

4

B.E. HUTCHINSON  
P. O. BOX 1919  
DETROIT 31

April 3, 1945

Dear Amon:

Eric Johnston's new "Charter for Labor and Industry," worked out by him, CIO Murray and AFL Green, has some serious defects, according to Harvey Campbell, Executive Vice President of the Detroit Board of Commerce. You will find three good reasons why the Directors of the U. S. Chamber of Commerce should defer ratification of this Charter in its present form set forth in the enclosed copy of Campbell's letter of April 2 on the subject.

The Charter as currently drafted plausibly creates so pleasant an impression upon first reading that to date it has received almost universal acclaim. The reluctance to accord it immediate acceptance so far displayed by the National Association of Manufacturers is being widely misunderstood and has been the occasion for considerable unfavorable editorial comment.

The action proposed by the Detroit Board of Commerce is designed to open the subject up for that full discussion and debate which its importance deserves. Action along similar lines by enough other organizations throughout the country would assure this highly desirable result.

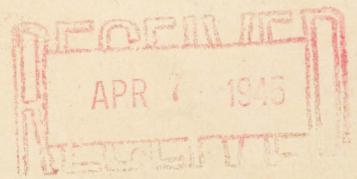
As Mr. Campbell points out, this Charter in its present form fortunately can properly be regarded as merely tentative, and subject to further development. It certainly should be most carefully studied and appraised, and where necessary revised to assure that in its final form the validity and integrity of Industry's representations to the American public are irreproachable.

If you share these views, as I do, you may wish to interest yourself in promoting in your locality, as I have here, consideration of some effective action toward this end.

Sincerely yours,



Amon G. Carter, Esq.  
400 West Seventh Street  
Fort Worth, Texas



GEORGE W. CARTER, VICE PRESIDENT  
CARL B. TUTTLE, VICE PRESIDENT  
A. M. WIBEL, VICE PRESIDENT  
MCPHERSON BROWNING, TREASURER



FRANK J. ARMSTRONG, ASS'T TREASURER  
HARVEY CAMPBELL, EXECUTIVE VICE PRES.  
J. RAY CAMPBELL, COMPTROLLER  
CHARLES M. SREENAN, SECRETARY

MCMIII

320 WEST LAFAYETTE AVENUE

April 2, 1945

To the  
Board of Directors --

You have doubtless seen in the press some account of the Management-Labor Code tentatively proposed by Mr. Eric Johnston, President of the United States Chamber of Commerce. I refer to it as "tentative" because it has yet to be approved by the U. S. Chamber of Commerce Directors.

For your information there is enclosed a copy of the Code. I would like to make the following suggestions to Raymond Berry, our representative on the U. S. Chamber of Commerce Board of Directors, that when this Code comes up for consideration by them, some development of it along the following general lines be advocated:

1. The Code in its present form does not seem to put enough emphasis upon the importance of production, upon the necessity for work. Progress in our material standard of living is ultimately dependent upon the productivity of the individual. This requires not only technological improvement, but individuals must be industrious. It would seem desirable to emphasize this fact more than is to be found currently stated in Section I of the Code.
2. Section IV of the Code as currently stated is possibly susceptible to the interpretation that industry agrees to a freezing of present statutory law applicable to the labor situation. There is a widespread feeling that under present law labor may have acquired certain privileges and power without having had imposed upon them, or without their having assumed, a corresponding responsibility. It would seem desirable that this point be cleared up and the door at least left open for subsequent examination in the postwar period of the desirability of defining more clearly the responsibility of labor organizations.
3. On an even broader basis, the Code as stated might still be subject to the criticism that it does not give sufficiently explicit recognition to the general public interest, and might be construed as an agreement between organized industry and organized labor to promote their own mutual special interests at the public expense. There are already well known instances of such collusion in certain segments of our industrial economy which have properly been challenged. It would seem undesirable to have this tendency extended further to an all-comprehensive national scope.

