

## PLAN MUST BE PUT FORTH TO STOP STRIKES

### Compulsory Arbitration and Conciliation Are Two Paths Open.

### RECURRENCE OF TROUBLE DEPLORED

#### Babson, the Noted Statistician, Gives his Diagnosis of the Possibility of Preventing Strikes.

(Special to The Observer)

WELLESLEY HILLS, Mass., Aug. 25.—People are not so much interested in the temporary settlement of the coal strike and the railroad strike as in developing plans so that they will not periodically recur. It is not enough to know that we shall have coal this winter or that railway traffic is not now suspended. If the people of this country are to be healthy, happy and prosperous, we must know that some plan is being evolved to prevent these strikes from re-occurring. In view of these facts, Roger W. Babson was this week asked to make a forecast as to future labor developments. His diagnosis of the strike situation follows:

"When in Washington during the war, assisting the Secretary of Labor, it was evident that the students of labor problems were divided into two distinct groups: one group believes in compulsory arbitration as illustrated by the Kansas Industrial Court, and the other group stands purely for conciliation without any compulsory arbitrations and arbitrations can be found in both groups. Investigation leads me to believe that there is a field for both of these lines of work. Labor disputes in connection with general industries, such as the textile industry, the boot and shoe industry, and possibly the steel industry, should be treated as a condition precedent. It surely would be a mistake to attempt compulsory arbitration in connection with these businesses which are operated solely for profit. The best means of avoiding trouble in these industries is by keeping these industries in two strictly "union" and the other group strictly "non-union." Let the union group adopt the closed shop and let the other group be strictly non-union. Then let the two groups compete. I do not mean necessarily, in production, but rather to see under which system the public, the employees and the stockholders, all combined, are most prosperous. My own guess is that none of these three parties would long be healthy, happy or prosperous with all "union" or with all "non-union." When one group secures control it becomes inefficient, careless and arrogant. My guess is that an industry would be most prosperous and all concerned in it would be rendering the most service and be happiest if the industry were equally divided into a union and a non-union field. So much for general industry. When disputes arise, only conciliation should be applied by a third party. There should be no compulsory settlement in such cases.

#### Operators Largely to Blame.

"When, however, we come to transportation, fuel, public utilities such as water, light and gas, or to the distribution of milk, bread, etc., we find a group of industries in which compulsory arbitration must be applied. The first two groups to which such strong-arm methods will be applied are the railroads and coal mines. First let me say that the railroads and the mine operators are themselves largely to blame for present troubles. Although the owners of these properties are now behaving themselves, they have not always done so. Most of the unwise methods that labor leaders are using today were applied by the railroads and mine operators of twenty years ago. Hence these corporations now are not the strong ones they have been. Nevertheless, two wrongs do not make a right. Our nation must have transportation and fuel at a fair rate and the operation of its railroads and coal properties must be undisturbed by either labor leaders or stock market operators.

"Regarding the railroad situation: to secure a fair rate the Interstate Commerce Commission has been organized, and to secure undisturbed transportation the Railroad Labor Board has been created. The first of these—that is, the Interstate Commerce Commission—is functioning very well, and the struggle is now over the Railroad Labor Board. At this point Mr. Babson was told of a strong feeling on the part of both railroad management and the employees that the Railroad Labor Board was not properly made up. Concerning this, Mr. Babson stated:

any other such board properly function, five, seven or nine men should be selected who represent neither the corporations, nor the wage workers, but who represent the nation. These men should be paid large salaries, given dignified positions, appointed either for life or for long terms, and treated like the Supreme Court of the United States. These men should gradually build up a code based upon their rulings, seeking the advantage of no one group, but rather the welfare of the nation as a whole, which in the end would be for the best interests of both the owners and the wage workers. The decisions of this board as applying to transportation, public utilities and similar conflicts, should be absolute and final.

#### Labor Leaders Object.

"Railroad owners are now willing to accept compulsory arbitration, but the labor leaders are not. Some claim the labor leaders are afraid of losing their jobs, but I do not believe this to be the reason. They appear to be honest in their belief that enforcing men to work for profit is only a form of slavery. Forcing a man to work in a steel plant which is operated for profit may be a form of slavery. If compulsory arbitration applied to all industry, we certainly would be reverting to slavery. When, however, it is applied only to transportation, public utilities, coal mining and one or two other industries, thus leaving the great field open, compulsory arbitration cannot be called slavery. I say this because under such conditions any man who did not wish to work for the railroads, the public utilities or the coal operators would be free to go into competitive industry to which compulsory arbitration would not apply. The labor leaders state they are willing to accept compulsory arbitration—as best exemplified by the Kansas Industrial Court—provided the railroad, public utilities, coal mines, etc. are operated by the Government, not for profit. They illustrate their case by stating that this is the reason they are willing to be drafted for the army, because the army is operated by the Government, and not by individuals for profit, and that this is why being drafted for the army is not a form of slavery.

