

ordination of national full-employment policies.

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KAPLAN, A. D. H. *The Guarantee of Annual Wages*. Pp. ix, 269. Washington: The Brookings Institution, 1947. \$3.50.

The recent outburst of literature on "annual wages" marks a phase in the long conflict of security and progress. A generation ago, advanced management and humanitarian forces largely outside the labor movement began to promote employment stabilization, when it was taken as a matter of course that a major reason for such stabilization was to stabilize incomes. Political pressure toward universalizing annual wage guarantees then seemed to put the cart before the horse: how could wages be regularized without first regularizing profitable work? Even then, however, some observers such as J. M. Clark noted that to the extent that wages could be transferred from direct to overhead expense, incentives to management to avoid fluctuations in employment would be strengthened. The decades preceding and following 1929, moreover, saw an appreciable amount of experimentation by business firms, with income-stabilizing guarantees for wage earners. Some wings of the CIO have pressed forward for industry-wide wage guarantees, for example, Lewis' mine workers in 1937 and Murray's steel workers in 1945.

The volume under review is a notable contribution to the research literature on the wage-guarantee movement, especially as to economic aspects of industry-wide applications if and when they appear. Dr. Kaplan is known in part for his previous employment-stabilization research for the Committee for Economic Development. The present survey is presented in a clear and concise fashion, with an excellent balance between theoretical analysis and concrete and factual materials. It helps us to realize better the diversity of economic variables and histories involved, and the way in which these bear upon the business and social objectives of wage guarantees. It is shown, for example, why in general American Federation of Labor leaders are

cool or hostile to annual-wage ideas, which are popular in several segments of the CIO; yet AFL electrical workers have systematized (in the New York area) the sort of lower hourly rates which building craftsmen generally receive in factory maintenance and other comparatively stable employments, by comparison with the higher rates prevalent in the construction industry. Another exceptionally interesting section concerns the harsh words now emanating from the United Mine Workers of America concerning Philip Murray's type of annual-wage plans and referring to the UMWA demand of 1937 as "a barter proposal."

Possibly rather too much emphasis is given in this book to difficulties and pitfalls besetting widespread extensions of annual-wage guarantees by individual firms, but undoubtedly it is important that we should realize as clearly as possible the nature and extent of the difficulties. Every transformation of wages into overhead cost doubtless increases the management's incentive to steady its employment; and even if a guarantee plan only mildly supplements the public unemployment compensation available when layoffs become necessary, some improvement of labor morale and efficiency may be expected.

Dr. Kaplan properly emphasizes, however, that wage guarantees cannot go far toward reconciling the clash between security and progress. If pay rolls and employment in every firm were stabilized, there could be no progress; and in one important respect the spread of wage guarantees could reduce general social security, for such guarantees, like seniority policies generally, give security only to the people who are within their pale. By making employers more cautious about increasing their forces and taking risky ventures, wage guarantees may make it more difficult for young people and others unemployed ever to be hired.

The wage-guarantee movement is doubtless due for a considerable further extension, partly through annual-wage plans properly so called (and some of these industry-wide), but more largely through more modest increments of "call-in pay" and weekly instead of hourly work and pay

engagements. It is wishful thinking to imagine that wage guarantees can relegate government unemployment compensation far into the background, except in utopian or regimented socialism.

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LEVER, E. J., and FRANCIS GOODELL. *Labor-Management Cooperation and How to Achieve It*. Pp. xii, 143. New York: Harper & Brothers, 1948. \$2.50.

This book, written by a former union officer and a management consultant, is concerned specifically with the work of joint production committees, called "JPC's" by the authors. The purpose of these committees is "to use every man's faculties—to stimulate, develop, and implement everyone's participation—for the good of the enterprise and those engaged in it." The book not only presents a justification for these committees (which were developed in wartime) in terms of demonstrated contributions to industrial efficiency and job satisfaction, but it is also designed to serve as a practical working guide in inaugurating and utilizing such committees.

The justification for the JPC's rests on the premise that individuals do not view their work simply as a means of obtaining their daily bread, but that they also seek in their work an opportunity for creative expression and participation in group activity. Through such committees the worker is able to participate in the solution of the problems affecting his daily work, since a direct channel to management is furnished. At the same time the worker's personality is teamed up with a group effort, and opportunity is provided him for recognition. Out of this, the authors believe, can come the development of an organic organization which thinks and functions as a unit, in place of the typical mechanistic organization in which people merely do what they are told.

The authors' firm belief that most individuals are capable of great interest in their jobs and can become valuable sources of ideas for the improvement of industrial efficiency may be questioned by some industrial experts. Yet as long as industry thinks of the worker as an automaton and

gives him no inducement to reflect upon his work and to develop pride in it and in his relations with his fellow workers, an automation is exactly what he will be. Nor will occasional gestures toward worker interest and participation through the use of "suggestion systems" bear much fruit; for such systems, the authors point out, treat workers merely as children who may occasionally have a bright idea. They involve no attempt to develop either teamwork or a fuller understanding of the worker's job.

What impact this book may have on management is difficult to judge. Management has often opposed JPC's because it has feared they might usurp managerial functions. Unfortunately the authors never seem to come to grips with this matter or with the exact relation of JPC's to regular union functions. Nevertheless, the book does deal with JPC's on a detailed and practical level that may well arouse progressive management's interest in experimentation with such committees.

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FRIEDMANN, GEORGES. *Problèmes humains du machinisme industriel*. Pp. 401. Paris: Gallimard, 1946. Fr. 230.

This book represents the central volume of a trilogy, *Machine et Humanisme*, in which the author has planned to give an analysis of the impact of modern technology on human well-being. The first volume, *La Crise du progrès, esquisse d'histoire des idées, 1895-1935*, appeared in 1936. The third, *Essai sur la civilisation technicienne*, is in preparation. The volume under review deals with the relationship between man and machine in mass production as it has developed in the United States and countries with similar economic organizations. The author believes this relationship to be different from that which exists in Russia, and refers to two publications of his which he devoted to an analysis of the latter.

Mr. Friedmann approaches his task by drawing on the findings of various special disciplines such as physiology, psychology, social psychology, sociology, and economics, and demonstrates that no satisfactory