The Emergence of Corporate Paternalism

It is manifest that relations between labor and capital are seriously strained. Even when these relations are not marked by an occasional outbreak, there is still a sort of passive antagonism between the employer and the employee, the force that operates upon them mutually is a repulsive one, and this is due in great measure to the fact that conditions have conspired to array their respective sympathies in opposite sides of the great questions that concern them individually and mutually. This is particularly noticeable in the case of corporations and their employees. In such terms the editor of a local Binghamton newspaper summarized the status of labor-management relations in the 1890s. The rapid rise of a huge and impersonal industrial order in the late nineteenth and early twentieth centuries and the often violent reactions that it engendered had begun to challenge Americans' facile adherence to laissez-faire doctrines. Social mobility ideologies, which replaced the traditional Jeffersonian ideals of land independence, and the free yeoman farmer, strained against the sour realities of late nineteenth-century capitalism. Increasingly, the Sumnerian version of capitalism practiced by many industrialists came to be questioned by a growing number of social critics, theologians, and enlightened businessmen who feared the destruction of America's social fabric.

This was not the first time that custodians of social morality had questioned a capitalism devoid of social responsibility. Nor was it the first time that business expedience, class societies, and social control combined to produce industrial paternalism. From the 1790s, when Samuel Slater first established his mill in Pawtucket, Rhode Island, American industrialists had adopted various paternalistic schemes to make their mills and factories more palatable to both hesitant laborers and social critics. Hence, Samuel Slater operated a Sunday school and hired a teacher in order to recruit young workers to his Rhode Island mill. The Merrimack Manufacturing Company built a school, a church, and a hospital to attract young women into its mills in Lowell, Massachusetts. Inexpensive housing was provided for operatives by numerous
New England industrialists confronted with problems of labor recruitment, retention, and "moral supervision." During a period characterized by concern over the preservation of America's fragile agrarian, republican heritage, the demonic products of industrial growth—proletarianization and class conflict—could only be avoided by humanizing industry. When, in the latter decades of the nineteenth century, a similar concern over the uncontrolable forces of industry arose, it was not kindled by the initial birth pangs of industrialization but by its coming of age. The strike wave of 1877 and the ensuing labor struggles of the next two decades led many industrialists such as George Pullman, Harold McCormick, John H. Patterson, William Cooper Procter, Frederick R. Hazard, and Henry John Heinz to question prevailing labor-management practices. They began experimenting with industrial reforms aimed at alleviating labor conflict, improving worker morale, and cultivating employee loyalty. They raised wages, instituted profit sharing, adopted medical and relief programs, built homes and recreation facilities for their workers; and thus they initiated a reorientation of industrial capitalism, one destined to lead to welfare capitalism.

Among the early industrial pioneers who ventured into corporate paternalism were the founding officers of the Endicott Johnson Corporation. The early history of the firm mirrored the experiences of hundreds of manufacturers who confronted a work force slow to yield to industrial discipline. Management's adoption of various paternalistic solutions, at first cynically and halfheartedly, suggests a variety of motives—personal, structural, pragmatic, and defensive. But underlying them all was the fear of class conflict. The emergence of corporate paternalism was ultimately a product of conflict, at once a result of and a response to the struggle for control of the means and fruits of industrial capitalism.

In 1888 G. Harry Lester, Binghamton's most prominent shoe manufacturer, decided to build a new factory two miles west of the city. Most likely, his decision to relocate outside the small Broome County metropolis was based on such financial considerations as avoidance of burdensome city taxes and the hope of profiting from land sales of inflated property—inflated by the mere presence of his factory. But labor relations also played a part in Lester's calculations, for he intended to construct more than a factory; he aimed to build an industrial village. The Binghamton press, in both descriptive reports and promotional advertisements, praised the civic and moral qualities inherent in Lester's planned community. Here would be a modest population of workers, living in a community controlled by a well-respected capitalist determined to provide the benefits and guidance of a middle-class life to his operatives. It would be "Real Philanthropy," one newspaper headline sug-
garded, a community from which the harsher elements of modern urban and industrial life would be eliminated. No liquor would be sold. A library, reading room, and public hall were to be provided for the workers. Low-cost housing, food, and fuel would also be made available.5