#### No More Government Operations.

"This may be all right in theory," continued Mr. Babson, "but the public is in no mood at present for further Government operation. In connection with the operation of the railroads, the building and operation of ships and the various other interests in which the Government took a hand, show that under present conditions Government operation is expensive, inefficient and unsatisfactory.

"The public believes today that better organization, better discipline and lower costs come through private operation. The public further believes that private operation should continue so long as the present employees of the railroads, public utilities, and coal operators are not compelled to work for the owners of these properties but are free to leave them and work for other people, and so long as there are plenty of other men available and willing to work on the railroads, public utilities and coal mines under a system of compulsory arbitration, then there might be some justice in the slavery argument. Today, however, railroad men are perfectly free to go into other lines of activity for which no compulsory arbitration is suggested, while hundreds of thousands of men are willing to work for the railroads, public utilities and even the coal operators under a compulsory arbitration system. How will such a compulsory system be put in operation in connection with the railroads, public utilities and mines? Possibly the people will be so irritated that Congress will with one sweep apply the Kansas Industrial Court idea to the railroads, public utilities and mines. I hope, however, this will not be done. The need of the hour is to have workers feel right. We shall never have efficiency and a reduction in the cost of living until those engaged in industry feel right toward their work. People never feel right when forced to do anything against their better judgment. Hence my forecast is as follows:

#### For New Employees.

"The Railroad Labor Board's rulings will not now be made compulsory as to the present employees, but they will be compulsory on every employee who goes to work for the railroads after a certain date. Those employees who are now at work for the railroads came on a free, competitive basis and have done the faithful work. Although theoretically they can change to some other job, yet practically they cannot. They know the railroad business and this is all they do know, and it isn't fair to say they can quit at their present time of life and enter a new field of work. Therefore I say that unless these present employees will voluntarily come under the compulsory arbitration system they should be free to continue as at present. But every additional man hired will be hired with the distinct understanding that he will conform to the decisions of the Railroad Labor Board, as must the stockholders of such corporations. This would be perfectly fair and would bring about a result which would be gracefully accepted by all in the course of time. Under this system it would take a few years to bring about the desired result, but we would easily approach it from year to year, when adopted it would have the full cooperation of all concerned. This is my forecast of the way that the problem will ultimately be worked out. Then there will be no more strikes on our railroads, nor in connection with the public utilities, mines, etc., when the same method is ex-

## Scored for America



Here's Nancy Vorhees, high jumper on the team of girls which represented America in the Olympic games at Paris, practicing shortly before the contest. In the Olympic she tied for first with Miss Carrie Hatt of England, with a mark of 1.45 meters.

tended to include them also.

#### Business Eight Per Cent Off.

"The Babson chart continues to reflect existing conditions with remarkable accuracy. It now stands at eight per cent below normal. Were it not for the strike situation of the past few weeks it would be much higher. Nevertheless, the tide has turned for the better and business will be better this fall than last, in spite of the strikes."

## CUBAN CONGRESS CUTS SALARIES

(By Associated Press)

HAVANA, Cuba, Aug. 25.—Identification cards, embossed with all the war-time passport trimmings, for promoters down to lowly towel swingers, constitute one of the features of the new regulations under which the National Housing Commission will govern the many art of fistuffs in Cuba. There is little left to the imagination in the 26 sections of these regulations, just approved by the secretary of government, even the fee to be paid to the timekeeper and announcer being fixed: \$15 for each performance. The government, however, has not modified with the procedure of the mit alupres in the ring, that being left to the Marquis of Queensberry, as translated by a competent authority.

Interesting features of the regulations include bonds which must be deposited with the boxing commission, from which fines imposed by said commission will be deducted. Promoters must put up \$5000, referees \$300, managers \$300, timekeepers and announcers \$100. Fighters and seconds are exempt.

