Critical Theorising, Taylorist Practice, 
and the International Labor Organization

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Recent attempts by critical management scholars to extend their influence in the academy and amongst practicing managers have been hampered by the fact that most critical theorists lack a critical practice. This deficiency has generated the oft-stated assertion that while the critical tradition may be able to critique mainstream management theory it offers little that is of practical value even to managers of a progressive bent. Accepting that this criticism needs to be confronted, this historical case study explores the joint contribution made to critical management thought and practice by the International Labor Organisation (ILO) and the Taylor Society. The latter body was a U.S. organisation that had as its primary goal the development and diffusion of the ideas of Frederick Winslow Taylor. Through the interwar years the Society was widely acknowledged as the intellectual home of industrial democracy and critical humanism within the U.S. management movement. The predominant perspective shared by its members was that reason has relevance for interrogating and transforming managerial practice in ways that extend beyond the problems defined by those in positions of authority. These individuals also queried whether existing ends generated needless waste and divisiveness and accepted that the measure of good management is the extent to which practice extends both democracy and sustainable development. Adhering to this progressive perspective, the Taylorists in effect constituted the forebears of the present day critical management tradition which as Alvesson and Willmott have noted is characterised by a similar list of features.

That the majority of Taylor Society members embraced a critical perspective has resurfaced as a result of work undertaken by revisionist historians over the last decade. Extending this literature, in this paper it is argued that while it is true the inter-war Taylorists and present-day critical scholars
have much in common their means of promoting their respective agendas contrasts markedly. Taylorists believed that what they offered progressive reform was a package that combined their skills as technicians with a critical philosophy that prioritised scientific method and freely given participation. Centring their advocacy on these pillars, they sought to reform management practice by using their skills to solve immediate practical problems of both existing managers and those at the periphery of the management process while concomitantly critiquing those practices and philosophies they judged to be deficient. By contrast, while present-day critical management scholars accept that a problem solving orientation has value, they tend to limit their contribution to critique, the development of meta-theory and seldom commit themselves to engagement in critical practice and/or the enlargement of applied theory.

In defence of their meta-theoretical bent, present-day critical management scholars often argue is that what they do contribute to practice is their capacity to inform the views of activists and applied theoreticians in ways that enable them to challenge taken for granted assumptions and perceive progressive alternatives (Alveson and Willmott 1996, 190). Unfortunately, at least in the management field the applied results of this contribution are not easy to identify (Ruane and Todd 1988; Heyderbrand and Burris 1984, 413; Rockmore 1989; Forester 1993). As a consequence, critical management scholars have been left largely bereft of an empirically grounded basis for their perspective and of concrete examples of emancipatory practice that can be used to extend research and assist educators and managers.

In order to surmount this deficiency, Parkin (1996) has urged critical theorists to commit themselves to empirical research, engage in a meaningful way with the concerns of the marginalized, and reduce the distance of researchers from researched. He notes that such notions and methodologies have been explored by post-modernism and urges critical theorists to turn to the insights generated by this
tradition for inspiration and direction. However, a key problem with his argument is that the end goal of critical theorising is human emancipation while the path he advocates promises only to provide new ways by which researchers might communicate with the periphery and by so doing gain an enhanced understanding of the 'lifeworlds' of the subjects under study. Assisting the marginalised to be heard can undoubtedly be of value to those who exist on the periphery of power but it is a process that can endanger the latter - a fact ignored by Parkin. This omission is highly problematic given there exists the very real possibility that clarifying the voices of the marginalised may merely expose their weaknesses to those who would use this knowledge to further their marginalisation. As Morrison and Milliken (2000) have reported, this is a danger employees rightfully perceive to be pervasive in modern workplaces and a similar situation is not uncommon in many other realms. Given this is the case critical management theorists cannot be satisfied with merely aiming to clarify the voices of the marginalised. Rather, if they are to contribute to human emancipation, they must go further and seek to provide practical help that actually strengthens the position of those who are presently marginalized. The Taylorist-ILO attempt to achieve this goal, by melding a critical management perspective with a critical practice, is the focus of this historical case study.

**Taylorism and the ILO**

Initial contact between the ILO and the scientific managers occurred at the 1919 International Labor Conference to which Samuel Gompers, President of the American Federation of Labor (AFL), brought Morris Cooke as his technical adviser. Layton (1971, 157) has observed of Cooke that though “one of the last to be admitted to Taylor’s inner circle, he was Taylor’s favorite” (See also Trombley 1954, 258). He was an engineer who shared his mentor’s belief that theory must inform and be informed by practice, his conviction that professionals have a duty to use their knowledge in
ways that serve the community, and his deep hostility to all who would monopolize access to scientific knowledge in order to exploit those denied this access (Haber 1964, 16-17; Layton 1971).

An adherence to the foregoing perspective is normally perceived as a commitment to humanism and scientific rigour but in Taylor’s case it tends to be depicted as scientific naivety, an unbending elitism and lack of tolerance toward the ideas and practices of fellow management theorists. Those who promote this perspective tend to shade the fact that in practice Taylor was acutely aware of the uneasy relationship that exists between science and the pursuit of profit, that he waged a continuing struggle against those who would corrupt science for personal gain, and that he was willing to change his views when real-world events made him aware of faults in his own thinking. The latter trait was patent when as a young foreman he rejected the ‘drive system’ because of its inhumanity and equally manifest when in his last days he proposed that the governance of management science should be overseen jointly by employers and trade unions because its monopolisation by capital was corrupting its application and development (Taylor 1914; Layton 1971; Nyland 1998).

Following Taylor’s death in 1915, Cooke continued his mentor’s attempt both to reconcile the labour and scientific management movements and to cleanse professional associations of those willing to subordinate management science to vested interests (Haber 1964, Layton 1971, Nadworny 1954, Nyland 1998). His means of so doing was to have the Taylor Society assist labour to win a number of its core aims, to continue Taylor’s practice of publicly exposing corruption within the professional engineering associations, and build institutions capable of providing the community with alternative sources of management and engineering knowledge. The successes that he and his colleagues in the Taylor Society achieved in promoting these endeavours both induced many union leaders to lay aside their hostility to scientific management and generated an
intense hostility on the part of those engineers and management consultants who believed themselves to have been slighted by the Taylorists.