Themes of paternalism, security, civility and safety, and a disdain for the worst qualities of urban living and the harsh realities of a market economy inclined to characterize newspaper descriptions of Lester's planned town. These were common themes in the latter part of the nineteenth century in the writings of social critics and moralists and reflect considerable anxiety over the social costs of a rapidly expanding industrial order. Not surprisingly, such concerns provoked interest in models of alternative industrial communities, which sometimes took the shape of "ideal" villages, like Pullman's famed town. In practice, however, what emerged from these experiments with utopias were factory towns—small, gray, lifeless communities, created and dominated by visions of wealth, power, or misguided patriarchy.6

Lester's community, although seemingly striving for utopian ideals, in practice came to resemble the typical factory town. His much-publicized "philanthropy" came too naively; there would be no amenities for his workers. In 1891 Lester had an agent buy several parcels of land in the vicinity of his planned community, where he himself acquired additional acreage. He quickly had the tract surveyed, parcelized, and laid out as a village, and he began construction of a spacious home for himself. Lester also arranged for a number of well-publicized land auctions, directed at both workers and "investors."7 To attract merchants and professionals, and the well-to-do middle class in general, it was necessary to convince Birmingham's finest that the new village of Lester-Shire would not go the way of many boom towns, with their rough and undisciplined working class. These fears were addressed in advertisements that described the "steady," "industrious," and "intelligent" qualities of the shoe firm's labor force.8 To attract the still-hesitant investors, Lester used other methods that soon put the lie to any idealistic features his schemes might have had:

About the first thing that Harry Lester undertook to do, when he came to Lester-Shire and built the factory and wanted to sell lots, was to promise work to those who would come and buy lots of his real estate agent. He then undertook to compel working people to patronize stores and hire houses which had been built by 2000 people who were induced to come there, under the promise that they would be protected in that way.9

Indeed, the authoritarian aspects of Lester's community were soon demonstrated. In September 1891 a number of men employed by the Lester-Shire Factory were discharged. Local papers reported their number at anywhere from thirty-five to a hundred and noted that the men asserted they were "discharged because they do not own property in Lester-Shire." Here, as in other ex-
Lester’s further quest for quick profits and the immense expense of his project soon led him to seek additional capital and ultimately culminated in the transformation of what had been a family business into a stock company. In March 1890 local papers announced that the shoe firm, including land and factory, would be purchased by a syndicate and would be reorganized as the Lester-Shire Boot and Shoe Company. Lester and Company, however, retained control of the factory’s jobbing trade, and Lester himself remained at the helm of the newly organized manufacturing firm.

But a safe investment was not to be had in Lester-Shire. Almost immediately, the syndicate’s fortunes were imperiled. The Lester-Shire Boot and Shoe Company had looked forward to a period of rapid expansion. Instead, it confronted the depression of 1893, which came early to the shoe town. The anticipation of continuing rapid growth, one that the firm had grown accustomed to through the eighties, was not fulfilled. Orders decreased, and the work force, which had swelled from 95 in 1880 to a high of about 475 in 1890, began to decline. In the winter of 1891–92 the firm, under severe financial pressure, was forced into a second reorganization. On January 11, 1892, the Lester-Shire Manufacturing Company, the new name of the firm, assumed control of the jobbing trade, real estate, and factory of the two former firms. Financed by large western shoe jobbers as well as by several Boston businessman, the company was able to weather temporarily very lean times. Yet that summer it faced still another financial crisis. This time the business was on the verge of total collapse. Only the hasty salvage operation of Henry B. Endicott of Boston, a major stockholder and head of the Commonwealth Shoe and Leather Company, was able to save it. Once again the firm was reorganized, with Endicott as treasurer. George F. Johnson, who had been the factory’s assistant superintendent since 1887 and who had recently been chosen by Lester to replace his unsuccessful general manager, was retained by Endicott and was left to manage the firm.

