining immediate industrial surroundings, rules and regulations under which labor will work.

Chaos in European Industry.

There is to-day nothing short of chaos in European industry. One phase of it is manifest in the enormous unemployment encountered in every country except Spain. In England 1,000,000 workers receive £1,250,000 a week in "unemployment wages," and in addition England is subsidizing wheat by selling it for less than cost, so that this form of contribution is costing the nation £50,000,000 per annum. The present unemployment figures it is thought are certain to increase. In Belgium the percentage of unemployment is far more serious with 400,000 in that comparatively small community receiving "unemployment wages." The situation in France and Italy is little better. The effect on the industrial life of the nation of this system of unemployment does would make in itself the basis of an illuminating study. No matter how serious consequences one may trace as likely to follow these vast national disbursements, it may as well be admitted on the start that they were absolutely necessary. If the war industry had ceased and armies had been demobilized to return to hunger and idleness, the foundation of the capitalist order would have crumbled. There is perhaps a question as to the wisdom of paying the unemployed without exacting anything in return, although the difficulties of organizing any national work that would have absorbed the labor in a way that would not have been too obvious, making a man perform a useless task, would have been it must be admitted very great.

In England the weekly unemployment dole is 28s. to men and 25s. to women, with an additional amount for a dependent child. This is a sum certainly none too large to maintain a self-respecting standard of living, although it is larger than were the wages for a full week's labor in many lines prior to the war. It is admitted by every one that the system is being

abused, that men are declining to work because they would rather loaf and draw the dole.

Under the rules of administering this unemployment fund the Government must present to a man an opportunity to labor at his particular trade before it may cut off his claim to the unemployment gratuity. There is in England an extraordinary immobility of labor as between the various trades, and an extremely sharp line of demarcation in respect to which trade a certain kind of work falls. It naturally follows that there are many stories related of how men decline to work at this job or that because such job does not fall exactly within the defined limits of their particular trade, and the man sit idly consuming Government charity while useful tasks remain unperformed.

A man of very high position in the financial world of the city told me this story. A man had been in his employ as a gardener, but left that work to become a repairer of roads. Municipal economies stopped road repairing and the laborer began to draw his unemployment wage. Having a large family his weekly income from the Government amounted to 36s. My friend met his former employer and offered him 35s. to resume work in his garden. This he hotly declined, as he said he was receiving 36s. for doing nothing. My friend then appealed to the authorities and charged them with wasting the taxpayers' money, but they replied that this man was registered as a road repairer, and they were bound to find him a position as a road repairer and pay him unemployment wages until they succeeded.

This tale was told to me for the purpose of throwing light on the abuses that were going on under the unemployment act. As a matter of fact, while the story may be useful for the purpose intended, it is even more illuminating because of the light that it throws on the attitude of employers. A man of wealth owning an extensive country place and attempting to command the labor of a man really two points of view from which to regard the employer's refusal to give up his 36s. a week of unemployment dole in order that he might earn in the sweat of his brow a wage beyond a point which would support his family at a minimum standard of existence.

Another difficulty that is encountered in the administration of the unemployment fund is met in the large number of women who were formerly in domestic service, but who entered industry during the pressure for war production. They register as

machinists or at least as skilled industrial hands; they decline again to accept domestic service, and the Government finds itself in the position of supporting them, while the English mistress is in despair because of her inability to get servants.

The effect on moral character of these huge Government disbursements to the unemployed raises extremely serious considerations. There has been an awakening consciousness in regard to society's responsibility for unemployment and there is little likelihood of European industry returning to its pre-war situation in which the lack of security for labor was always uppermost in labor's mind. The unemployment dole are in no sense regarded by their recipients as charity, but rather as a human right which should be one of the first charges on the public purse. Economic ignorance leads men to think that the public purse is bottomless, and that their Government, if not the world, owes them a living. They feel that they are not necessarily bound to do any work in order to collect the dole.

Employers generally admit the necessity and the justice of a national unemployment scheme, but they universally feel that the plan should be contributory and that employers and employees and the nation should each bear a part of the burden. There are some trade unionists who strongly object to a contributory system and even declare the present system is unjustly administered, their objection being grants from the Government in case of unemployment, the grants to be made direct to the labor unions and to be distributed by them.

