Manuscript: Owen D. Young: A New Type of Industrial Leader, Chapter 5 (General Electric's copy)

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CHAPTER V

Owen Young Finds His Specialty

With each year of Mr. Young's connection with the Tyler office his interest in the problems centering around public utilities increased. By the time he had become a member of the firm he was one of the best informed advisers on utilities at the Boston bar, and Stone & Webster were keeping him in the field months at a time. Here he was beginning soon to realize that the public utility was ceasing to be purely a local matter, that it was becoming a concern of the state and as its boundaries stretched new laws were required to govern it.

"I well remember," Mr. Young told a group of his associates years later, "that during all the first years of my connection with the public utility business we thought only in terms of the city in which we operated. For many years the light and power business dealt only with the municipal council or the city government. It obtained its franchises from that government. The thinking of the management of the property was confined to the local problems of the city, its legal problems, its social problems, its economic problems."

But he saw the wires pushing beyond the town--outside its power to regulate. There was the Northwest--Stone & Webster
had gone to Seattle before 1900 to re-organize the tottering street railways and electric lighting plants. They had taken over and centralized, expanded them as the city grew; and how it grew, from eighty thousand in 1900 to about two hundred and fifty thousand in 1912! From Seattle they went to Tacoma — North to Bellingham. There was great water power available — why not develop it and unite the utilities — and this was done in the Puget Sound Traction Light and Power Company.

But this passing of the wires outside of the municipalities, across territory and streams over which the municipality had no control, created new problems, legal, social, economic, problems for the state. This he saw, but as yet he was getting only faint hints that this new responsibility for the state would one day be passed on to the nation with even more difficult problems, legal, social and economic, and with quite as great unpreparedness on the part of legislators to handle them.

Truly it was a pioneer field and that at bottom was why he loved it.

Stone & Webster came into the utility field in what may be called the second stage, that is, the franchises of the great cities, New York, Boston, Philadelphia, Chicago, had been acquired while the business was still in its infancy by powerful financiers who controlled capital. The high-handed methods of the early promoters in all these cities are matters of history. There had been no little scandalous exploitation but the open bribery of the first period had very generally passed.
"Not entirely because it was unethical," says Mr. Young, "more because it had been found to be too risky, too raw, in a word did not pay. Your opponent was pretty sure to find out what you had been doing and although he may have done the same thing, to call you into court. That is bribery so common in the earlier years had proved itself poor and dangerous business.

"In these early days when I was on the firing line from 1900 on I do not remember that I was ever directly approached. At that time it was only the old time council men who expected to get something out of a franchise contract. I remember once up in the Northwest that a Norwegian, twenty-five years or more on the town council, came to see me.

"What I want to know, young man," he said, "who is getting the money. There has none come my way. I am going to find out. I have always known before."

"I bristled. 'What do you mean? I said. 'There is no money being distributed and there is not going to be any.'

"Don't talk to me like that," he said disgustedly. 'No franchise was ever given in this town without money passing. It can't be done. What I want to know is who is getting it?'

"But that is my only experience of the kind. The day of bribery in franchises had practically passed."
If bribery had passed there were still many corrupting influences at work which might be in the long run quite as effective as the coarser form of passing out money. Mr. Young's correspondence in these days shows him sensitive to these influences, watchful of them. There was the matter of campaign contributions. A large corporation for which he was an advisor inquired whether it could properly make contributions to the campaign fund of a certain candidate, money to be used, they assured him, for legitimate expenses. If the corporation could not make such contributions could it be made by some of the larger individual stockholders?

"Such contributions," Mr. Young replied, "in substance would be unwise though the law permitted them. As for calling on the larger individual stockholders it does not seem fair to do indirectly in this way what could not be done more directly;"

To a large public utility corporation which had taken over a franchise from its original holder and was considering the dis-continuance of the service which had led to the granting of the franchise in the first place, he wrote,

"The first duty of a Public Service Company is to furnish adequate service to its patrons, and we cannot believe that the original franchise contemplated that the grantees should do less than this."