The new found perspective of the trade union movement was well expressed by the radical unionist Sidney Hillman when in 1919 he asserted: “We propose to make industrial science possible. We, too, shall employ experts familiar with all the devices of the stop watch, etc., who will make time studies. We are not opposed to methods of efficiency – but they must be humanized and made subject to democratic control” (cited in Trombley 1954, 92). This positive response from labour strengthened the Taylorists’ commitment to industrial democracy and by so doing rendered the Taylor Society a bastion of humanism within the American management movement (Fraser 1991; Nyland 1998).

An early manifestation of the positive relationship forged between the Taylor Society and the unions was the fact that at the 1919 ILO conference the main argument Gompers advanced to defend the eight-hour day was that engineering and management science had shown this schedule was technically and economically viable (International Labor Conference 1920; Nyland, 1995). This argument attracted the attention of Albert Thomas, the first Director-General of the ILO, whose interest in management had been forged during the war when as the socialist Minister for Munitions in the French government he was charged with introducing mass production into industry. This experience made him acutely aware that even in wartime many private and public sector managers will resist needed reforms if they believe the proposed changes pose a threat to their ability to monopolise decision making. It also convinced him that management science had to be developed "in such a way as to yield results desirable from the social as well as from the economic point of view" (Haan 1933, 67) and that if this was to occur the development and application of management science had to be governed jointly by employers, employees and citizens. Consequently, one of his
first acts upon being appointed head of the ILO was to declare that the Office would establish a special section charged with promoting the study of management on an international basis (ILO 1938, 1; Thomas 1920).

Thomas gained an opportunity to promote this goal when in 1920 the employers on the Governing Body of the ILO asked the Office to conduct a study of “industrial production throughout the world, considered in relation to conditions of work and cost of living.” (ILO 1920, 5; ILO 1921, 35) The Director-General conceded this request but in so doing declared that the ILO would not study production problems solely from the employers’ perspective but rather would examine all “essential factors, which might contribute to the explanation of the facts.” Hence, while the problems that the employers considered primary would be studied by the ILO so too would “remuneration, hours, hygienic conditions, etc., and the moral elements, such as the guarantee of permanent employment, participation in the control of conditions of labour and even in the management of undertakings, etc” (Thomas 1920, 258).

The leadership of the Taylor Society was very much aware of Thomas’ critical and emancipatory views on management science and it was largely for this reason that in 1920 the Society formally asked the ILO to assist it to undertake a study of working hours reform. This research project was an outcome of the defeat of organised labour in the 1919 eight-hours strike. Immediately following the collapse of the strike members of the Society criticised the employers for refusing to negotiate with the union and began a detailed study of the employers’ claim that the technical nature of steel production in the USA made the prevailing eighty-four hour week an absolute necessity. When taking up this study, the Society asked the ILO to supplement its efforts in the U.S.A. by conducting an “inquiry into the effects of the three-shift system in the iron and steel industry outside the United States” (ILO 1922b, 844-846; Thomas 1921, 19). The results of the two studies were published as
major reports and summarised in the *International Labor Review* in 1922 and 1923. Clearly disappointed that their research indicated the eight-hour day had reduced steel output in Europe, the ILO declared it was too early to assess the viability of the new schedule. By contrast, the Americans reported that where industrialists were willing to undertake the necessary intellectual and financial investments the eight-hour day had proven both technically and economically viable (ILO 1922b; ILO 1922c; Drury 1923, 207).

The Taylorists used their report to bolster their critique of the steel employers' assumptions regarding the working day and in so doing were successful in encouraging new forms of thinking on the part of governments, organised labour and employers regarding worktime arrangements in continuous industries (Gulick 1924). Thomas was delighted with this result and asked the Taylor Society to extend its collaboration with the ILO by assisting the Office analyze the "organization and development of agricultural production". By contrast, steel employers were outraged that the Society's hours report had concluded that lack of will and effort on their part was the primary reason steel workers laboured an eighty-four hour week. This conclusion compounded hostility that had been aroused by an earlier Taylor Society investigation in which the Society's engineers had used bench marking techniques to assess existing production practices, and the management of industrial conflict, health and safety and the business cycle in six industries and had concluded that poor management was the primary cause of ‘waste’ in U.S. industry. Nadworny (1955, 119-122) has reported the business community perceived the hours and waste studies as a “stab in the back” by a

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1 Ernest Greenwood to Morris L. Cooke, May 22, 1922 (Morris Cooke Papers 1920-1931). The Taylor Society-ILO rapprochement was also assisted in September 1923 when Cooke proposed to Greenwood that the ILO should examine energy use on the farm suggesting this would improve the lot of agricultural workers. Greenwood to Cooke, September 7th, 1923 and Cooke to Greenwood, September 10th 1923, (Morris Cooke Papers 1920-1931).
profession that was expected to accord primacy to the interests of business. Responding to this “betrayal”, the employers denounced the Taylor Society for encouraging a “spirit of class antagonism” and launched a successful campaign to drive Society members and their supporters from leadership positions in the engineering associations. This assault was matched by their European counterparts who successfully challenged the right of the ILO to undertake studies of production management before the International Court (Trombly 1954, Haas 1964, 148; Haber 1964, 159; Layton 1971).

