

Preface

When Ray Marshall became President Jimmy Carter's secretary of labor in January 1977, it marked the eighth time in sixteen years that a new secretary had taken charge of the Department of Labor. This record of high turnover in an important cabinet position, not unique to the Department of Labor, was perhaps symptomatic of the general tumult and instability in the nation in the 1960s and early 1970s. Few would deny that the period bracketed by the presidencies of John F. Kennedy and Jimmy Carter constituted an era of immense significance in American history. The civil rights revolution, an unpopular foreign war, and a major domestic political scandal were only three of many forces that strained the capacities of our constitutional government and its elected and appointed leaders. By 1976 an era of continuing crises seemed to have passed and a new era of reconstruction and reconciliation seemed to be possible. To be sure, the issues on the national agenda were and are no less difficult or intractable than those of the preceding sixteen years. But there was, at

least, the hope that solutions for the nation's problems could be sought with far less din and disruption and far more reason and sober reflection than had often been possible in the recent past.

March 1977 thus appeared to be a particularly good time for stocktaking—a time to trace where we had been and to chart a course for the future. Certainly many of the most critical issues on the new administration's agenda were matters central to the Department of Labor's concerns. Some of these issues were of relatively recent origin, while others had, in one form or another, been on the nation's agenda for a long period and had been carried forward from president to president and from secretary to secretary. The moment seemed ripe to convene a meeting of the former secretaries to obtain their current assessment of the nature of the issues the new secretary faced, the priorities that ought to be attached to them, and some possible methods of achieving the nation's goals associated with the identified issues.

The institution of the presidency was, needless to say, severely tested during the 1960s and 1970s. This period of presidential assassination, resignation, and defeat at the polls had its impact on all cabinet positions, including that of secretary of labor. But throughout this trying period the nation was fortunate to have several exceptionally able persons serve as secretary. In the papers contained in this volume, two of these secretaries, Willard Wirtz and George Shultz, credit the firm establishment of the department's bipartisan professionalism largely to one of their predecessors, James Mitchell, who was secretary under President Eisenhower. But the secretaries who followed Mitchell surely sustained and enhanced the department's reputation for integrity and professionalism. Throughout the period the department was never affected by a major scandal.

Further, although it is the government agency charged with

maintaining an equitable balance between management and labor—never an easy task under the best of circumstances—the Labor Department has earned the respect of both unions and employers, not to mention academics and neutrals who specialize in labor relations.

The department's commitment to professionalism is essential to the fulfillment of its mission. It is charged with many sensitive tasks, including the enforcement of wage and hour legislation, the administration of billions of dollars of public employment and training funds, the regulation of thousands of pension plans, the achievement of safe and healthful working conditions in millions of workplaces, the collection of politically sensitive employment statistics. Such tasks are the stuff of controversy, and the department receives its share of criticism. But its commitment to professionalism, to the development and application of the specialized knowledge and expertise that is necessary to the fulfillment of its mission, is seldom questioned. The capable men and women who have served as secretaries of the department have all been professionals of the first rank.

Many of the most critical issues of the last decade and a half directly involved and tested the mettle of the secretary of the Department of Labor. Unemployment and inflation, job safety and health, strikes in major industries, income-maintenance programs, and many other issues were squarely in the secretary's domain. The secretary's responses to these problems—his ability to shape and administer appropriate policies, his relations with the president, his influence on the Congress, his dealings with the labor and management communities—all had a significant impact on the domestic welfare of the American people.

Able people occupied the position, but surely one of the costs of the instability of the recent past was that most were unable to serve long enough to see many of their policies

through to implementation. Of the seven men who served as secretary of labor from 1961 to 1977 only one—Willard Wirtz—held office for more than three years. By contrast, over the department's first 48 years (1913–1961), it had only eight secretaries, and one, Frances Perkins, served for 12 years under Franklin D. Roosevelt. That kind of continuity was an advantage the Department of Labor was not afforded for most of the 1960s and 1970s. Yet over the more recent period the department's responsibilities have increased at an almost awesome rate. John Dunlop points out that the department had 16 major statutes to administer in 1940 and 134 in 1975, and most of the latter were passed in the 1960–1975 period. Further, when Arthur Goldberg became secretary, the department had 6,000 employees, but when Secretary Marshall took office, it had more than 14,000. The Labor Department may be small compared to the Departments of Defense and of Health, Education, and Welfare; still, few have grown more rapidly or taken on such important responsibilities in so brief a period of time.

All the secretaries represented in this volume were and continue to be acutely concerned about the increasingly complex managerial role of the secretary and the growing regulatory burden of the department. Most believe that the smaller size of the department in the past was a virtue that aided managerial effectiveness and efficiency. But they worry that growing complexity and bureaucratization will handicap the secretary and make the department less effective.

Their short tenure in office combined with an ever-increasing number of statutes and programs to administer clearly caused not merely concern but also frustration for several of the secretaries. Several had barely finished a period of on-the-job training when for various reasons they had to move on to a different assignment. In the period they were on

the job, they generated an agenda based on their goals and priorities, but they generally lacked the time to complete many of the tasks they set. This conference provided them the joint opportunity to indicate to which agenda items they would now give a high priority and which new goals they believed the current secretary of labor might best pursue.