It must have been in the early days of his connection with the utilities that Mr. Young worked out his theory of the correct handling of crooks, of whom there was probably a more
abundant crop on both the business and the political sides of utilities than now - not but what he must still occasionally have opportunity to practice his technique.

"A crook," says Mr. Young, "is the hardest of men to match. An honest man can't beat a crook. He don't know the game. Try it and boast that you have tricked him and you'll probably soon find he is laughing at you. If you must deal with a crook there is only one possible way of getting the better of him - treat him as if he were an honorable gentleman. Take it for granted he is on the level. He will be so flattered by such treatment that he may answer to it; be proud that some one trusts him."

When Owen Young began his work with public utilities it was almost entirely local as we have seen, that is, it was the single town or city with which he dealt; Stone & Webster dealt with cities of the second class; the largest of those with which Mr. Young was concerned was Minneapolis, where in 1899 his principals had incorporated under the laws of New Jersey the Minneapolis General Electric Company. A few years after the first organization Mr. Young became active in the development of this property. It rapidly grew into a flourishing diversified business doing the entire electric lighting and car business of the city. Here was a situation in which Mr. Young could try out, under limitations of course, his ideas of what ought to be. He seems to have worked freely and joyously. And when early in
in 1912 Stone & Webster decided to sell their interests and
the control of the company passed into other hands he mourned
deeply and sincerely.

To one lawyer in the town who had been his associate
he wrote, "There never has been a .... property to which I
have given so much of my life, or in connection with which I
have made many rare personal friends. We have worked and played
with it together so much that I feel sure it is not boasting to
say that no one knows the strength and weakness - the good
and bad side of this property better than you and I. In fact
I doubt if there were ever such a great property which was known
so well. .... I seem to have a very different feeling towards
the property from any other property with which I have been
connected. I cannot look upon its passing other than with sorrow."

Here was a man who had a personal, even a sentimental
interest in the work he was doing. It was something more than a
professional job with him. It was a thing to which he gave him-
self and its passing left him with a sense of loss, almost
bereavement.

Possibly Mr. Young regretted the more the loss of the
well-organized and comparatively smooth running Minneapolis
property because at the moment he was involved in one of the
tangled situations which had begun to come out of the growth of
transmission lines growth that took in small towns and attracted
rivals in fields which had been comparatively free of competition.
Stone & Webster had undertaken the organization in Dallas, Texas, of what was known as the Dallas Southern Traction Company, and Mr. Young had been busy with the preparatory work involved - the examination of laws and of charters and franchises; the consideration of various forms of organization; the study of possible ways of financing and operating; the drafting and re-drafting of contracts. While this work was going on a neat
competitive problem arose. Stone & Webster concerned themselves, as I have said, only with second class cities - Dallas in this case. The question of a possible extension of the enterprise to other small nearby cities such as Fort Worth was under consideration. Now there had come into the field a company which was looking for still smaller cities and towns to develop. This was the Bond & Share, a General Electric subsidiary. The Bond and Share proposed to develop a surrounding number of towns encircling Dallas. In doing this they necessarily cut across proposed developments of Stone & Webster.

It was not long before the two interests were locked in a bitter struggle and were carrying their troubles to court. What makes the confused situation and the way it was handled important in this narrative is the fact that Owen Young conducted his side of the legal battle so successfully that the attention of the head of the General Electric, Charles A. Coffin, sitting back in his office in New York City, was attracted.

Before the disputes were settled the General Electric was very much alive to the young lawyer from Boston. Mr. John W. Hammond in an unpublished history of the company gives this picture of what happened:

"During this trial Young was not at first conspicuous. The General Electric lawyers did not rate him as a formidable
opponent. They scrutinized curiously his lank, lean figure as he sat slouched down in his chair, "his long legs lost in the shadows of the table." As the trial proceeded, however, he gradually became a commanding personage; not merely physically when he towered before the court on those long legs, his slouch gone, his head erect, but mentally because of his penetrating discernment and his clear-cut effective arguments.

"By the time the trial was over, Owen D. Young was a name to be mentioned with respect among General Electric people, whether executives or lawyers."