The business community's response to the Taylorists’ two studies provides a classic example of the reaction that critical management theorists can expect should they utilise their technical knowledge in ways that promote reforms not favoured by important sections of business or government. However, what businesses' response to the studies also reveals is that not all capitalists and managers were repelled by the engineers' attempt to render management a science that would serve all interests and not merely the interests of capital. As Morgan and Rutherford (1998) have documented, the inter-war market for ideas in the U.S.A. was characterised by a relatively high level of pluralism and while the engineers' attempt to develop their trade as a class-neutral science was suppressed, an openness to critical scholarship continued within the economics and management fields for another two decades. One manifestation of this pluralism was the applause that liberal managers accorded the Taylor Society for having revealed that steel workers did not have to labour an eighty-four hour week and that a great deal of the waste that characterised U.S. industry was the result of poor management practices. Indeed, a number of these progressives were drawn to the

2 See (Committee on Elimination of Waste in Industry 1921: 3-8)
Taylor Society by the very fact that it did attempt to develop an approach to management that was sympathetic to both scientific rigour and industrial democracy.

Three months after the hours report was published, Albert Thomas travelled to the U.S.A. to promote the ILO and while in the U.S. met with managers and intellectuals associated with the Taylor Society. Amongst those he met were Morris Cooke, who at the time was national head of a committee charged with promoting U.S. membership of the ILO, and Henry S. Dennison and Edward Filene of the Twentieth Century Fund (TCF). The latter two men were senior corporate liberals who believed that the ownership of wealth carried with it a duty to serve the community and that workers should be accorded a voice though not necessarily a position of authority within their place of employment. While the views of these businessmen were more conservative than those held by Thomas he was nevertheless impressed (Moynihan 1960, 371) and his enthusiasm was greatly enhanced when in 1925 he learned Filene, who was chief financier of the TCF, wished to have the Fund endow a body that would promote the international diffusion of high wage/mass production.³

On learning of Filene’s decision, Thomas dispatched Paul Devinat, Head of the Employer section of the ILO, to the USA with instructions to “inquire on the present situation of scientific management policies in the States” and to convince Filene the ILO was the body best able to internationalise progressive management thought.⁴

In lobbying Filene and in preparing his report on U.S. management, Devinat was supported by the Taylor Society and in 1925 he became the first ILO official to be accepted as a member of the

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³ Albert Thomas, report to the 33rd Session of the Governing Body of the International Labour Office, Geneva, October 1926, (IMI Archives 1926-1934: Dossier no N401/2/1)

⁴ Paul Devinat to Morris Cooke, April 13th, (Morris Cooke Papers 1920-1931)
Society. When subsequently reporting the results of his research in the USA he sought to explain the postwar trade union-Taylorist alliance. He argued that this development was a consequence of the Taylorists' willingness to help unions gain access to management knowledge and a “due share of control in its application.” (Devinat 1926, 488) On reading the report, Morris Cooke applauded Devinat but told him feared for organised labour should the program of union-technician-employer collaboration advocated by the Taylor Society not “ripen into something of the kind you evidently have in mind”. This was a reference to Devinat's wish to establish an independent management institute in Geneva that would be governed jointly by the Twentieth Century Fund, the ILO and independent management scientists.

That there was an urgent need for a progressive international management centre was made clear to the ILO and the Taylorists by the fact that in 1925 the Belgian organisers of the International Scientific Management Congress (ISMC) proposed that henceforth their field of interest be simply termed ‘management’. Those advocating this proposal declared that the uncoupling of the terms scientific and management was necessary because the neutrality of the former term alienated capitalists as it was seen to imply managers should be independent scientists rather than the servants of their employers (Bloeman 1996, 116). Though able to ward off this challenge, the Taylorists recognised that it constituted a major threat to their position. This belief was reinforced by a 1927 ILO study that found European capitalists had a narrow understanding of management, little

6 Cooke to Devinat, 3rd June, 1926, (Morris Cooke Papers 1920-1931).
7 William Filene and Co. to Devinat, 28th April, 1925, (Morris Cooke Papers 1920-1931) .
sympathy with those who would render management a non-sectoral science, and bitterly opposed worker participation in management activity (Devinat 1927).

Responding to these worrying developments, Thomas strove to accelerate the establishment of a management centre in Geneva but was frustrated by Filene who prevaricated because he doubted that an ILO management centre would be supported by business. His concerns were only assuaged when John D. Rockefeller’s Industrial Relations Counselors agreed to provide seed funding for the proposed centre (ILO 1927a). The scientific managers were divided by the Rockefeller offer because the industrialist opposed independent unionism and most Society member had come to believe that this form of worker representation was a basic requirement of industrial democracy. However, this not an issue of deep concern to Filene who though a liberal belonged to the more timid end of the Taylorist movement. The Rockefeller funding in fact proved short lived as the industrialist decided soon after that he found the anti-state and anti-union ideas of Elton Mayo much more to his liking (Smith 1998; O’Connor 1999). Nevertheless, the offer was important for it overcame Filene’s procrastination and consequently the International Management Institute opened its doors in January 1927 with Devinat as Director and Percy Brown, of both the Fund and the Taylor Society, his Deputy.  

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9 Morris Cooke to Philip C. Nash, May 18th 1931; Harlow Person to Henry Dennison, 14th December 1926, (Morris Cooke Papers 1920-1931).  
10 Albert Thomas to E.A. Filene, 4th November 1926, (IMI Archives: Dossier no. N/401/2/1). See also (ILO 1926: 55-57).
In 1938 the ILO published a history of its contribution to management in which it reported that through 1927-1934 its assistance took two forms. On the one hand it “made direct contributions in the shape of studies on the problems involved, and on the other it gave very active support to the work of the International Management Institute.” (ILO 1938, 2) What the report does not relate is that in 1927 both Albert Thomas and his deputy Harold Butler formalised their support for the scientific management movement by becoming members of the Taylor Society.\(^{11}\) Also not mentioned is the fact that discord quickly emerged between the Twentieth Century Fund and the ILO. Bloemen (1996, 125) argues this friction was primarily due to a clash of personalities but this is very much only part of the story. A more important source of discord was the divergence in the views of the leaders of the Fund, the Taylor Society and the ILO as regards what constitutes management and whose interests the IMI should prioritise. Filene, Dennison and Brown thought of management as a firm or bureaux centred activity and believed that if the IMI was to develop as an international management centre its officials had to concentrate on gaining the support of the business community. Dennison spelt out the Fund's views to Devinat in November 1927 and again in January 1928. On both occasions he expressed concern that ILO representatives on the IMI Board repeatedly insisted that the Institute must give equal priority to the interests of capital, labour and the general community and moreover they insisted the IMI must broaden its understanding of the scope of management.\(^{12}\) In expressing these concerns Dennison was responding to the fact that the ILO

