

World Unity, Vol. 14, Num. 6  
(September 1934)

## AMERICA AND INTERNATIONAL LABOR REGULATION\*

by

FRANCIS G. WILSON  
*University of Washington*

THE trend of events during the past few years indicates that before very long America must re-evaluate its formal attitude toward international cooperation. American policy toward the League of Nations and the World Court are obviously in evolution, and the presence of an American observer on the Council of the League for the first time in October, 1931, argues that our isolation from the work of the Peace Conference of Paris is slowly drawing to a close. But there had been no perceptible change in the attitude of the United States toward Part XIII of the Treaty of Versailles which established the International Labor Organization, although there was an abortive move to send an observer to the Fifteenth Session of the International Labor Conference in 1931. The fundamental question which arises in connection with labor's world constitution, that is, Part XIII of the Treaty of Versailles, is whether it is consonant with American economic principles.

We specifically excluded Part XIII in our treaty with Germany, and the rapprochement with the League of Nations system has not included a more friendly attitude toward the international establishment of "equivalent" conditions of labor. It is true, however, that the International Labor Organization is little known in America, and by and large it was not an issue in the political flagellation of the Peace Conference. An ultimately favorable policy of the United States toward this movement must depend on the

\*The author prepared this statement while in Europe on a Social Science Research Council Fellowship studying the International Labor Organization.

conviction of the government and American labor that the objectives and the methods of attaining them adopted by the International Labor Organization are in harmony with American economic and social principles. Taking all the facts into consideration, is it not time to consider whether we should take a more friendly point of view toward the Labor Organization?

American friends of the International Labor Organization think there is in the long run no essential or fundamental conflict between the points of view of American labor and the American government as to international cooperation and social policy, on the one hand, and the Labor Organization on the other.

Part XIII of the Treaty of Versailles established an International Labor Conference composed of two government, one employers' and one workers' delegate from each member of the Organization, along with a virtually unrestricted number of advisers on matters on the agenda of the Conference. The Governing Body is composed of twenty-four members, twelve government members, and six employers' and six workers' representatives. The International Labor Office is presided over by the Director, Mr. Albert Thomas, who has under him an international civil service of about 400 persons from a large number of countries members of the Organization. The Office gathers information on all matters before the Organization, prepares for the meetings of the Governing Body and the Conference and acts as secretariat for both. The procedure of the Conference is to adopt Draft Conventions and Draft Recommendations which seek to safeguard the conditions of labor. Member states are obliged to submit these actions of the Conference to their "competent authorities" but they are not obliged to ratify them or embody them in national legislation.

The Labor Organization functions in an historic atmosphere of reform. It was there in Geneva that Calvinism in the sixteenth century consolidated its position, and it was there that the romantic humanitarianism of Rousseau was first formulated. In the generation after the World War it was at Geneva that the idealism of a hundred years was organized into what may be called the League of Nations system, of which the Labor Organizations is a part. It

might seem that this humanitarian and reformist point of view would find favor immediately with America, but our humanitarianism frequently atrophies when questions become as much economic as humanitarian. The legislative attitude of America is fundamentally suspicious and critical when it comes to economic reform. There are distinct limits to the humanitarianism of the conservative.

The International Labor Organization seeks social reform, for it is a social organization rather than economic, while the cooperation fostered by the League of Nations is often to conserve merely the *status quo*. The issue is, of course, how an increase in the general level of the living conditions of the masses can be attained. One alternative is that a higher level of life can be reached by legislative social reform, and the other is that economic reform is necessary. By the terms of its reference found in Part XIII, the Labor Organization is excluded from economic reform, while the League of Nations seems, in some degree, to consider itself as having economic jurisdiction. The League, however, does not favor economic reform leading into radicalism of various forms such as socialism and communism, for it seeks an international economic cooperation entirely in agreement with capitalism. One idea behind "social service" is the idea behind the International Labor Organization: it is the idea of protective legislation which safeguards the *conditions of living*. As for the Labor Organization, it is the *conditions of the wage-earning class* which it can investigate and propose legislation for the removal of discovered evils. Thus, no fundamental alteration of Western capitalism has been proposed or will be; it would be beyond the competence of the jurisdiction of the Organization. Attempts have been made by the Labor Organization, among other things, to establish the eight hours day for labor, the protection of the working conditions of women and children, the safeguarding of seamen, social insurance, and the protection of agricultural labor in certain respects. A reasonable success has attended the work of the Organization, though the quick social reform contemplated by the framers of Part XIII has long since been surrendered as visionary.

Now economic reform in the sense of a fundamental altera-

tion of the system of production and distribution is rightly questioned in America, but the conservative American point of view, as voiced by the studies of the National Industrial Conference Board, has made the tacit assumption that social reform of a legislative character which safeguards the conditions of living of the working class leads necessarily to such fundamental economic changes or attempted economic changes. The whole history of labor legislation in Western countries belies this conclusion. The Labor Organization insists on this, and the generality of the proponents of labor legislation are not attacking the capitalistic system. The position is that labor legislation will be of assistance to capitalism in correcting its own defects. In fact, it may be noted that the frontal attack represented in communism and syndicalism regards ameliorative legislation as a palliative designed to draw the attention of the workers away from the evils of Western capitalism. Broadly speaking then, the choice is ultimately between protective labor legislation and the class revolution of the proletariat.