Labor's Social Status.

It seemed to me that the most important thing for American employers to grasp is the significance attached by workmen to bettering their social status in industry. At home I try never to miss an opportunity to gain enlightenment on the workmen's point of view and I have been increasingly impressed with their desire for a larger voice in management. They do not want a voice either in the management or the responsibility of the business office, but they do want more to say about the immediate industrial conditions in which they work. I am thoroughly convinced that that aspiration is now world wide and that America will feel the demand as strongly as it is now being felt in Europe. I believe it is a demand that American employers should heed and that it should be met not merely by forced and grudging concessions, but rather from the point of view which is now held by many English employers. It is declared that what the men want is to be treated as intelligent participants in industry, to be consulted and have things explained to them. It is a reasonable and logical

claim and employers themselves believe they will have to concede it.

English employers believe that production hinges on contentment, that contentment cannot be secured merely by wages, and that if labor is given a larger voice in the management of the purely industrial conditions of the shop there will be not only a growth in contentment, but there will be a cooperative spirit in which each worker brings his brains as well as his muscles to the task of production. They feel that from capital's point of view every such concession will be far more than compensated in the increased production secured.

The war resulted in the relinquishment of union labor of many of its rules which have in a steadily increasing degree hampered industry. There is still a widespread economic fallacy in labor circles, however. Labor believes that a restriction of output is beneficial to the worker. The effect of that fallacy is again coming sharply into evidence. There is a widespread belief among workers that industry can be carried on with much shorter hours, that men may receive still higher pay for the shorter day, and that all this can be accomplished without any detriment to the industry. The result of a more just division of the profits of industry.

That view has certainly been upheld by the results of the coal inquiry in England. In the light of the facts brought out by that inquiry, there could have been no other advanced than that labor was entitled to shorter hours and much higher pay. Of course the condition is not parallel in other lines of industry, and there is probably grave danger in applying that view to those industries whose life is dependent upon ability to compete in neutral markets. Of course a higher price for coal will affect England's ability to compete in all international lines of industry.

There is a tendency for labor to lose its faith in the efficacy of higher wages. Debased currency and deficient supplies have so steadily advanced the cost of living that higher wages have frequently brought no additional comforts of life. It is in this fact that there is the most dangerous ground for propagating dissatisfaction with the entire capitalistic order of society. Everywhere in Europe there is a substantial minority in the labor world ready for a revolution to establish a communistic state. I have discussed this phase in the chapter on "The Power of Minorities."

Loss of Man Power.

Labor's position in Europe is going to be tremendously strengthened by the loss of man power resulting from the casualties of war. These figures reach an enormous total and have an immediate effect. But of still greater portent is the loss of population resulting from the decreased normal

birth rate. A sound authority estimates that the belligerent countries are poorer by 12,000,000 husbands and wives during the war.

A profound effect upon the character of the industrial skill of European labor has been produced by the war. The whole normal course of apprenticeship and training of young men has been interfered with. Not only have apprentices been withdrawn from shops to the colors, but the absorption of industry for five years in vast scale production where the amount of repetitive work in which no skill is required, except for a single operation, has been very large, has made these years in a measure blank in the training they have given in all round craftsmanship to the rising generation.

Against this loss of skill there have been substantial gains from the labor of women in industry. Women have been found in many cases surprisingly efficient. There is also the permanent gain so far as efficient and cheap production goes from the introduction of automatic machines whose use the conservative employer had been slow to rightly appraise, and whose introduction was steadily opposed before the war by labor.

Labor's Quickened Consciousness.

I suppose the most significant thing in the whole European labor situation is the quickened consciousness in the minds of labor, which has come from the whole war experience, of labor's own power, and the keener comprehension of labor's claims in a democracy to a greater equality of opportunity and reward. The attitude of social classes throughout Europe has been profoundly affected by the democracy of the war experience. This experience has broken down many old class barriers. That fact is startlingly exemplified, not alone in the new demands of labor, but in universally a more liberal attitude by employers. Nowhere in Europe is there any longer any substantial resistance on the part of employers to an eight hour day.