But strong as the impression he had made it would hardly have changed the course of his life if at the moment the story reached the ears of Charles Coffin, the head of the General Electric. Coffin had not been looking for a successor to a man who for many years had headed his legal department — Hinsdale Parsons — killed in an automobile accident in April 1912.

Coffin was a good judge of men, but he did not trust to his intuitions alone; he sought the judgment of those who had been close to any man he had under consideration. In Owen Young's case he had excellent sources of information — the best — since on his Board of Directors were Boston men who had known Young from the time he went into Tyler's office. Among them was Gordon Abbott, the present head of the Old Colony Trust Company.
What Mr. Coffin heard from them and other men who had been associated with Mr. Young made him conclude he wanted him, and so it happened that when one day late in the fall of 1912 he learned that Mr. and Mrs. Young were in New York he telephone to their hotel asking Mr. Young to come to the office of the General Electric.

"I am going to get spanked," Mr. Young said laughingly to his wife, for he had in mind a certain recent matter where he had worsted a General Electric lawyer. But when he reached
120 Broadway Mr. Coffin said, "Mr. Young, we want you to take over our law department. We would like to have you come in as a Vice-President in charge of policy."

"I did not hesitate. Very well, I said. You see I knew it would give me a chance to cut loose from the uncongenial law work to which I was tied necessarily for part of the time - the large amount of real estate work that our office had had for years. It was an escape from the mediaeval, a chance to operate in what was still the no man's land of the law."

"What do you want for a salary?" Mr. Coffin asked Mr. Young. "I'll leave that to you," he replied, "but I do not want so much that it will disturb my associates before I prove my worth."

Although the matter was at once settled in Mr. Young's mind he must talk with certain friends. There was Uncle Abe of Van Hornesville who since his father's death in 1906 had been like a father to him. Only a few months before his death in 1931 I heard Uncle Abe, then ninety three years old, give his recollections of what to him was still one of the great events of his life.

"Owen and Jo had come up here for a little visit and we all went to a church supper in Starkville. Owen was very quiet all the way driving over. After supper there was to be
some sort of entertainment, but before it began he took me
by the arm and said, 'Uncle Abe, would you be disappointed if
you didn't hear this entertainment? Would you like to come
out and talk with me?'

"Of course I liked that better - nothing I liked so
well as a chance to talk to him. So we went out and then he
told me how Mr. Coffin had called him down to New York and
offered him a job with the General Electric Company.

"Owen, the thing that interests me is - what has he
offered you?

"Well, I'm making a good deal more than he offered
me but that won't interfere with my taking it."

"We drove back to the house and his mother asked him
what he was talking over with Abe. He replied that he might go
with the General Electric and wanted to have a little talk with
me about it. He said he hadn't made up his mind what he would
do. The next thing I knew Owen called me from Boston, saying he
had decided to go."

He seems not to have debated the matter with Mr. Tyler,
but simply announced his decision, and by this time Mr. Tyler
knew that when his partner made a decision there was little use
to argue. He had never had to complain of a lack of firmness in
him.

How well they had got on together is shown by the nature
of the one grievance Mr. Tyler had long cherished against his
partner and now as the partnership ends is a good time to air it with some illuminating detail. It centered in the fact that Young never lost his temper; never stormed. It was not for lack of provocation, it was not that he was blind to errors, stupidities, neglects, trickery. But these things he handled calmly by a kind of indirection foreign to Mr. Tyler's temperament. Mr. Tyler pounced upon a sinner - shouted - pounded his desk. Returning once from a vacation he found in going over the records of what had been done in his absence that Mr. Young had said to one of their assistants who was a voluminous letter writer, "You seem to be able to write fluently and at length, but you get nowhere."

This mild criticism filled Mr. Tyler with glee. He celebrated by sending flowers to Mrs. Young with this note:

"While I was in the South, your husband sent a memorandum to one of the young men in the office which was really what we call here in New England a bit "spunky." I am inclined to think that his many years of association with me, if continued, may result sometime in his saying something disagreeable to somebody. In view of the fact that I have always said that he had the sweetest and loveliest disposition in the world, I cannot tell you how pleased I am, and I am celebrating it by sending you some flowers."

