

in Chicago which is not organized. We have a small unit in Ohio that is not organized, and two or three others. But for all practical intents and purposes our production and maintenance group is entirely organized. In our exempt and nonexempt group, the white collar people, we have no organized exempt employees and we have one small unit in the nonexempt group in Chicago, and it was there when we bought that company.

Now, with that as background I would like you to consider for a minute that when you get into labor and management dealing one with each other, you should bear in mind that these are two entirely different types of organization which are trying to deal with one another. A corporation is primarily an authoritarian type of organization; it must be. In this respect it has some similarity to the military, and one of the interesting things is that most books on organization that I have read go back either to the Roman Church or to the military as their scheme of things in organization.

Contrast this with a union, which is a political organization and which is run on so-called democratic principles. Now, I want to give an example of this distinction because it may explain something about why some things happen that do happen. For instance, in business we have a saying that a man's word is his bond. And we have found out over a period of time that our behavior is such that people trust us and we do business successfully. If we do not and we do not keep our word, we lose the business. So that, from a practical standpoint this is a selfish pragmatic view toward a commitment and what you do in regard to it.

Now, the union being political, you may make a deal with the union or their representatives in the office, and after they go out of the office they find out that the deal is unpopular with their constituency, and I submit that there are many politicians who make campaign promises that somehow do not come to pass when they get into office. And this is the problem here. When the man finds out that what he has agreed to is unpopular with his constituency he has one of two choices to make; he can keep his word and probably get thrown out at the next election, or he can change his mind, change what he has agreed to do, and stay in office.

The phenomena you see here are in each instance selfish and pragmatic, but absolutely opposed. Another very great difference is how the people who sit at the bargaining table arrive there. Most