Press Release
Industry Wide Bargain

THE FOUNDATION FOR ECONOMIC EDUCATION, INC.
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IRVINGTON-ON-HUDSON, N.Y., November -- Industry-wide bargaining creates powerful exploiting monopolies by combining labor unions with employer associations, according to Leo Wolman, Professor of Economics at Columbia University. Making this assertion in Industry-Wide Bargaining, published this week by The Foundation for Economic Education, Irvington-on-Hudson, New York, Wolman characterizes this ever-increasing process as one of the most pressing American problems.

Because industry-wide labor concessions can be transferred readily into industry-wide price increases, Wolman points out that the employer-union relations become substantially collusive arrangements in which competition declines and the customer suffers.

Like all monopolies, those in labor resist adjustment to changing conditions. Wolman declares that the monopolistic economic policy which seems to protect certain standards of prices, wages, or work rules, may well add instability to the business structure. When an employer cannot adjust costs in unstable times, he must close shop or reduce his labor force. When this happens on a large scale, the result is mass unemployment and depression.

Wolman considers as a formidable task the elimination of such evils of monopoly practice which threaten the American economy. As the most effective means, he recommends the removal of special privileges granted organized labor by government. "The problem cannot be dealt with effectively unless, and until, organized labor's immunity to the anti-trust laws is withdrawn."

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