To his associates in the office his going was a calamity. There are still in the firm those who knew him in one capacity or
another and they talk with affection of his unfailing considera-
tion, his helpfulness if one was in trouble; with pride of his
ability. If there was any reservation in those days in the
mind of anybody in the Tyler office it has been long forgotten.
His present great position in the world has apparently little
or nothing to do with the place he holds in the judgment and in
the hearts of his old associates. The tradition carries on
and the filing clerk of today studing law nights and Sundays tells
you how proud he is to be in a firm of which Owen Young was once
a member.

Interesting analysis of Young as a lawyer are to be
had from his associates still in the Tyler office. There is the
present senior partner of the firm, Burton E. Rames, who came
into the office in 1905 about the time that Mr. Tyler asked
Mr. Young to take over affairs for a year.

"Owen Young," says Mr. Rames, "would get at the root of
a complicated case more quickly and more accurately than any other
man I have ever known. He was resourceful in argument, leaning
always toward compromise; did not get angry. He held that
lawyers owed the duty of adjustment to clients. He is a man of
absolute integrity, high principles, resourceful, unusual power
of analysis and a breadth of view.
"He had great firmness, too. I was absolutely unyielding when he had come to a decision. I remember we were negotiating once with parties in regard to a building where there were numbers of deeds to clear up. Things seemed to be very well straightened out. I went down with Young to look over the property. But one of the men on the other side backed down on one of the issues. "All right," Mr. Young said, "if you are going to stand by what we'll go back and begin all over." He said it quietly - no fireworks but you knew he meant it."

Another member of the present firm, John F. Wright, calls Young "a superb lawyer, one who knew his books and also knew how to use legal tools. Many men know the law but they don't know how to apply it."

Mr. Young's handling of cases was always a satisfaction and an inspiration to Wright. "He did not insist on legal solutions and when he finally came out with his answer to a problem it was so simple that you could not believe your ears. He would dissect a case so carefully that it would be as plain as your nose on your face. I used to enjoy going to him with things that were difficult. He always considered your problem as carefully as if it were his own - was instinctively helpful with everybody."

"Young was never a court pleader. He did not care to plead, but when he did he always attracted attention. He would
have been a great success as a pleader I think, if he had
specialized in it. He came into the Tyler firm in what you
might call an embryonic legal state. He had ideals as well
as knowledge of the law. Tyler was eminently practical and
with him he got the best kind of practical contacts, because
the firm had the highest type of business men as clients.

"The man is one hundred percent good in person and in
profession - wonderful control - always considerate. Success
has not changed him; he is the same man now when he comes
back here as when he went out."

There was no doubt that Owen Young was tremendously
thrilled by the prospect of going with the General Electric.
He was a boy - ten years old! when Thomas Edison had picked
up his little machine works in Brooklyn and carried it off to
the "big flat" near Schenectady, disgusted by the labor troubles
of the town. The marvels of his factory had spread through all
the country; spread to Van Hornesville sixty miles away where
Owen Young lived.

"I had two distinct recollections of the General
Electric Company," he said once. "The fascinating and almost
unbelievable stories which the men who had lived in that
community brought back to us in the grocery store as to the size
of the plant and the sort of things that were being done here.
Electricity was then a new art and the notion that great machines
could move without belts or other visible ties opened my eyes
and mouth with wonder. Naturally, there was a halo of color,
a vision of opportunity around this great enterprise in
Schenectady as limitless as the imagination of abounding youth.

"Some years later I had the privilege of visiting
Albany for the first time, and when from the train the vast
expanse of plant was pointed out to me, it seemed to me the
largest thing in the whole world. Multiplied by imagination,
it seemed much larger to me then than your plant does now,
although we know in fact that it is many, many times greater
now than then.

"Technical education was but little known back in that
country, and I had no one to advise me, otherwise perhaps the
inspiration of this great plant might have led me into a
technical school. I knew only of the career of the lawyer - of
the teacher - and the preacher. One of these I had to choose or
remain on the farm. I chose the law, and many years later when
the opportunity unexpectedly came to join the organization of
the General Electric Company, I welcomed it with all the thrill
which came from my long memories."