\(^{11}\) See Taylor Society Membership List October 1929, p. 32

leadership believed scientific management to be a science that could and should be applied with equal vigour to the enhancement of enterprise productivity, worker well-being, and national economic planning. In short, they believed scientific management must involve:

- Efforts to obtain greater output in work of a particular kind and to produce more cheaply by avoiding waste of time and human effort.
- Research work with a view to adapting human strength to labour and obtaining the maximum output with the minimum expenditure of energy (study of fatigue, industrial psycho-physiology).
- Scientific management in the widest sense, i.e. the organisation of production or distribution throughout a country or even between one country and another (Thomas 1026b, 4).

The divergence in the respective views of the Fund, the Society and the ILO became manifest at the World Economic Conference of 1927. Organised by the League of Nations and the ILO, the final declaration of the conference called for the rapid diffusion of scientific management but insisted that Taylor’s enterprise focus must be perceived as but one part of a wider movement that would enable humanity to win control of economic life. This movement the Conference termed ‘rationalisation’. Thomas was delighted with this outcome and with the fact that the final declaration stated that “rationalisation must be applied with the care necessary to prevent injury to the legitimate interests of the workers.” (Urwick 1929a, 152; Person 1927) Seizing the opportunity provided by the declaration, he called on the IMI to develop a program that encompassed both technical and social issues and that included “the part to be played by labour organisations in the field of rationalisation and the possibility of raising wages in consequence of rationalisation.”

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13 Albert Thomas, ‘Minutes of the Executive Committee Meeting International Management Institute’, May 18th 1927, (IMI Archives: Dossier no. N401/2/2/0)
The ILO’s attempt to have the IMI accept an understanding of management that envisaged it as an activity applicable to the governance and regulation of all levels of economic life and that was inclusive of workers caused acute distress to Filene, Dennison and Brown. All three men were convinced the program urged by Thomas was bound to alienate employers. Moreover, they were also worried at what they perceived to be a similar adventurist and statist spirit emerging within the Taylor Society. Key developments that caused them particular concern, as far as the Society was concerned, was Cooke’s denunciation of enterprise unionism at the 1927 Society conference and the applause that Harlow Person, the General Manager of the Society, accorded the expansive understanding of management embraced by the World Economic Conference. As a consequence of these developments the three men became increasingly distanced from the Taylor Society while the hostility engendered within the IMI became so intense, in May 1928 Devinat and Brown both resigned their positions within the organisation in order to enable it to survive.

Devinat was replaced by Lyndall Urwick, an experienced manager and theorist who was a friend of Dennison and a humanist who had been previously employed by a number of progressive British firms. With his appointment, the Americans used what Dennison described as their “whiphand” to make it clear that the Fund would withdraw its support of the IMI unless it was agreed that the Institute would henceforth concentrate on technical problems of immediate interest to business and leave social questions to the ILO. Thomas reluctantly conceded this demand but in so doing insisted that the IMI must not place “too much stress on the management point of view when confronted with problems affecting labor.” (Haan 1933, 71)

14 International Management Institute, ‘Minutes of the Third Meeting of the Board of Governors’, May 12th 1929 (ILO 1929: 19; IMI Archives: Dossier no. N401/2/1)
The new division of responsibilities was apparent in subsequent IMI and ILO literature. Institute publications accorded priority to the solving of technical, enterprise specific problems while ILO publications concentrated on the social aspects of rationalisation. However, in both bodies of literature the mixture of critical thought and practical problem solving was evident. Thus while the IMI bulletin stressed technical issues it also emphasised its support for the trade union movement and the ILO’s stress on the importance of the social dimension was accompanied by an advocacy of the “all-round installation of scientific management methods”.

This mutually reinforcing division of labour enabled Urwick to increase the support accorded the IMI by industrialists, governments and labour and had he been able to build on this success the Institute may have been able to cement its position within the management movement. Unfortunately, this was not to be the case for with the onset of the depression a political and economic environment was created that impelled labour leaders to insist that enhancing the scope of management to include both the macro-economic dimension and industrial democracy were matters of the most dire urgency.

Labour’s concern at the manner by which management science was being developed and implemented in fact predated the onset of the depression. As early as 1928 Leon Jouhaux, a Worker member of the ILO’s Governing Body and an IMI board member, noted that there appeared a worrying link between rationalisation and unemployment. ILO officials initially dismissed these concerns insisting that the net employment effects of rationalisation were benign (Fuss 1928, 802). However, with the onset of the depression this assertion soon became inadequate.

15 International Labour Office, ‘Check List for a Management-Labour Audit’, (IMI Archives: Dossier no. N401/2/1)

and Harold Butler was consequently instructed to travel to “the home of scientific management” in order to determine if there was a link between rationalisation and unemployment. Within two days of arriving in the United States, Butler reported to Thomas that the Americans with whom he had consulted believed that the forms or rationalisation favoured by business were indeed a cause of unemployment. Butler added that the Americans were also convinced that the unfolding crisis was going to be much worse than was appreciated in Europe. Consequently, they urged the ILO to lay aside its emphasis on standard setting and concentrate instead on developing practical solutions that would minimise the dire costs the gathering crisis was going to impose on the working class (Moyniham 1960, 485; Butler 1931).