The National Association of Manufacturers both generally in its declaration "Victory for Freedom", adopted by the Reconversion Congress of American Industry last December, and specifically in a letter from its President to Mr. Johnston, has expressed its approval of the general purpose of this Code. Mr. Ira Mosher, in a letter to Mr. Johnston said:

"The proposed statement of principles is premature. To obtain wide acceptance, such a statement should be the result of deliberations by a larger and more representative group. Such a group could give consideration as to how the purposes of the statement might be implemented before issuance, which would lend great strength to the words. Otherwise, instead of promoting unity between labor and management, a statement couched in such general terms could easily breed further misunderstanding between them and really not materially assist in formulating sound public policies."

Commenting further, Mr. Mosher has subsequently said:

"If we're going to prevent strife in the rapidly approaching postwar period, management and labor are going to have to get down to cases. The seven principles that make up the so-called charter are generalities on which there is already wide agreement. What the people of America want to know is what is going to be done about making them work."

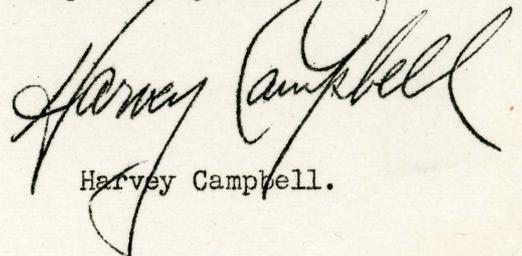
Specifically, I would like to suggest to Mr. Berry that when the ratification of this Code comes up before the Board of Directors of the U. S. Chamber of Commerce, approval be deferred until a revision giving suitable expression to the three points made above can be considered; that the entire membership of the United States Chamber of Commerce be granted the traditional privilege of voting upon a referendum which will present pro and con arguments; -- and that the National Association of Manufacturers be invited to join with the U. S. Chamber of Commerce in the consideration of such revisions with a view to ultimately presenting to the representatives of organized labor a suitable revision of this Code and a program of action based upon these principles.

The Detroit Board of Commerce should commend Mr. Johnston for re-opening the subject and laying the foundation for further discussion of this important matter, just as we congratulated the National Association of Manufacturers on the publication of their courageous booklet, "Victory for Freedom".

Your immediate advice by mail or phone -- CHerry 3700 -- will be appreciated. If you agree, I will suggest to Mr. Berry that he promote favorable consideration of the U. S. Chamber of Commerce along these lines.

I am communicating my views as expressed above to various other Chamber of Commerce executives throughout the country in the expectation of stimulating their action, so that other Directors of the United States Chamber may be apprised of our thinking in this effort.

Respectfully Submitted,



Harvey Campbell.

LK  
Enclosures

## PROPOSED MANAGEMENT - LABOR CODE

Following is the text of the "New Charter for Labor and Management" announced March 28, 1945, by President William Green of the AFL, Philip Murray of the CIO and President Eric Johnston of the Chamber of Commerce of the United States:

We in management and labor firmly believe that the end of this war will bring the unfolding of a new era based upon a vastly expanding economy and unlimited opportunities for every American.

This peacetime goal can only be attained through the united effort of all our people. Today we are united in national defense. Tomorrow we must be united equally in the national interest.

Management-labor unity, so effective in lifting war production to unprecedented heights, must be continued in the postwar period. To this end, we dedicate our joint efforts for a practical partnership within the framework of this code of principles:

1. Increased prosperity for all involves the highest degree of production and employment at wages assuring a steadily advancing standard of living. Improved productive efficiency and technological advancement must, therefore, be constantly encouraged.
2. The rights of private property and free choice of action, under a system of private competitive capitalism, must continue to be the foundation of our nation's peaceful and prosperous expanding economy. Free competition and free men are the strength of our free society.
3. The inherent right and responsibility of management to direct the operations of an enterprise shall be recognized and preserved. So that enterprise may develop and expand and earn a reasonable profit, management must be free as well from unnecessary governmental interference or burdensome restrictions.
4. The fundamental rights of labor to organize and to engage in collective bargaining with management shall be recognized and preserved, free from legislative enactments which would interfere with or discourage these objectives. Through the acceptance of collective bargaining agreements, differences between management and labor can be disposed of between the parties through peaceful means, thereby discouraging avoidable strife through strikes and lockouts.
5. The independence and dignity of the individual and the enjoyment of his democratic rights are inherent in our free American society. Our purpose is to cooperate in building an economic system for the nation which will protect the individual against the hazards of unemployment, old age and physical impairments beyond his control.
6. An expanding economy at home will be stimulated by a vastly increased foreign trade. Arrangements must therefore be perfected to afford the devastated or undeveloped nations reasonable assistance to encourage the rebuilding and development of sound economic systems. International trade cannot expand through subsidized competition among the nations for diminishing markets, but can be achieved only through expanding world markets and the elimination of any arbitrary and unreasonable practices.
7. An enduring peace must be secured. This calls for the establishment of an international security organization, with full participation by all the United Nations, capable of preventing aggression and assuring lasting peace.

We in management and labor agree that our primary duty is to win complete victory over Nazism and Japanese militarism. We also agree that we have a common joint duty, in cooperation with other elements of our national life and with Government, to prepare and work for a prosperous and sustained peace.

In this spirit we agree to create a national committee, composed of representatives of business and labor organizations. This committee will seek to promote an understanding and sympathetic acceptance of this code of principles and will propose such national policies as will advance the best interests of our nation.

March 9, 1945

C O P Y

Eric Johnston, President  
Chamber of Commerce of the United States  
Washington, D. C.

Dear Mr. Johnston:

In line with our discussion last Monday evening. I thought we spent a very constructive evening with the gentlemen on the other side of the table. At the same time I hope you will appreciate why it was impossible for me to join in an immediate submission of the proposed code of principles to the President. However, after one short evening of discussion (I had never seen the proposed statement before that time) I could not commit the NAM to a document of such importance to the country's welfare without consideration by my colleagues on the Board of Directors. Our Board meets on March 28th. I do hope that as soon thereafter as possible it will be possible for you and me and the labor representatives to meet again.

Any effort we can make to bring about better cooperation, unity and understanding between labor and management is bound to serve the public good. That is why I have been advocating such a course in my public addresses since I became President of the NAM. I am for it whole-heartedly and the work that has already been done should not be lost.

To prevent that I think we should consider a definite course by which to proceed from this point on. I must confess that in my considered judgment the proposed statement of principles is premature. To obtain wide acceptance such a statement should be the result of deliberations by a larger and more representative group. Such a group could give consideration as to how the purposes of the statement might be implemented before issuance which would lend great strength to the words. Otherwise, instead of promoting unity between labor and management a statement couched in such general terms could easily breed further misunderstandings between them and really not materially assist in formulating sound public policies.

Believing this I would suggest two alternative courses. First, that we proceed with establishment of the committee we discussed but for the purpose of planning a labor-management conference to be held sometime in April or May to explore areas of agreement or disagreement over basic public policies affecting labor management and the public welfare now and in the difficult months ahead. I know of nothing which would contribute so much to stabilizing postwar planning for jobs. While such a conference should be large enough to be representative, it could readily be sub-divided into smaller groups to consider specific proposals for later submission to the whole conference. I need not elaborate on any of the further details which would be worked out by the Planning Committee.

Second, and in lieu of the above procedure, I would propose that we in agreement with labor, appoint a small commission of outstanding national figures now in private life, such as retired Chief Justice Hughes, to study present relationships between labor and management, including public policies affecting them, and to list their findings and recommendations for such consideration and action as the respective groups desire.

Personally I believe that either of these steps would help to clear the atmosphere and could lead to real benefits to labor, management and the public at large. I am extremely interested in promoting better labor and management relationships in a substantial manner. I am sending a copy of this letter to the other gentlemen present Monday evening in the hope that we may discuss these alternatives when I return later this month from the speaking trip I mentioned.

Sincerely yours,

(Signed)

Ira Mosher