"It was a remarkable group of men - which Owen Young
joined in January 1913. Charles A. Coffin at the top of the
General Electric group had been its controlling power since it
came into being in 1892. A shoemaker of Lynn, Massachusetts to
start with, he had in the early '50's come to believe as thoroughly as Edison himself in electricity as the industrial ruler of the future. He determined to ally himself with its development. His friends jeered at his enthusiasm, he was following a will-o'-the-wisp, but Coffin smiled his quiet smile and "bought in" with the first opportunity. The most important of his ventures came in 1883 when he was one of a number of his fellow shoemakers in and about Lynn who undertook to finance a little company of New Britain, Conn., making dynamos and arc lights on the patents of one Elihu Thompson and Edwin J. Houston. The contracts with these inventors left to them the control of all patents. They could have sold -- could have had sound financial backing if they had been willing to give up their control, which Elihu Thompson the active partner refused to do.

The firm was hard up when the installation of their dynamos and lamps brought Thompson to Lynn. Before he left he had made a contract with a "lot of shoemakers" as was jeeringly reported to handle his patents on his terms. Coffin was in the group and nobody there appreciated or sympathized more heartily with Thompson's point of view then he. The laboratory was the heart on which the future of electrical industry depended. It must be free.

The little company -- Thompson-Houston Company -- it was called, which had started in 1883 with a capital of Two Hundred and Fifty Thousand Dollars grew until in 1892 it had increased
its capital to $10,000,000 and its annual profits to $2,700,000. This extraordinary showing was in a large degree due to Coffin's steady faith in the future, his genius as an executor, his understanding and sympathy with the problems of laboratory, factory, selling force.

Competition was never fiercer, never more lawless at times than in the new industry, and the war of patents was continuous. But by 1892 Coffin had to a degree escaped both competition and patent wars by bringing into his aggregation the businesses built on the work of such distinguished inventors as Brush, Van Poole, Sprague.

His two greatest and most relentless competitors remained—the Westinghouse Electrical Company and the Edison General Electric—but in 1891 the Edison interest proposed to Mr. Coffin a merger with him as leader. In April of the next year the merger was made a fact; the two concerns becoming one under the name of the General Electric.

Coffin had continued to regard the laboratory as the heart of the business. Let it cease its pumping and the electrical business would slowly settle down—ossify. Research must be free and where it pointed the way business must have the discernment, the ingenuity and courage to follow. As to what the laboratory should be he had had beside him, directing, deciding, Elihu Thompson and Thompson's most loyal and intelligent associate in the pioneer years of the industry—E. W. Rice.
Mr. Rice had been a pupil of Elihu Thompson in Philadelphia back in the '70's. He had followed him to New Britain - had become his leading engineer. When Charles Coffin had first examined the little New Britain plant - Rice's and enthusiasm - confidence - abounding energy - had captivated him, as Mr. Coffin's sympathy and confidence had captivated Rice. They were natural team mates. Rice had gone to Schenectady in 1892 with Coffin and always his first thought had been that research must be kept alive, free, nourished.

The year of the merger he and Professor Thompson attending a meeting of electrical engineers had heard a man who three years before had arrived in the United States, announce a discovery, the value of which they, perhaps better than any other of his hearers, appreciated.

"We must have him for our laboratories," they had said, and so they annexed and "turned loose" in the plant at Schenectady one Charles P. Steinmetz.

J. W. Hammond, his biographer, says that in 1893 when the panic laid a tightening hand on the General Electric and salaries from Mr. Coffin's down were cut, Rice in making his recommendations for retrenchment wrote after Steinmetz's name - Steinmetz who was doing nobody knew what -

"Charles P. Steinmetz, electrical engineer, no conditions, service indispensable, increased compensation warranted."