Butler’s advice underpinned Thomas’ report to the 1931 International Labour Conference where the Director-General was lambasted for having supported the rationalisation process which was deemed “an economic failure and at the same time a social disaster” (Haan 1933, 71). In response, Thomas conceded that he had “under-estimated rationalisation as a factor in unemployment” but in so doing insisted the correct response was to embrace "bigger and better rationalisation" by which he meant the application of the management tools pioneered by Taylor to national economies and indeed to the world economy (Thomas 1931, 30-31). In defence of this position, Thomas cited a discussion conducted at the Taylor Society’s 1930 annual conference. This debate was a product of the membership’s belief that business and the state had failed to develop systematic methods for ensuring workers and consumers gained an adequate share of the increased output generated by new management techniques. In order to facilitate debate on this issue, Harlow Person presented a discussion paper that asked if the production and employment stabilisation practices the scientific managers had developed within individual organisations could be applied to national economies. In raising this suggestion, Person argued that the deepening economic crisis was structural in nature the
underlying problem being the fact that while new production technologies had heightened the need for inter-firm “co-operative integration”, the attainment of this harmonisation continued to be left to the “working of natural economic forces” by which he meant the market. This perspective was shared by those at the conference, the consensus being subsequently expressed by one member when he observed: “we produce goods scientifically but we have developed no scientific means to see that they are properly consumed. There has been no Frederick W. Taylor of distribution and finance” (Thompson 1933, 22).

All of the Society members who responded to Person’s paper were highly critical of activists and theorists who refused to accept that the management of capitalism requires both a visible and an invisible hand. Even the more conservative members adhered to this perspective though the latter did not necessarily concur with the majority view of what this perspective implied. Allan Reiley of General Motors, for example, agreed production and distribution needed to be managed ‘as one seamless whole’ but refused to accept government, organised labour and consumers had a role to play in the macro-management process. Mary van Kleeck, representing the predominant view responded to Reiley by insisting the business community could not be allowed to monopolise macro-economic management for it had shown repeatedly that it believed profit and not “knowledge” should be the “master” in industry (van Kleeck in Person 1931, 74).

Van Kleek’s warning soon proved to be prescient for the macro-management planning methods insisted upon by U.S. business in response to the depression did place profits before the well-being of the American people. The U.S. Chamber of Commerce, for example, demanded that the government allow its members to increase their profits by colluding in output restriction despite the fact that there was an acute shortage of goods available to the population (Lorwin 1945, Warken 1979, 26). By contrast, Taylor Society leaders argued that what humanism and scientific knowledge
demanded was an expansion of demand brought about by providing income transfers to those with a high marginal propensity to consume. They also insisted that property owners, consumers and labour must all be considered core participants in the management process. Indeed, they insisted that democratisation of both micro and macro management was especially important given fascist tendencies had become clearly manifest within significant sectors of the business community (Cooke 1931; McFall 1931; Stone 1932, Person 1932, 1933, 1936; Tead 1933; Lorwin 1945; Pabon 1992).

In promoting their tripartite, under-consumptionist response to the depression the Taylorists acted true to form. They engaged in a sustained critique both of the notion that business should be allowed to monopolise the management process and of neo-classical economists who opposed all attempts at macro-management. At the same time they utilised their technical skills as administrators, engineers, economists, etc. to further the programs and philosophy they espoused. Thus in the early years of the depression they participated in Senate investigations on the topic of economic planning, organized a major conference in Europe to discuss the pros and cons of alternative forms of rationalisation, and played an active though critical role in Roosevelt’s New Deal administration through the 1930s.

Historians of economic thought have written a great deal about the part economists played in the New Deal but management scholars have failed to emulate their efforts. This is despite the fact that Roosevelt’s original Brains Trust included Rexford Tugwell and Gardiner Means both of whom deeply admired Taylor. Indeed, the former believed Taylor’s decision to base work allocation on standard times was the “greatest economic event of the nineteenth century” because it taking this step he sowed the seeds of planning which if nurtured could one day enable humanity to surmount the volatility and insecurity that are so much a feature of under-regulated market economies.
Because management historians have failed to explore the manner by which theorists and activists consciously sought to develop macro scientific management through the 1930s they have remained unaware that Roosevelt accepted the importance of the Taylorists’ perspective and that this perspective underpinned much New Deal economic and industrial policy (Tugwell 1968, 23-26, 132-133; Sanders 1982; Rosenof 1997, 13-18, 28-43). Similarly, they remain unaware of the contribution made by individual Taylor Society members to the Roosevelt administration. This is despite the fact that Marshall Dimock, who during the Depression was both a senior New Deal manager and head of the Washington branch of the Taylor Society, has reported that by 1939 the membership of his branch included “most of the higher administrative officials in the Government service” (Marshall Dimock 1939). Finally, also unexplored is the fact that in promoting the ‘social-economic’ approach to macro management the Taylorists insisted they were carrying Taylorism to its natural end point (Person 1932). This was a claim echoed by Thomas when shortly before his death observed:

The principle of scientific management, once applied to all aspects of the individual undertaking, naturally leads towards the rationalisation of the whole branch of industry concerned. It then links up with the movement for industrial agreements, and this leads in turn

17 Marshall E. Dimock to Paul Appleby, November 3, 1939, (Marshall E. Dimock Papers). Dimock headed the Washington Branch in 1939 and remained an enthusiastic admirer of the scientific management movement until his death. In 1990 he wrote to Hindy Schachter applauding her revisionist interpretation of Taylor’s work and observing of the leadership of the Taylorists: “They were a tight-knit and remarkable group … there were thinkers who were greater than Taylor . You mention Cooke – and he was good – but Person and two or three others were even better …Henry Dennison …Harry Kendall, or Ralph Flanders.” Dimock to Schachter in the hands of Schachter. Support for his claim’s that regarding the strength of the Society in the Federal bureaucracy is provided the membership list of the branch which appears in his personal papers.
to the ideal of rationalising industry as a whole throughout the country or even throughout the
world (Thomas 1932: 928).

