

By way of introduction, let me begin by observing that I think the article's whole approach to collective bargaining is based fundamentally on self-interest, and is therefore devoid of significant objectivity. After reading the article, I could not avoid being left with the impression that unions are too strong, that wages are too high, and that company profits are too low. But these sentiments are not peculiar to business executives or professionals; workers, unionized and non-unionized, feel that living costs are too high and that their wages are too low. But the ethics of the functional distribution of the GNP pie can hardly be discussed as an abstraction apart from the goals a society wants to set for itself—and that matter really lies beyond the scope of this paper.

### **What is a right?**

The article ends with the statement that the strike is neither a right nor Holy writ, but a privilege that the law has granted and that the law can take away. Of course this is true. All rights are, by definition, "privileges." One has only to check with a dictionary: "right" is synonymous with "privilege." The paragraph title, "Strike Privilege, Not a Right," is nothing less than a bit of semantic sleight of hand beclouding the real issues.

We now possess the right to vote, but not many centuries ago, the common man did not have this instrument—and, of course, he can lose it again. If you really think about it, even the right to one's life is only a privilege. Murder a policeman and you lose the holy right to go on living. But let us not get wound up in semantics. Workers have the right to withdraw their labour services when they believe that, by doing so or intending to do so, they can compel an employer to raise their wages. This is just elementary business horse sense, and Mr. Riffin, as a successful businessman is well aware of the principle. He has undoubtedly engaged in this game both for himself personally, and also against the market as a member of the executive body of his firm. The objective is to obtain the highest possible price for one's products simply by attempting to influence either supply or demand.

Most firms possess some range of price discretion based on such restrictive devices as advertising and product differentiation, proximity to markets or supply sources, patents, market con-

centration, and control over inputs. Economic theory predicts that, where an increase in price will result in a less than proportionate decline in quantity demanded (technically: price elasticity of demand less than unity) price manipulation will increase total revenue. Given the demand, if you limit supply, then you will have created some tendency for prices to rise. Surely all inventory specialists are aware of this principle—Noranda is no exception. Manipulate production and inventory levels to ensure that you do not over produce when business is slow or under produce when the market is buoyant. Are these management methods not against the public interest? Doesn't the public suffer when prices are too high because of these tactics? Nobody seems to advocate that the output of business firms be government regulated to ensure that they will always produce at the lowest possible prices. So why should entrepreneurs complain when workers employ the same strategic device?

Some additional comment is called for on the relationship between the "powerful monopolistic unions" that Mr. Riffin complains about and his concern over the "record by far" of man-days lost through strikes. If one thinks for a moment about these two themes, one soon realizes that they harbour a basic contradiction. If the unions are as strong as Mr. Riffin contends, why are they obliged to resort to strike action so frequently? If their bargaining strength were really so great, they could simply bully any employer into agreeing to whatever terms they demanded. The fact that there are so many strikes might cause one to point the finger at the opposite end of the power spectrum. Perhaps companies are so strong that they can, in effect, tell the unions to "go jump in the lake."

### **It takes two to start a strike**

All too often the public is browbeaten into thinking that labour unions are necessarily the agents causing strikes. In reality, it takes one side to ask for something—improvement in working conditions or increases in wages—and it takes another side to refuse. If the differences leading up to an impasse are not resolved, a concerted cessation of work may follow.

Most of those persons who speak or write on the subject of strikes have never had the experi-