There is significant consensus in the secretaries' remarks on three broad topics. First, they all stress the urgency of the unemployment problem, particularly among minorities and young people. Second, they all express a strong belief in collective bargaining and believe it is working well in this country. Third, they are all concerned about the regulatory burden borne by the secretary and the department and its import for society.

There are differences among them, however, in their analysis of the root of the unemployment problem and in their proposed method for solving it. For example, Secretary Usery seems to feel that we *can* solve the unemployment problem, that we possess the technical know-how to do so but that we lack the commitment, the *will*, to do so. Secretary Dunlop, on the other hand, says, "We still do not understand how jobs are created in our society." He contends that "it is not simply a matter of our knowing what to do but lacking the will to do it. Rather, we have arrived at a stage where we do not really know what to do about the economy."

As for the methods they would choose, Secretary Wirtz stresses the importance of manpower policy, especially when linked to educational policy. But Secretary Hodgson's experience as ambassador to Japan makes him skeptical about the effectiveness of remedial manpower policies. He points out that the Japanese "have not undertaken extensive government manpower programs," but that they have "realized some fairly impressive manpower achievements." Hodgson would

seem to agree with Wirtz, however, when he commends a basic education that equips the student with "full literacy" and a "usable, marketable skill."

Among other differences that might be noted, only Secretary Shultz explicitly places some of the blame for high unemployment among young people on "the high and undifferentiated minimum wage." And Secretary Goldberg stands alone in advocating the necessity of an incomes policy, that is, wage and price controls, to restrain inflationary pressures while the nation struggles to lower the unemployment rate.

On the subject of collective bargaining, the secretaries, and indeed both union and management participants, are nearly unanimous in believing that our system is working well. Secretary Wirtz refers to the "miracle of collective bargaining," a refrain that is subsequently picked up by several conference participants. Secretary Dunlop, in pursuing this theme, expresses the thought that it is "the duty of the secretary of labor to explain to the public the central importance of collective bargaining and free trade unions in modern society." While praising the collective-bargaining process and urging the secretary of labor to articulate its importance, the former secretaries suggest minimal changes in the current system. Secretary Wirtz recommends extension of the national labor law to cover agricultural and nonprofit employees and also supports repeal of Section 14(b)—the section of the law that allows states to ban the union shop. He further supports amendments to permit common situs picketing. Secretary Shultz counsels tolerance of strikes; he feels that the secretary of labor should minimize his intervention in labor negotiations. Secretary Goldberg, by contrast, advocates a more activist role for the secretary, an approach he put into practice while he served in that office.

The secretaries probably did not know in March 1977 that the new Carter administration would push strongly for labor-

law reform, and therefore they are largely silent on this issue. Secretary Marshall, however, in remarks delivered at the conference by Undersecretary Robert Brown, did stress the need for labor-law reform. This theme is picked up most forcefully by the union representatives on the panel, particularly Stephen Schlossberg of the UAW and Thomas Donahue of the AFL-CIO. At the time of the conference, the issue of common situs picketing was still very much alive and was heatedly debated by the panel. For example, John Lyons, president of the Iron Workers, states the case for common situs picketing, while Dale Stone, senior vice-president of the Sun Company, argues strongly against it. Their arguments will no doubt be raised again if and when the common situs picketing bill is resurrected in the Congress.

The third theme sounded by almost all the secretaries concerns the heavy regulatory burden carried by the Department of Labor. Most seemed to agree with the view expressed by Secretary Dunlop: "I think we have reached the stage where the legal model, which involves the process of promulgating regulations, the subsequent litigious activities, and the game-playing between the regulators and the regulatees, has seriously interfered with the collective-bargaining process and the achievement of our social purposes." Concern about the problem of overregulation is expressed again and again, throughout the conference, by all participants. Secretary Marshall's remarks reflect the Carter administration's recognition of the problem of overregulation. Marshall promises: "The Occupational Safety and Health Act (OSHA) and the Employee Retirement Income Security Act (ERISA) will be major targets in our efforts to simplify complex government regulatory programs and relieve unnecessary administrative and paperwork burdens on employers." Within a few months of the conference (and while this volume was being prepared for

publication), the administration had taken steps to begin to fulfill this promise by dropping over 1,100 OSHA regulations and otherwise simplifying OSHA's regulatory procedures.

But Secretary Dunlop and others seem to feel that the regulatory problem will not be a simple one to solve, since it is merely a symptom of deep-rooted tendencies in the American culture. If, in fact, the tendency to overregulation in the United States is culturally determined, it may be the most persistent of all the problems discussed at the conference.

In addition to these common concerns, each secretary has his own particular set of interests—reform of the unemployment insurance system (Wirtz), implementation of a negative income tax (Shultz), questions about participation in the International Labor Organization (Dunlop). Moreover, the discussants on the panel suggest additional concerns they feel need to be on Secretary Marshall's agenda. The topics mentioned by the conference participants are numerous and reflect the diversity of responsibilities falling within the Department of Labor's province.

Whether the incumbent secretary can or should attempt to tackle all the issues raised in this volume is problematic. Nevertheless, it is clear that instruction in the proper course of public policy has seldom been offered by a group of tutors so experienced or distinguished.