Perhaps there is no single mental effect of the war that is so more significant than the changed attitude of European employers to the whole labor question. There is a disposition to examine the very fundamentals of labor's dissatisfaction and to accept as desirable, a quite new status of the workers, particularly in relation to giving them a really effective voice in the management of industry.

This does not mean any tendency toward anarchy in industry. A larger voice in industrial management on the part of labor is not translated either by labor or employers to mean a voice that extends to commercial policy. More than anything else it

seems to me to mean that labor shall be taken into the confidence of employers, shall be informed in regard to aims, advised with in respect to difficulties, listened to when it wishes to make suggestions in regard to shop practice, and conferred with about shop conditions, and particularly about shop foremen. In a word, labor wants to be led instead of driven, and it wants its leaders to take it into their confidence that labor will have some intelligent view of the task to be accomplished.

All this may sound very revolutionary to an employer who has counted labor costs as he has counted the cost of copper or steel or cotton. There has been a great awakening in Europe, however, to the difference between buying the raw material commodities and the buying of the labor element that, combined with them, makes the finished product.

Employers have begun to distrust their old point of view and to take a new and a far more human attitude toward the whole labor problem. There is an underlying optimism in their minds that has led many of them to believe that perhaps after all these demands of labor were not merely concessions to be wrung from capital and to be resisted at every step but rather that it is possible that in the direction of these demands lies the basis of a new understanding and a true cooperation between capital and labor. The employers' attitude in this respect is undoubtedly quickened by the fear that if labor now encountered a Tory obstinacy on the part of employers there would be danger that their part of the world at least would be launched on a vast and frightfully dangerous experiment in one type or another of "nationalism" or "communism," the generic term for which in everybody's mind is now "Bolshevism."

I would not have any one infer that I believe there is a millennium at hand in the European industrial world, nor would I wish it thought that I have a conception of European or generally of British labor that is Utopian. There is ignorance of economic law, there is class selfishness, there is stupid adherence to unbroken tradition that any plan for permanently composing the differences between capital and labor will have to overcome. Opposed to that, however, is one of the most inspiring things that I encountered in Europe. That was the quality of mind in certain Englishmen who have come up from the ranks of labor. Some of them are cabinet ministers, some of them now hold noble titles, some of them still are rendering services to their fellows as union officials.

There is truly a new intellectual aristocracy growing up in England, fed from the ranks of labor and having an outlook, an understanding, a sympathy, and withal a grip on the

economic verities that marks the most promising and significant development. In the great war America achieved the freeing of herself from the incubus of militarism at the cost of a sacrifice which, compared with the sacrifice made by the nations associated with her, has been small indeed. She faced a world situation in which military power seemed likely to be set up as the predominant force. With all the rest of the world she is now free, it is to be hoped, from that terrible catastrophe; and she has fortunately secured freedom at no crushing cost.

I believe that it lies within the power of American employers and of American capitalists similarly to make a short cut without great sacrifice to a future of industrial peace and to escape what might be a conflict that would be as dangerous to her national life and prosperity as was the conflict we have so happily passed through. That short cut may be reached if these interests will now with one accord come to the point of view that has already been reached by European employers and capital. That will require a true vision, a development of human sympathy, a grasp of economic principles, a concession in time rooted prejudices and a quickened understanding of the aspirations and the point of view of labor. Is it too much to hope for?

I am convinced that it is along these lines that industrial peace lies. I have come to feel profoundly that a liberalizing of the views of employers and capitalists in respect to labor will be followed by a gain to both sides; the value of which could hardly be measured. In that direction lies the hope that America may make the same sort of about cut to industrial peace that she made in freeing herself from a life of apprehension of military domination. It seems to me clear as crystal that along this road there lies not only great moral satisfaction but side by side with that the greatest material prosperity.

CHAPTER XII.

An Employer's Vision.

The changed and liberalized attitude of employers in England struck me as most significant. Perhaps I could in no better way illustrate that than by reproducing, as well as I can remember, an interview I had with an employer of first importance. This gentleman has had a wide experience throughout his life with large bodies of work people. His view of the labor question seemed to me extremely interesting. This is what he had to say:

"No one foresees what the war was going to mean. Least of all, perhaps, did any one foresee that it was going to mean a social revolution, a revolu-

Continued on Eleventh Page.