To secure an identification card, however, which means recognition by the boxing commission, the scale of fees runs from \$200 for Havana promoters and \$100 for those outside the capital, to \$5 for seconds. Managers must pay \$10 for each boxer in their stable, and the fighters themselves \$10 for cards. These cards are so arranged as to permit the filing of a great deal of personal information concerning the boxer, even down to his finger prints.

Still other provisions of the regulations prohibit betting in the place where fights are staged; appearance in the ring of pugilists less than 18 years old, staging of return fights within a period of less than 60 days, and more than one fight per week for any individual pugilist.

Promulgation of these regulations

was made necessary by the extraordinary spread of boxing in Cuba during the last year. Creation of the National Boxing Commission, headed by Senator Rosendo Collazo, was the first step taken to regulate the sport. The commission, however, found itself handicapped in its attempt to protect the public from unscrupulous promoters and managers and appealed for more authority, which was given it by the secretary of government. The commission now is arming to ally itself with similar bodies in the United States.

## EXILE HOPES TO RETURN

(By Associated Press)

GENEVA, Switzerland, Aug. 1. (By Mail)—Abbas Hilmi, at one time Khedive of Egypt, who has decided to spend part of his exile in Switzerland, says that Americans, rather than British or French, were the first to aid modern Egypt to consolidate the military and commercial strength of the new nation. "American officers," said the ex-Khedive to an Associated Press correspondent, "instructed and trained the Egyptian military staff and founded military schools in Egypt before the French and English arrived, and those schools were the basis of the present military force in Egypt. The American military mission remained in Egypt from 1870 to 1880 and, under the command of General Stone, aided the Egyptian army with great success in operations against the Sudan and Abyssinia.

Egypt owes her cotton industry, also, to the United States," continued Abbas Hilmi. "The first plantings were made with American seed and from those there has grown the production of a staple that is now sold over the world." Abbas Hilmi still clings to the hope that he will some day be able to go back to Egypt and rule over his people, who, he declares, want him to come back, and this in spite of the official decree issued by the present Egyptian government recently declaring that if he returns he will be arrested and escorted to the frontier.

"I have proofs," he said, "that my people want me back in Egypt, and one day, perhaps, when the British have left the country, I shall return and rule over them again."

## PROHIBITION DETERS DEATH

### Restricted Use of Alcohol Decreases Death Rate; J. MacCurdy Tells of "Relation of Alcohol to Human Economy."

(By Associated Press)

LONDON, Aug. 25.—(By Mail)—All American doctors are regarded by foreign medical men as more or less expert concerning alcohol, both as regards the consequences of going without it altogether, over-indulgence, and the various stages of inebriety betwixt and between. Therefore, the assembled doctors unfortunately who demonstrate their art at the meeting of the British Medical Association at Glasgow, listened with great interest to what Dr. John T. MacCurdy, of Cornell Medical College, had to say about "alcohol in its relation to human economy."

Each one of us in varying degrees, he said, has the same difficulty in meeting the world as the called the "paranoiac group." In incapacity dramatically. The "normals" drugged themselves with cheap fiction, theater, and moving pictures; above all they forgot themselves in social intercourse. "When, however, a man is tired or oppressed with care," Dr. MacCurdy went on, "how can he forget his obsessing anxieties sufficiently to become social. If he be normal a small amount of alcohol will give the necessary relaxation. Conviviality is more important for the maintenance of our mental ability and effectiveness than we realize. Innumerable people are happier therefore healthier because they indulge in alcohol.

"We live in an imperfect world—imperfect largely because we have not yet gained the capacity to govern our instincts. Alcohol is a crutch that man has discovered to help him with this disability." Dr. MacCurdy dealt with what he called the "paranoiac group." In this, he said, a drink or two brought out quarrelsome and dangerous tendencies. They were apt to imagine slights and insults. Frequently they were women haters, and affected the company of men almost exclusively.

"These men are not well-adapted people, and rebel at discipline or authority. Drink brings those antisocial tendencies to the surface.

## Dempsey Trains



Although various officials of Indiana are at loggerheads over allowing Jack Dempsey to meet Bill Brennan at Michigan City on Labor Day, Dempsey proceeds with his training, as this picture shows.

As marriage makes the most persistent demand for social adaptation that we know of, many of these begin to drink only after marriage.

"The innate rebellion at the bondage of marriage appears when alcohol has liberated their inhibitions. They become querulous, and beat or abuse their wives every Saturday night. Later, delusions and infidelity may appear, and eventually become fixed. Then the victim becomes certifiable, and is confined."