While organizational changes were transforming the financial and managerial leadership of the firm, even more radical changes were taking place within the factory. When Lester removed his manufacturing enterprise to what became Lester-Shire, he did more than merely transplant production from one building to another. He added a considerable amount of new technology, vastly increased the size of the factory, and structured it in ways that streamlined and rationalized production. Such transformations of the workplace had a profound impact on the firm’s employees and introduced new challenges to managerial control.
Four hundred feet long, fifty feet wide, and three stories in height, the new factory cast a wide shadow over the valley in which it stood. Its long and narrow design provided for maximum entry of sunlight into the various workshops. Although it was built of wood, brick partitions divided it into three sections. A large 225 horsepower Corliss engine provided power for the factory's extensive and varied collection of machinery, and a smaller 50 horsepower generator furnished power for its 600 incandescent lights. No longer would workers need to finish their own oil lamps, as they had at the Binghamton factory. A contemporary description of the new factory and its various departments captures the physical and functional integration of workshops and offers us a glimpse into the working world of late nineteenth-century shoe workers.

On the top floor in the west section of the building is the cutting room, where everything in the line of uppers is cut into the forms desired. In this department . . . there are twenty-eight cutting stalls, in which employees are kept busy from seven til eight. After leaving the cutters' hands, the pieces are sorted into grades and cases. In the southwest corner of this room is the big freight elevator running from the top of the building down to the cellar and on which the heavy rolls of leather and the cases ready for shipment are hoisted and lowered. The middle section of this floor is devoted to the compounding department where the uppers for boots are crimped into shape and which requires the services of fifty employees. In the east section is the stitching department where a large number of men and women are constantly engaged at numerous Singer and National sewing machines and all the Thompson etching machines. The pasting and trimming of the different parts of the boots and shoes is also done in the center of this room.

In the east section of the middle floor is the finishing room where the manufactured goods are brought for the finishing touch. In the middle section is the shoe-removal department where the uppers are finished and in the west section is the packing and shipping department. . . . On the first floor is the sole leather department where the soles for the boots and shoes are cut into shape by two Parsons, two Peace and three Hawkins machines. About 7000 pounds of leather are cut into shape every day. After being cut into form the soles are sorted into grades and sizes and properly labeled. . . . Here also the heels for the boots and shoes are made up. After being cut into shape by machines and by hand they are put through a compressing machine which exerts a compression of a seventy-five-ton weight. In this department there are also machines for nailing and pegging the heels which are invariable specimens of mechanical arts.

The lacing department occupies the middle section of the first floor. In this there are twenty lacing machines and a large force of workmen is badly employed. In the east section is the bottoming department . . . . Here the work is facilitated by three New Era machines, seventeen
Varnish pegging machines and four Rapid heelers. These complicated machines perform their work with lightning rapidity.  

This "veritable bee hive of industry," as the Binghamton Republican referred to it, functioned as a human magnet, drawing workers from surrounding rural counties and from the coal-mining regions of Pennsylvania. The general decline of Northeastern agriculture in the latter decades of the century, manifested locally by the abandonment of upland farms along the Susquehanna and Chenango valleys, greatly contributed to the influx of laborers. A long strike or slack work at the coal mines also sent forth a stream of out-migrants, and the Lester-Shire Factory was one of their many destinations.

When the factory opened in the winter of 1889-90, hundreds of workers crowded into the village, all dying for work. Giant Chambers was out of them. He cared for the community from Livingston County, a rural, central New York county lying just to the south of Rochester, a region typified by small farming communities. Along with him came his brother and sister and five of his neighbors, young men and women, all of them attracted by the opening of the new shoe factory. Chambers later recalled the arrival of these eager rural migrants: "We reported to the factory office on Dec. 2 [1889], ready for work, but were told that there were 1,500 applications ahead of us and that we would have to take our turn. ... The shoe company had advertised for 5,000 men and women to learn to be shoemakers, when they needed not more than 300. The result was that the community was filled with ... young people looking for a job."11

