

**Counts:** The professional mediators of the Federal Mediation and Conciliation Service—headed by Counts—work with unions and management to help break bargaining deadlocks, head off strikes and resolve differences in negotiations after strikes begin.

Counts was vice president in charge of industrial relations for the McDonnell Douglas Corp. before Nixon named him in January 1969 to direct the service.

**GM strike**—An Administration official, who declined to be identified, said Counts helped end the United Auto Workers strike against General Motors Corp. The strike began Sept. 15, lasted until Nov. 23, involved more than 400,000 employees and shut down more than 100 plants.

The official said Leonard Woodcock, president of the 1,600,000-member UAW, asked Counts to come to Detroit for an unpublicized meeting when the company and the union had reached a temporary stalemate in negotiations in mid-November.

**Woodcock**—Woodcock said in an interview in Washington that he first met Counts when Counts was at McDonnell Douglas. He confirmed that he asked Counts to come to Detroit shortly before the company and the union reached an agreement.

"I talked to Counts before he came to Detroit," Woodcock said. "I said it would be well if he took a direct look at the situation."

Counts telephoned Earl R. Bramblett, GM vice president for personnel and chief of the company's negotiating team, and Bramblett said the company soon would make a complete proposal to settle the strike, Woodcock said.

"Knowing GM, I don't think his presence induced them to bring their offer out sooner," Woodcock said.

Woodcock said that although Counts assisted in mediating the dispute, the Administration did not apply any pressure on the union to hasten the settlement. "I have a great deal of respect for him (Counts)," Woodcock said. "I think he has conducted himself very well."

**Wurf**—Wurf, who is critical of Mr. Nixon's policies, both foreign and domestic, said he thinks highly of Counts.

"We have found him helpful and effective," said Wurf. "We have found more willingness under Counts to get the mediation service involved

## Genesis of the Blue-Collar Report

The report, *The Problem of the Blue-Collar Worker*, grew out of a magazine article President Nixon read a few months after he took office.

The article, "The Revolt of the White Lower-Middle Class," by Pete Hamill, appeared in the April 14, 1969, issue of *New York* magazine.

Jerome M. Rosow, assistant secretary of labor for policy, evaluation and research, told *National Journal*: "The President read it one night and scribbled a note saying, 'This is very disturbing. What can we do about it?'"

"A large reason for the growing alienation of the white working class is their belief that they are not respected," Hamill wrote.

"The working-class white man is actually in revolt against taxes, joyless work, the double standards and short memories of professional politicians and what he considers the debasement of the American dream."

Pointing out that George C. Wallace received more than 10 million votes for President in 1968, Hamill wrote, "That should have been a warning strong and clear."

Rosow said George P. Shultz, then Secretary of Labor and now director of the Office of Management and Budget, received a copy of the President's note and the magazine article and passed it on to Rosow.

Rosow said he and his staff spent about six weeks doing research on the problems of blue-collar workers and wrote a preliminary report. He said the draft report focused on place-of-work problems, housing, urban rot and blight.

He said they concentrated on the \$5,000- to \$10,000-a-year income bracket, which includes people above the poverty level but below the \$10,664 a year the Labor Department says a family of four needs for a moderate standard of living.

"By then it was a couple of months since we had received the request for the report, and there was not much interest at the White House," Rosow said. "There were other problems they were working on."

"Shultz showed it to the Attorney General and he liked it. He thought it was something we should be working on. By January (1970), a working group was appointed at the White House to see if anything could be done."

Rosow said the working group included himself; Shultz; Attorney General John N. Mitchell; Donald Rumsfeld, then director of the Office of Economic Opportunity and now a counselor to the President; and Daniel P. Moynihan, then a counselor to the President.

"The objective at first was to prove there was a problem and that our analysis was valid," Rosow said. "We know the United States is an affluent society, and it goes against our preconceptions to think that the American worker is in a bind."

Rosow said the working group met several times to discuss the report. As a result of the meetings, Rosow revised the report, adding new information to it.

At one point, Rosow said, "The suggestion was made that Pat (Moynihan) might be able to rewrite it (the report), jazz it up and give it a lift. About that time, he got busy with NATO and a lot of other things. In retrospect, I am glad he did not rewrite it because then it would have become another Moynihan Report."

The report went to the White House in April or May. "There were about 25 copies floating around, and it was leaked to *The Wall Street Journal*. Once it was leaked, it was misrepresented. *The Wall Street Journal* gave it a heavy political emphasis," Rosow said.

"I was not interested in the purely political issue....Of course, every decision has an implicit political context, but we were not really selling a political program."

Rosow said that by August 1970, the President had studied the report and said he wanted the Domestic Council to do more work on it. Labor Secretary James D. Hodgson and Rosow are scheduled to present late in January a wide range of proposals to the Domestic Council.