Sir James Barr, of Liverpool, continuing the discussion, said that the main value of alcohol was social. "People like myself," said Sir James, "take it because they like it. A great deal of social unrest is due to the high cost of alcohol. I notice that outcasts in Ireland and Russia are largely teetotalers."

Dr. C. Sullivan, Medical Superintendent of Broadmoor Asylum, said that "alcohol, as regards insanity, is a negligible factor."

Dr. M. Hindved, of Copenhagen, discussed the effect of the severely restricted supply of alcohol on mortality in Denmark. The surprising

result of the war-rationing system, he said, which included the restriction of alcohol, was not the reduction of the mortality rate but the rapidity of the reduction. The most natural explanation of this seemed to be that the effects of alcohol were not limited to drunkards only. The death rate of the whole country dropped from 12.5 to 10.4 per 1,000 which was the lowest mortality figure that had ever been registered in any European country at any time.

## USE BUTTER TO PAY RENT

(By Associated Press)

BERLIN, Aug. 25. (By Mail)—A novel method of evading the uncertainties caused by the fluctuations of the mark has been adopted by a woman farmer in the small East Prussian town of Marienkrone. She leased 25 acres of pasture to another farmer for a yearly rental of 6,500 pounds of butter. The income of this land before the war was about 4,000 or 5,000 marks a year, whereas the 6,500 pounds of butter correspond at present to about 400,000 marks.

## PROFESSIONALS IN SORE STRAITS

(By Associated Press)

LONDON, Aug. 7.—(By Mail)—A committee under the chairmanship of professor Sir Paul Vinogradoff has been formed to help the professional classes in Russia whose condition has been described as most pitiable. Since the Soviets adopted their new economic policy, thousands of professional men and women who have been found in the employ of the government at a salary of half a pound of bread a day have lost even this pittance, and are now face to face with starvation.

## NEW OIL WELLS ARE OPEN NOW

(By Associated Press)

WARSAW, Poland, July 26.—(By Mail)—A telegram from Boryslaw, Eastern Galicia, reports that a new well bored there has struck oil and is now giving 30 carloads a day. This amount represents 20 per cent of the total production of the Boryslaw district.

## DODGE BROTHERS COMMERCIAL CAR

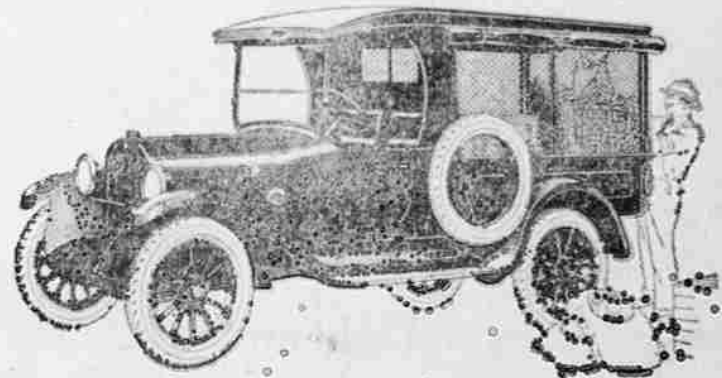
The car's long-established reputation for faithful, low-cost service has not influenced Dodge Brothers in their constant seeking after betterments.

A semi-floating rear-axle is now provided, embodying the latest ideas in rear axle design. The main housing is 75 per cent stronger. One large Timken bearing at the hub replaces two small bearings and gives 100 per cent greater carrying capacity. Larger ring gear and drive pinion make possible a new, tooth shape, giving quiet operation and 45 per cent increase in strength. Larger front and rear propeller shaft bearings more than double the drive thrust capacity.

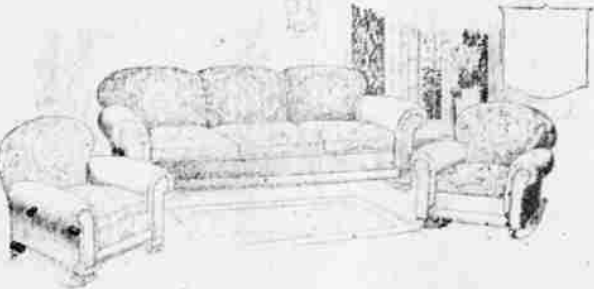
Conservative changes in body lines have materially enhanced the attractiveness of the car's appearance.

## L. C. SMITH

La Grande, Ore.



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