This attitude towards research had never wavered. The General Electric laboratory by the time Owen Young entered the
organization was one of the most distinguished and useful in the world. A great body of free men they were, following untrammeled the faintest hints that science vouchsafed; Charles F. Steinmetz, W. R. Whitney, William D. Coolidge, Irving Langmuir and Ernest F. W. Alexanderson.

It is not impossible that Charles Coffin with his far-reaching intuition may have felt that a great institution like the General Electric should have on its board a man charged with research into policy, as Mr. Whitney was charged with the direction of research in science. Might it not be that the relations of business with the world outside the institution should be closer than had been admitted? Could they establish a research laboratory in human industrial relations — in public relations? I do not know that this was in Charles Coffin's mind, when he asked Owen Young to join the company in 1913, but it does look as if what he got was a man who ever since has been in the concern has been laying the foundations of a new department in industry, one in which human relations in the broadest sense, relations to men, to society, to government, to the world, have been subjected to the same patient research as the forces of nature are in Mr. Whitney's laboratory; and out of that research practical inventions for stabilizing, humanizing, pacifying, revivifying industry have come. I doubt if Mr. Coffin saw this in 1912 any more than in 1883 when he, a shoemaker, backed the little Thompson-Houston Company, he saw the giant turbine or the radio.
Whatever he had in mind he turned the newcomer loose in the organization to find his way — a General Electric method.

"Let him show what he can do,"

Mr. Young

Little wonder he was stirred by the opportunity — little wonder that, being a modest man, if a bold one, he took it seriously — was not too sure at first he was succeeding, that they would continue to want him. He had a chance to find that out before the end of his first year when his friend, Thomas Nelson Perkins, a member of the distinguished firm of Boyden Gorham & Ropes (now Ropes, Gray & Perkins) came down to New York to ask him to join them. Mr. Gorham had just died, there was a position there they all felt they would rather have him fill than any man they knew.

"I would like to practice law with you," said Mr. Young, "but if I am making good here I want to stay. I see a lot of things here I think I can do but I don't know yet if they feel about me as I do about them. They ought to know by this time if they want me; if they don't I'll go back to Boston with you."

He put out a feeler which, so it was reported, "upset" Mr. Coffin badly. He had no doubt that something vital, energizing, had been added to his staff. He couldn't let Owen Young go. He promised too much for the future.

What had Owen Young brought to the General Electric that made him so valuable? What beyond the obvious — a mind well trained and well stored by the law — a wide experience in handling
the type of legal problems which beset the General Electric - habits of steady hard work, a willingness to fit in with his fellows - no bumptiousness, no effort to impress, no "new broom" methods.

He was all this, but he might have been all this and the idea of Mr. Coffin not have been upset by his going back to Boston. He would have known that with a little searching he could find a man of these sterling qualities and with legal experience in utilities, if not an experience as widespread and colorful.

Owen Young had something more - a plus. He showed it in his way of getting at things - in his daily relations with his colleagues - in his interests and tastes and his personality. Said one of the men thrown much with him in the early legal work of the General Electric Company: It came like a flash illuminating a face which, if it always has something friendly and approachable in it, does not invite familiarity, does not advertise what is going on behind it.

From the first he interested and surprised his colleagues. There was his interest in everything about the place; his evident determination to know all there was to know, what were they doing? What were their contracts? was his first inquiry. There was his listening, waiting mind which did not act until all the data was in, sifted, related and which then gave out its finding, a decision usually
final with him. It was not a logical document with whereas's and therefore's - a case proved by figures. Not at all. It was something his colleagues felt was intuitive rather than reasoned - a conclusion born of his pondering and though you might by rule and figures prove him wrong you knew he was right!

His fidelity to his decision was unswerving. It might not be accepted by others, but so long as he had the inner sense of its soundness he could not be budged and he had the courage to act on his decision.

Then he was adjuster of difficulties - the accepted method of the day in business was militancy, you fought for what you wanted. There were few pacifists in industry. The General Electric had carried on pretty steady war on all lines. Though Charles Coffin always preferred peace if he could get what he wanted that way, he would fight rather than give up his desire. Owen Young brought in a new technique. A. G. Davis, then the head of the General Electric Patent Department says that in their first cases together he saw that here was a natural negotiator of the first order, and that he has never changed his mind.