In promoting this notion, Thomas was aided by Urwick who as early as 1929 in his *The Meaning
of Rationalisation* declared that applying scientific management principles to all levels of economic
life was both possible and desirable (Urwick 1929a, 32; 1929b, 1931, 1933). As the depression
deepened this perspective was reflected in the *IMI Bulletin* with increasing frequency even though it
had been agreed in 1928 that the Institute would limit its work to enterprise level management.18
Editorial support for this trend was made explicit in 1931 when the editor called on the Institute to
explore the ‘fundamental connection’ between the social, economic, and technical dimensions of
management (Anonymous 1931). This development was very poorly received by Filene and
Dennison both of whom continued to remain highly critical of the notion that management science
could be extended to embrace the governance of national economies (Bruce 1999). Indeed, when
in 1932 Mary van Kleeck called for business to accept the need for an expanded role for labour
and the state in the management of industry, Filene responded by insisting that the "methods of
business", by which he meant private initiative and self-regulation, were the only viable and
acceptable forms of industrial governance (Filene 1932a; 1932b: 53-70. 266-274).

Filene’s perspective was shared by Edmond Landauer, Head of the International Committee for
Scientific Management (ICSM), who in 1931 informed Urwick that businesspeople believed a
“wrong attitude of the mind” was emerging within the Institute. This was held to be because Urwick
had come to see himself as a “big politician or a big economist” rather than the manager of a
“practical business proposition” the goal of which was to provide “goods” to the “manufacturers and
merchants actually making money through its help.”\textsuperscript{18} The ILO responded by rallying to Urwick’s defense declaring that the Institute was not a “business concern” but rather “an instrument of social progress working for the betterment, not of one section only but of the whole community.”\textsuperscript{19} This vitriolic exchange came to a head in March 1933 when Haan, an ILO employee on secondment to the IMI, published a paper titled ‘Scientific Management and Economic Planning’ in which he announced the ILO had determined that the Institute had to embrace a “clearer and deeper conception of the philosophy and doctrine of scientific management” and made it clear that the ILO understood this to mean workers must be allowed to participate in all forms of management activity (Haan 1933).

In response, the Fund warned the ILO that its support for the Institute was subject “to agreement upon the program of work and other circumstances.”\textsuperscript{20} The Office replied in turn that as “the work of the Institute did not pay sufficient attention to the social aspects of Rationalisation” it had no choice but to insist “on changes of policy in this respect.”\textsuperscript{21} Furious, Filene overruled opposition from Dennison and declared that as the Institute’s “program of work and other circumstances …

\textsuperscript{18} That Urwick accepted the root cause of the depression was society’s failure to develop an effective system of demand management he made clear in his 1933 volume \textit{Management of Tomorrow}.

\textsuperscript{19} Edmond Landauer to Lyndall Urwick, 20\textsuperscript{th} November 1931, (IMI Archives 1926-1934: Dossier no. N401/2/2/0)

\textsuperscript{20} Minutes of the 11\textsuperscript{th} Meeting of the Committee, December 5\textsuperscript{th} 1931, (IMI Archives: Dossier no. N401/2/2/0).

\textsuperscript{21} Malcolm W. Davis to Harold I. Butler, April 11\textsuperscript{th}, 1934, (IMI Archives: Dossier no. N401/2/2/0).

\textsuperscript{22} International Management Institute, ‘Draft of Final Resolution to be Adopted by the Committee and Board’, (IMI Archives: Dossier no. N401/2/2/0).
had changed radically” the Fund would no longer finance the Institute and accordingly the IMI folded in January 1934.\footnote{L. Urwick, ‘Minutes of the Committee of the International Management Institute, January 13\textsuperscript{th}, 1934’, (IMI Archives) and International Committee for Scientific Management, ‘Report of the}

New Dealism and McCarthyism - 1934 to 1949

In 1935 the uncompromising vigour with which the business community promoted its undemocratic response to the depression finally convinced Filene and Dennison that the U.S had to enhance the role that the general population and organised labour played in both micro and macro management. Their public embrace of this position caused both men to be ostracised and denigrated by their peers. That these cautious liberals could be brought to accept the need for radical reform, as a consequence of argument and reason, should give hope to those who would promote the critical management perspective by this route. At the same time, the fact that few members of the business community were willing to concede any of the democratic concessions that were needed to revitalise capitalism, until they were forced to do so by the bitter struggles of the second New Deal, provides an indication of the limits of this path to worker and citizen empowerment within the management community.

That persuasion and negotiation could further the democratisation of the management process nevertheless remained the hope of the ILO in the years following the collapse of the IMI. In clinging to this dream, the Office was buoyed by the fact that in Butler replaced Themes as Director-General, the latter was able to recruit a number of Taylor Society members to Geneva, and in 1934 the U.S.A. became a member state of the ILO. That these two developments were not unrelated is indicated by the fact that over the next decade all the men chosen by the government to represent
U.S. employers at the International Labour Conference were drawn from the progressive section of the business community with the first such representative being Henry Dennison (Moynihan 1960; Tipton 1959, 53-54, 65).

The Taylorists recruited to Geneva in 1934 immediately sought to rekindle the flame of democratic management by establishing a joint ILO-ICSM committee charged with exploring and publicising best management practice (Bruyns 1938; Dubreuil and Lugrin 1936; Grunfeld 1934; ILO 1936; Haan 1937). This committee also formulated a number of key definitions designed to clarify the character of both scientific management and rationalisation in order to reduce the risk that there would be a repeat of the misunderstandings that had proved fatal to ILO-TCF relations. These definitions were both scientific and class-neutral in character and in 1938, after extensive debate, they were forwarded to the ICSM Congress for formal consideration (Haan 1938).

