EXECUTIVE OFFICES

RESTRICTED

Spotlight On:

New Rules to Help Jews Unlock Executive Suites

BY PATRICK OWENS
Free Press Labor Writer

UNCLE SAM can, if he puts his heart in it, deck a Negro in the white shirt of a production foreman.

Does he also hold a key that can unlock doors to executive suites for Jews and Catholics?

Uncle Sam plans to try.

In the next few weeks, the U.S. Labor Department will announce its program for finding and deterring religious prejudice in the hiring and promotion practices of government contract holders.

Federal contracts are such a big part of American commerce and industry that the new rules will touch most of the country's major employers.

A mountain of evidence supports claims that Jews and, far less often, Catholics are denied executive jobs and promotions because of religious bias.

The American Jewish Committee, which triggered the impending federal action with a complaint to Labor Secretary W. Willard Wirtz, cites such findings as:

- The existence of eight Jews among the 755 top officers of the nation's 50 largest utilities companies.
- The contrast between a 12 to 15 percent Jewish enrollment in the Harvard Business School and a 6 percent enrollment in the Business School's Advanced Management Program, for which American business taps only its brightest prospects for high corporate office.
- Another Harvard Business School finding that 80 of 300 executive recruiters who work college campuses hire only Protestants.

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THE NEW federal effort will also be important for two other reasons:

1. The challenges to federal ingenuity that it poses and the dangers of control over business and industry that are implicit in any effort to give the federal government any sort of a role in the picking of top business officials.

2. Executive suite religious discrimination is a test of the American commitment to the idea of equal opportunity without the trimmings of the Negro's quest for social justice.

The Negro lives in poverty, offers a potentially explosive threat to the American social order, rebukes his white brethren with a legacy of physical bondage and white-imposed educational handicaps.

The Jew has suffered discrimination in America, too, but it has been less physical and he has more successfully surmounted it.

There is no danger that he will, any time soon, storm city hall in his own behalf.

And he is, on the average, at least as affluent as other people. (One study found that American Jews were about as well-to-do as Episcopalians and Presbyterians, the economic upper crust of American Protestantism, although Jews are more heavily concentrated in the middle class, less often poor or extremely affluent.)
The American Jewish Committee, Institute of Human Relations, 165 East 56 Street, New York, N.Y. 10022

THE AMERICAN, Jewish Committee's position is that the big issue in executive discrimination is the hub of the whole equality of opportunity proposition: the right of any individual, whatever his race or religion, to compete on equal grounds in any field.

Says Leonard Gordon, AJC's Michigan director, of Detroit's 80,000 Jews: "Take the last generation; maybe 20 percent have gone to college. Now it's 70 percent. They are doing very well, but that's not the point. "As long as there are significant areas that block out any group of people on grounds that have nothing to do with merit, you have a very unhealthy situation; you deny individuals the right to achieve their potential, and you deny the society the fullest talents of all its people."

Beyond this, many experts are concerned about the concentration of business and industry in fewer and fewer hands, and the threat this concentration poses to Jews and other religious outsiders.

In 1962, the Anti-Defamation League of B'nai B'rith estimated that 328 of the 51,000 white collar, professional and executive personnel in the Big Three auto companies were Jewish.

**THE LEAGUE commented:**
One of the important trends noted by economists and sociologists indicates that the days of the small family business are numbered. In Detroit, where 50 percent of all Jews (who work) are self-employed (as compared with 19 percent of the general population), the great majority are engaged in small family type enterprises or retail establishments with a few employees. "... The economic future of Jews, as of all other Americans, lies more and more with the large corporate enterprises."

AJC wants avenues of opportunity opened to Catholics, too, but has not so far had much public support from Catholic civil rights leaders. One reason is that there is widespread acceptance of Catholics in firms that hire few Jewish executives. There is also a question of priorities.

Thomas Gibson of Chicago, director of the Employment Services Department of the Catholic Conference for Inter-racial Justice, cited the exclusion of Catholics from the upper levels of many insurance firms. But he commented: "We feel that by breaking down discrimination against those who are hurt the most by it, we will benefit the majority, and that includes today the Negro and then the Spanish-speaking American."

**THIS SAME emphasis can be found in some Jewish groups. Richard H. Lobenthal, Detroit-area director of the Anti-Defamation League, says of executive-suite discrimination: "We would consider it important, but not the priority item."

Government action is needed, Lobenthal adds, but it's a question of what resources the federal government has to battle discrimination and how these should be deployed.

AJC's position is that it wants religious discrimination given top priority but that it doesn't want it squeezed out of the federal anti-discrimination effort now coming into existence.

AJC complained to Wirtz that the President's Committee on Equal Employment Opportunity had failed to require corporate reporting on religious hiring, even though the presidential executive order setting up the committee had specified religious as well as racial bias. AJC argued that the neglect of religious discrimination by a federal agency set up to fight it could be taken as federal sanction of such discrimination.

**THE PRESIDENT'S committee has now been abolished. Its job of fighting discrimination among federal contractors has been turned over to Wirtz and the Labor Department.**

Edward C. Sylvester Jr., the Detroit who heads up the Labor Department's anti-bias campaign as director of the Office of Federal Contract Compliance, said last week: "There is no question that religion is covered in the framework of the executive order. The question now is how we'll proceed."

AJC wants a policy statement that religious discrimination is the federal government's business; wants all government agencies handling contracts to be required to report on the nature and extent of religious discrimination among their contractors; wants staff people assigned to deal with the problem; and wants reports on race required of contractors amended to cover "discrimination in management jobs based on religion."

There are indications that discrimination against Negroes will continue the priority problem but that the Labor Department will do what it can about religious discrimination within the framework of this broader gauge effort.

**GORDON of AJC is one of many experts who think that discrimination against Jews often takes place in spite of the feelings of top corporate officers, not because of it.**

"If Secretary Wirtz simply says that contracts will go only to those who do not discriminate, that will open doors and create situations where progress can be made," he contended. He foresees a federal statement triggering many forceful statements of corporate policy.

But it isn't enough simply to change policy, or even attitudes, Gordon stresses. He argues that active efforts will be needed to recruit Jews for executive jobs if the pattern of exclusion is to be eliminated.

He thinks much exclusion is by third parties—employment agencies, for example—and says these often operate on outdated presumptions about the biases of the firms they screen job hunters for.

Lobenthal generally agrees with this view but he adds: "Let's face it. I think there is still a lot of overt, direct discrimination."

Gordon says the problem of discrimination in executive hiring is inseparable from the problem of anti-Jewish bias in housing and social clubs.

**GORDON and Lobenthal both picture Detroit and other American cities as excluding Jews, and often Catholics, from many of the "best" neighborhoods and from most of the "best" clubs and other social organizations.**

"When somebody goes to hire an executive, he looks around at who he knows," Lobenthal says. "If Jews don't live in his neighborhood or belong to his clubs, he doesn't think of hiring them."

But what about the dangers of federal interference in vital management prerogatives?

Lobenthal cites but declines to name a Michigan utility with 102 employees in the $18,000 bracket, none of them Jews.

"I believe it would be improper for the government to say, 'This guy should get the job,' he says. "I think it would be proper for the government to say, 'Now look, you guys have 102 people in $18,000 jobs, and no Jews. And then ask them what they're going to do about it.'"

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Detroit Free Press

SUNDAY, NOVEMBER 28, 1965