"He had ingenuity, patience, good humor," says Mr. Davis: "but his chief quality as a negotiator was that and still is, finding out what the other fellow must have and if possible giving it to him. Generally in attempting settlement people put their demands above what they must have - expect to get - but I
soon found Young had an uncanny way of sensing what was essential to each interest. It was on this he negotiated rather than in what was asked.

If he frequently went outside of facts and figures, trusting to goodwill and his hunches, it was not because he neglected facts. They were the foundation of all his thinking but he must have them full and from all directions. "His colleagues soon found that few men had a store of facts concerning the things he touched equal to his, nor had a better immediate command of their store - and he was always adding.

The first piece of organized work he undertook in the General Electric in 1913 was learning the facts of the business as recorded in the contracts. There were hundreds of them. He had them classified, sifted, and when he took up one he quickly got at its essential details as well as principles and never forgot them.

His attitude towards facts was unusual, his associates discovered. He was always suspecting them, challenging them. The way of his day even more than of our day was to accept facts if they supported your side, your theory and to suspect men.

In any controversy he began by an examination of the facts offered by his side as well as by the other. "Usually," he insisted, "the fault is not the man. It is in the facts he has accepted. First find them out."

While familiarizing himself with the extent and the intricacies of the great business he had entered he demonstrated
at the start his willingness to work with people in the
industrial field outside his own company, to break down the
walls which separated businesses, to laugh at the prevailing
fear that co-operation of any kind might be construed as
conspiracy; to show that as far as he was concerned he was
willing to co-operate in any legitimate undertaking which con-
cerned them all.

Very busy he was, too, this first year in the General
Electric with a question which, now for the first time, had come
seriously to tease him and which has never ceased and probably
never will cease to tease him — the control of water power.

In the early days of his work with Stone & Webster the
public utilities which sought their aid had secured easily the
rights to use local water power. The community was too eager
for electric service to cavil about the right to use their
waters. It was the story of railroad rights-of-way over again.
To satisfy the immediate necessity they were willing to agree
to whatever the company approaching them asked. But the wisdom
and justice of this policy had been sharply challenged. The
challenge had spread from the disinterested and well-informed
believers in keeping all natural resources under the control of
the people, to politicians who often unfortunately saw only a
popular issue in the subject, who handled it without knowledge
of the historical background — the growing body of regulating
laws or the complications which beset any arrangement which
attempted to protect public rights on terms which would make it possible for an investing public to give the general public the service in street railways, lights and powers which it was demanding. It was a complex matter which was in danger of being turned into a tug-of-war by those who were treating it as if it were simple - only one thing to do - the thing in which they believed.

For us here it is only to note that from the first of his connection with the General Electric, Owen Young was actively watching developments in the great water power struggle and fitting them into the great mass of data about the handling of water power gathered in his years of experience in north, south, east and west. His active connections with the movement was to come later.

Much more important at this time was his discovery that the General Electric laboring body was nervous and threatening and that there was apparently no method of peaceful settlement of difficulties had been attempted. One side made demands the other yielded or fought - a war basis. This was unintelligent, he said to himself. It was a human relation, this of men and management, and should be so treated. At all events it was his business as the vice president in charge of policy to see what could be done. The General Electric had no industrial relations policy. Could it develop one?
Up to this time, 1915, Owen Young had never had any occasion to consider labor problems. His experience with public utilities had touched a large variety of problems, political, social, economic, but never labor.

It was a fortunate moment for a mind like his to begin considering industrial relations, for experiments were going on from one end of the land to the other directed to putting an end to what public opinion and enlightened employers agreed were intolerable abuses. New principles were replacing old superstitions, intelligent scientific methods of operation were replacing rules-of-thumb, that is, the foundation of a broad national industrial relations policy was being laid. It was clear the day of building would come sooner or later.

Plenty of challenging problems Owen Young found at the start of his connection with the General Electric. And he would have gone far with them if it had not been that in August of 1914 the General Electric, like all the industries of the country, was temporarily stunned by the beginning of the Great War.