A large number of workers who entered the Lester-Shire factory in the 1890s probably resembled Chambers and his band: young, recently arrived, from a rural background. Data from the 1892 New York State census from the 1900 federal census, and from city directories confirm this. Of the 193 shoe-workers counted in the 1892 New York census in the township of Union (most of whom resided in Lester-Shire), 60 percent were twenty-nine or younger. Furthermore, reflecting their recent arrival, a substantial number of Binghamton and Lester-Shire shoeworkers lived in transitional accommodations. Of the 216 shoe- and bootmakers listed in the 1892 Binghamton directory (which also included Lester-Shire), 44 percent were boarders, up from 12 percent in 1880. While most of the workers were drawn from within the state in the 1890s, a growing number were coming in from Pennsylvania, which by only seven miles to the south of the village. Occasional county-of-birth entries in the 1900 federal manuscript census suggest their rural background. Toward the latter part of the 1890s, immigrants from Italy, Hungary, Austria, and Russia began thickening into the factory. Their numbers, however, would not significantly swell the factory labor force until the first and second decades of the new century. Among the new workers flocking into the factory were many young
women. While employment of women had been increasing in the 1880s, it was the opening of the new factory that led to a dramatic rise in their numbers. Between 1889 and 1890, when the new factory opened, female employment more than doubled, increasing from 50 to 125 (from 12 percent to 26 percent of the work force). Improvements in productivity in various departments of the shoe factory created a need for additional stitching-machine operators. But the growing importance of women-workers also represented an expansion of the sexual division of labor within the factory. Indeed, women took over many of the unskilled, monotonous, and low-paying jobs, working not only as stitching-machine operators (a traditionally female domain) but also as lining makers, head blockers and graders, and finishing room workers. Once entrenched, women continued to figure prominently in the labor force.

Most of the recently arrived Luster-Shire workers were not skilled and probably had little experience either in shoe making or in general factory work. When they entered the new plant, they confronted an unfamiliar landscape. Their integration into a factory environment involved a radical re-education, a transformation of their perceptions and habits of work. The physical reconstruction of work, expressed concretely in the national design and mechanical enhancements of the new factory, required the psychological reconstruction of workers. The casual pace of traditional and rural laboring habits would be transformed into the disciplined rhythms of hundreds of men and women whose labors were increasingly becoming mechanically dependent on one another's timing and efficiency. Such a process, as Herbert Gutman has detailed, did not occur overnight. Nor was the internalization of "industrial time" and the adjustment to factory regimentation ever entirely accomplished. New workers brought with them old ideas about work and time; old workers manipulated "industrial time" to their own needs. Even while workers learned the rules of mass-production labor in the Luster-Shire Factory, they had opportunities to bend these rules to their own whims. A shoeworker later recalled such an instance:

When the first real spring days came "Dory" would mount the bench and shout, "All in favor of laying off today say Aye." . . . The proposition was always carried and the men would lay off for the balance of the day . . . This "laying off" was no great loss for "full time" was not known and the length of the "run" determined by the amount of orders, and as there always was a dull period in the summer, laying off occasionally in the spring simply prolonged the working season.

While such demonstrations of autonomy strained heavily against the dictates of efficiency and gradually faded into oblivion, they were replaced by other, more modern forms of industrial resistance. The increasing numbers of young, female, and relatively new workers, as well as changes taking place within the factory, signaled the emergence of a
fully developed factory system, one becoming ever less dependent on the artisanal order of the past. In the 1880s the nature of work in the Lester Factory had been a mixture of skilled or semiskilled, partially mechanized ‘hand labor and relatively unskilled, heavily mechanized labor.’ The process of mechanization rapidly progressed once the firm moved to Lester-Shire. But when the first weaving machines were introduced into the new factory, management did face some obstacles. One worker recalled how he hesitated to go on the machine “because in those days the workers rather looked upon machinery as an experiment, and also as taking their places.” Jobs that had formerly required substantial skills were continually segmented into relatively unskilled operations. Of course, there remained artisanal bastions that were relatively untouched by mechanization or that retained important components of skill in spite of technological changes. This was true of cutters, lasers, outsole stitchers, teers, and various other skilled workers. They developed work cultures that remained quite strong through the first few decades of the twentieth century. It was among such workers that resistance to managerial prerogatives would become most pronounced.