The 1938 Congress, however, proved a disaster for those striving to strengthen the forces of democracy within micro and macro management. The Congress was held in Washington at a time when the U.S. business community had become virulent in its insistence that it alone had the right to manage the resources of industry and the nation (Lorwin 1945; Collins 1981). Committed to this position, the American Management Association (AMA) seized control of the meeting by conducting a campaign for the Congress Chair so vitriolic it placed Harry Hopf, the Taylor Society’s candidate, in hospital. Hopf was unacceptable to the AMA because at the 1936 ICSM Congress he had observed that “the typical firm sought to maximize earnings and thereby serve society [when it should] serve society and thereby maximize earnings” (Wren 1987, 308). The reactionaries who dominated the AMA were appalled by this notion (Cooke 1938; Person 1938; Tead 1938) and

indicated their perspective by deleting the term scientific from the Congress title. Bloemen has argued, that this step reflected the AMA’s determination that the meeting would be a rallying vehicle for business conservatives and the message emanating from the Congress supports this proposition. It was a jumbled amalgam of Elton Mayo’s claim that worker resistance to the demands of capital a sign of neurosis and a range of self-serving claims that included the assertions that authority accrues to natural born leaders, that the existing heads of industry should be allowed to manage as they saw fit, and that government, workers and the public should be grateful to these individuals for undertaking this arduous role (ICSM 1938; Bloeman 1996).

What Taylor Society managers and intellectuals thought of these developments was outlined by John Carmody to Ewan Clague, Director of the Bureau of Research and Statistics, when inviting him to address a meeting organised by the Washington branch of the Society at the time of the Congress. Carmody explained that the meeting had been called in response to “serious deficiencies in the program” and to make it clear that some practicing managers and theoreticians continued to support Roosevelt and the New Deal. That their views were not shared by the Congress organisers was made clear by Carmody who reported:

The Government was not invited to be a cooperator … general sessions, at which policies and principles are to be discussed, are dominated by speakers representative of the philosophy of big business … there is practically no place in the program for presentation of liberal views … There is a marked dissatisfaction over this arrangement among many industrialists, engineers and social scientists who hold open-minded progressive views - a type
that characterizes the membership of the Society for the Advancement of Management (the Taylor Society’s name from 1935).²⁴

In addressing the unofficial Washington meeting, Harlow Person called on the AMA to support the democratisation of both micro and macro management but his appeal had little effect on those dominating the Congress as was made clear by their decision to hold the next ICSM meeting in Hitler’s Berlin.

By the time of the 1938 Congress, in short, the estrangement of the Taylor Society from the business community was all but complete. The Society retained a strong base in Academia and amongst public sector managers and was able consequently to provide all the leaders of the newly formed American Academy of Management until the late 1940s. It had, however, virtually no support in the private sector and what influence it retained in 1938 was further dissipated by the fact that leading Society members chose to play an active role in the 1940s campaign, mounted by the Congress of Industrial Organizations (CIO), to bring about “a political realignment of the major parties that would give [trade unions] a powerful voice in the management of industry, planning the overall political economy and expansion of the welfare state” (Lichtenstein 1995, 125). As part of this effort Jett Lauck became an adviser to John L. Lewis of the miners’ union while Morris Cooke collaborated with Phil Murray of the CIO with the latter two men publishing a joint volume on labour-management relations in 1940 that became a foundation document for labour through the decade.

The ILO also became a target of U.S. employer vitriol from 1938. This was a tendency enhanced by the fact that when the Office moved to Montreal, with the outbreak World War Two, it effectively came under the control of the New Dealers. The latter used this opportunity to lay a bold

new claim for participatory and social economic management in the post-war world (Tipton 1959). One product of this bid was the Declaration of Philadelphia adopted by the ILO in Taylor's home town in 1944 and which declares that "representatives of workers and employers, enjoying equal status with those of governments" should together manage industry and society.

The dream of Philadelphia of course was not to be. As Harris (1982), Brinkly (1985), Balisciano (1998) and many others have documented, in the immediate post-war period the industrial democracy movement was swamped by a great wave of cold war, anti-New Deal reaction. Commonly associated with the name of Joe McCarthy this campaign bled both the ILO and the Taylor Society of any effective commitment to the democratisation of the management process. In so doing it rendered both bodies very limited institutions that largely confined themselves to solving the problems deemed acceptable by business and governments. Indeed, by the early 1950s the Society for the Advancement of Management had become simply another bastion of management conservatism with its members even criticising the ILO for its liberalism and its lack of rigour in opposing socialism (McGrath1953). The postwar campaign was also successful in ensuring capital retained the “right to manage”, ensured that the term management was perceived as an enterprise specific activity in which labour participated only at the margin, and effectively expunged support for democratic management from industry, government service, business schools, and professional associations.

The means by which critical thought was eliminated from business studies in the U.S. has not attracted the attention of management analysts. By contrast, historians of economics have sought to explain the rapid post-war dissipation of the intellectual pluralism that characterised their discipline through the interwar years (Morgan and Rutherford 1998). Their efforts have revealed that central to the decline of critical scholarship was the patronage that the financiers and managers of academia
provided to what they deemed acceptable schools of thought. Notable in this regard is the work of
Goodwin (1998). By exploring the major works published in the 1950s by scholars who dared to
struggle to preserve critical thought (MacIver 1955; Hofstadter and Metzger 1955; Lazarsfeld and
Thielens 1958) he has shown how higher education administrators, the government, the business
community, and charitable foundations interacted in a successful effort to cleanse the economics
discipline and business schools of critical thought and activism. In so doing, Goodwin observes,
economics was rendered a discipline committed to the idealisation of the market and to the
development of techniques capable of 'scientifically' solving problems but only those problems
deemed worthy of study by business and/or the state.

Goodwin further notes that in conducting this cleansing exercise particular vitriol was heaped on
those scholars who had played an active role in the New Deal. The crimes of these individuals were
perceived to be particularly heinous because they had been committed "far from the ivory tower."
(Goodwin 1998: 56)

It was particularly offensive that these dissenting economists chose to express their views not
just to scientific colleagues in codes that only the initiated could comprehend but also to external
audiences that ran the gamut from the local Rotary Club to the U.S. Congress. … If these
economists had said the same things only in the classroom or in their departmental common
rooms, or had expressed them in matrix algebra, nobody would have cared (Goodwin 1998: 60-
61).