But if American labor is somewhat contemptuous of the international movement for cooperation in the protection of labor, if American employers are sceptical of any value coming out of the Geneva program, and if the government has ignored this very significant movement as far as Europe, Latin-America and Asia are concerned, the position is understandable. A factor not present in the European outlook was present in America, at least until the Autumn of 1929. This factor was American prosperity and our high standard of living, while at the same time we were not over-burdened with legislation of a social character. All economic questions turn finally upon the problem of the standard of living, of which America is, indeed, justly proud. But essential to that standard of living is economic prosperity. Not until the fall of 1929 did we find ourselves in company with many European and Asiatic countries which were suffering from genuine economic depression. American high wages put the working men of our country in a different world from the working men of Europe and Asia, though in fact there is no comparison between the standard of living of the European worker and the Asiatic.

The worship of "production" is certainly one factor in the standard realized by the American working men, just as it was a factor in the advance of labor in Victorian England. Even where the trade unions have been broken this standard in certain trades has not been seriously injured, and in other trades where the unions have been strong the standard of living has been decidedly low. The American mind is firmly convinced that, despite national resources almost unequaled in the rest of the world and despite the enormous free-trade area represented by Continental United States, the factor that accounts for prosperity is production. While production itself is purely material, there is behind it a spiritual value which the European mind has frequently failed to see. That moral value is the inestimable worth of a high standard of living, of a working population with a large purchasing power. Production is not the "god"; our fundamental economic assumption is a high standard of life.

This leads to the American solution of the problem of the conditions of labor which leaves out of account international cooperation and consequently the International Labor Organization. Our solution is that if the purchasing power of the masses is high enough to absorb the products of factory efficiency, protective labor legislation is quite unnecessary. Without the so-called excess of European labor legislation we have yet been able to give our workers more than European workers. Men like the late Samuel Gompers might attribute this to the action of trade unions of a conservative cast, but quite inconsistently he felt that America should go into the International Labor Organization to help the working men of other countries attain the same high standard as American labor. I say inconsistent because the means envisaged by the Labor Organization is protective legislation primarily, though of course it stands for freedom of association, i. e., trade unionism. In reality, it may be argued with some force that American trade unionism has not been nearly this mighty force for a higher standard of living, dependent in fact on the American genius for mass production and the purchasing power of the masses.

Moreover, the defender of the American solution may point

to many countries having protective legislation and yet at the same time a very low standard of living. One of the ironies of the International Labor Conferences is that countries with an obviously low standard of life, such as some Balkan and Latin American states, can "point with pride" to their record in labor legislation and ratification of Labor Organization conventions, while countries with a much higher level of life for the mass of the workers have less legislation and often few ratifications. The American might be tempted to make a thesis out of the idea that the less protective legislation there is the higher the labor standard of living is likely to be. American labor thus senses a danger in international cooperation to secure labor legislation, and capitalists are openly antagonistic to it.

But despite all of these considerations and despite the obvious facts to support the American solution of labor progress, the searching question is: what is the intelligent and far-sighted policy for Americans to take in regard to maintaining the standard of living? It is obvious, on the one hand, that the quantity of protective legislation is increasing daily in many sections of the United States, and, on the other, that the American solution, so ardently believed in during post-war prosperity, may not be, on account of contemporary depression, as good or as final a solution of the question as it was thought to be.

Furthermore, tariff reprisals, international trade competition, and competition in labor costs, suggest that it may be short-sighted to place our *sole* reliance on our conventional theory. For our theory is a theory of isolation, of restricted immigration and high wages, and it may be that it will be necessary, in order to maintain our standard, to make it our business to see that labor in the rest of the world is likewise being brought to a higher standard of existence. As we increasingly compete with other countries in the sale of manufactured goods as against our traditional exports of raw materials, the factor of labor competition will accordingly become more complicated. We might in the long-run find that international regulation of labor conditions is essential to our own standard of living. The far-sighted policy is, then, to have more than one sup-

port for our standard of living. Our internal economy is one support, and to gauge by depression it is perhaps none too solid; and the other is international cooperation so that international competition based on depreciated labor costs can be avoided. When machines are no longer or less efficient in the use of labor, international cooperation to maintain protective legislation may be a necessity if the standard of living is to remain high.

Labor can turn to the International Labor Organization because it demands a universal freedom of association, i. e., trade unionism and because it seeks to protect labor internationally through international labor law; capital can turn to it because the International Labor Organization is the great effort of a post-war generation to find an alternative to labor affiliation with Moscow; the humanitarian can turn to it because it seeks social progress before it demands a pernicious national profit; and governments bewildered by economic chaos or fretful with the uncertainty of prosperity can turn to it for information, discussion, and for assistance in maintaining the order of professional solidarity, of the community of interest between employers and workers as Western society has valued it.

In his speech to the Fifteenth Session of the International Labor Conference held early in the summer of 1931, Mr. Albert Thomas declared: "Today, when the United States and the Old World are trying by all the means at the disposal of the modern capitalist system to create more organization and order, there is a ready-made formula on the other side of Europe in case we should delay or in case we should fail."\* The International Labor Organization is not an attack on capitalism; it is an internationally organized effort to maintain, adapt and conserve it.

\*International Labor Conference, *Provisional Record*, 1931, No. XVI, p. 266.