So successful was the campaign to cleans critical thought and activism from economics few present-
day economists are even aware that not so long ago their discipline was widely feared as the seat of
radicalism and the means to corruption of the young. If this is the case with economists it is surely
even more true of present-day management scholars. Very few would be aware of even the more
outrageous cases of intellectual cleansing that occurred within their discipline in the 1950s as part of the process of redefining what constituted a 'scientific business education' (See, for example, the study of the cleansing of 'leftists' and 'Keynesians' that occurred within the College of Business Administration at the University of Illinois provided by Solberg and Tomilson 1997). Indeed, the all but total lack of interest in the history of their discipline that is characteristic of management theorists, has enabled the common understanding of the post-war evolution of the field to take an Orwellian twist. Taylorists came to be perceived as mechanistic, anti-union authoritarians while the anti-democrat, Elton Mayo became the accepted harbinger of humanism to management theory and practice (McGrath 1953).

Lessons

Critical management scholars should conclude from this case study that it is possible to develop a critical practice capable of furthering human emancipation and the development of critical theory. As regards the latter, it is important to appreciate that theory and practice should inform each other. It was not abstract theorising, but the resistance that Taylor and his followers experienced when they sought to apply a class-neutral approach to management practice that enabled them to overcome their theoretical naivete regarding the association between science and profit within capitalism. Informed by this awareness they in turn were strengthened in their determination to oppose the subordination of their science to the demands of narrow interests. Few Taylorists could afford Taylor's response to the conforming pressures imposed on him by the business community, that is he simply elected to refuse any payment whatsoever for his services. Nevertheless, the scholar-activists linked to the Taylor Society did strive to utilise the space allowed them by the ideology of professionalism, academic freedom and state neutrality to reveal to the widest possible audience
how their science could provide new alternatives while concomitantly striving to prevent monopolisation of their knowledge by narrow sectoral interests.

By adhering to this perspective the Taylorists forged a broad alliance of progressive researchers and activists who in turn attracted support from organised labour, consumer groups and progressive politicians. That these activist-theorists were willing to make this effort and in so doing constantly reviewed their own ideas in the light of the practical experiences generated by the changing socio-economic context was central to the ILO engagement with scientific management. These developments largely explain the enthusiasm ILO leaders expressed for scientific management. In the 1920s the practical problems emphasised by both the Office and the Taylor Society were of a micro nature being concerned primarily with raising labour and managerial standards and with developing and highlighting best practice examples of what scientific management could achieve. With the onset of the depression the scope of the vision of both bodies had to be expanded for the crisis allowed progressives little choice but to strive to ensure the macro-potential inherent in Taylor’s principles was realised in a manner that was emancipatory rather than totalitarian.

If a major lesson that can be drawn from the Taylorist-ILO experiences in the 1920s and the 1930s is that effective alliances between critical theorists and managers can be forged a second lesson is that should present day critical management analysts achieve any marked degree of success in promoting policies and practices at odds with powerful vested interests there will be a backlash. The vitriol unleashed against Taylor and Cooke when they attempted to use their knowledge to contain the power of the utilities, against the Taylor Society and the ILO for producing production studies not favourable to employer interests, and against those perceived to be too closely associated with the New Deal all attest to the likelihood of this response. It is also important to reiterate that what generated this vitriol was not so much the ideas of the theorists but the fact that
they sought to put these ideas in practice outside the academy. Buruma (2001) has criticised critical Western intellectuals who speak out in support of the disenfranchised for implying that in so doing they too are fringe dwellers. Such individuals, he asserts fail to appreciate that in the liberal democracies intellectuals "have won their independence. They have fought themselves free." In support of this assertion he notes that Marx was left free to plan his workers' utopia by the British establishment. But in so doing he only reveals his naivety. Certainly, Marx was not arrested by the British but though having a doctorate in philosophy he was also unable to obtain employment in any British university. As was shown in the 1950s, the reality is that there is space to be critical but it is nonsense to believe that intellectuals have anything more than a relative autonomy and this especially so if they are effective in conveying a critical message to those outside the academy. This is not to imply that critical management scholars would be wise to confine themselves to unengaged intellectualism. In business, government, and the wider community there are managers who can perceive personnel and collective benefits in encouraging a more scientific and inclusive approach to their profession than presently prevails. In the interwar period such progressives when informed by the Taylorists' message were able to assist the achievement of major reforms. What this experience reveals is that if critical theorists and practitioners offer viable solutions to real world problems they can forge the alliances needed to contain the inevitable hostile response that will be forthcoming.

Finally, the fact that the history of the ILO-Taylor Society’s attempt to become a progressive force within the international management movement is a source from which critical management theorists can draw lessons is a lesson in itself. Alvesson and Willmott argue that those who wish to encourage a critical perspective in management should turn to social philosophy and social science for insight and guidance. Their preference is the tradition associated with the Frankfurt school because this perspective is interdisciplinary, not doctrinaire and has been wrestling for decades with
issues concerning management now acknowledged as problematic. However, once one is aware that the critical management tradition has a much longer history than is appreciated by these scholars it becomes clear the history of management thought and practice can also be a valuable source of inspiration and insight. That this is not generally appreciated in the management discipline is a consequence of the inadequate attention paid to history by management theorists and practitioners who tend to believe management research should focus on current practice. This preoccupation, Alvesson and Willmot perceive to be a source of regret for it leads scholars and practitioners to assume theory development is largely an irrelevance except in so far as it contributes technical refinements to current accepted practices. However, what they do not appreciate is that their own work suffers from a preoccupation with current assumptions because it lacks historical depth. Thus when they examine Taylor’s work they approach it with no awareness of the histories of scientific management published in an earlier age that painted a picture that differs markedly from the Taylorism as demonology they accept uncritically. That critical management studies has not been informed by the historical literature is a source of regret, but fortunately it is a failing that can still be corrected.
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