III
Symptomatic of the new industrial order emerging in Lester-Shire was a growing distance between operatives and managers. The sheer size of the enterprise, the impersonal quality of factory relations, and the bureaucratization of rural workers widened the gap. Nor did Lester’s exploitation of his workers foster good labor-management relations. All these factors, further exacerbated by a depressed economy and the seasonal unemployment that was gant and parcel of the shoe industry, meant a precarious existence for the firm’s employees. Hiring and firing were entirely in the hands of foremen in those years, subject to their whims and not open to appeal. No payroll office existed. The pace of work varied with the season. An influx of orders during the busy season, particularly in the early spring, might mean as many as fifteen to eighteen hours of work a day. But when orders declined, the hours of work were cut drastically—and, of course, so was income. Not surprisingly, under such conditions some of the firm’s employees became receptive to unionizing.

Early organizing efforts among the shoeworkers began in the summer of 1890, in the wake of a major Binghamton cigarworkers’ strike. Two thousand cigarworkers had left their benches, demanding the reissue of wage reductions introduced in the previous year. These 2,000 workers, most not unionized, amounted to one-fifth of Binghamton’s entire labor force. The four-month strike was the longest and most serious labor protest in Binghamton’s history, stimulating intense anti-bowler animosities within the community. And the militancy of the city’s cigarworkers was contagious.
In early August 1890, while the strike was still raging in Binghamton, a delegation of striking workers, invited to Lester-Shire by sympathetic shoe-workers, arrived in the village to solicit strike funds and petition signatures. They stood at the factory gates during the noon hour accosting departing workers. A foreman confronted the delegation and ordered them to leave the village "or they would be arrested." The company's control over the village, by virtue of almost local ownership of the land, gave force to his threat. The firm's hostility to the delegation was motivated not only by a feeling of solidarity with Binghamton's cigar manufacturers but also by anxiety over the possible spread of worker activism to its own workers. With good reason: on August 2, in a report on the progress of the strike, the Democratic Daily Leader noted that "the pulse of the organization has already begun to quicken through the body of labor in this city. Quite a successful attempt is being made to organize the shoemakers, whose condition it is well known is even worse in the way of wages and working rules than those of the cigar makers."  

The cigar makers' strike was a catalyst for labor organizing, although the defeat of the strike in the latter summer of 1890 demoralized the strikers and their comrades and slowed progress in unionizing the shoe workers. Yet the class feelings and activist spirit that was ignited did have an impact on disgruntled shoemakers, for in September 1891, on Labor Day, about sixty shoe workers participated in the annual Labor Day parade, marching along with the organized trades of the city. Slow but persistent organizing efforts finally culminated in the formation of a small union local in Binghamton in 1893, with officers drawn from the Lester-Shire Factory. Unfortunately, few union records survive to give us the inside story of Local 120's arrival and organizing attempts in Binghamton and Lester-Shire.

The local belonged to the Boot and Shoe Workers International Union, the latter recently formed as a result of a major battle waged within the Knights of Labor over the issue of organizational strategies and structure. Advocates of mixed trade assemblies found themselves opposed by trade unionists seeking the formation of national trade assemblies. The trade union faction lost, thus leading to the fracturing of the Knights of Labor. The battle over organizational strategies had major ideological implications for the labor movement as a whole. It was a central element in the division between the American Federation of Labor (AFL) and the Knights.

Tensions between advocates of mixed locals and proponents of trade unions finally came to a head in 1889, when Henry J. Slazengoff, leader of the trade union faction, called upon shoe workers who were members of District Assembly 216, which had been a de facto national trade union, to surrender their Knights of Labor charters and to form their own separate union. The first convention of what came to be known as the Boot and Shoe Workers International Union (BSWU) was held in Boston in 1889. A later amalgamation with two other shoeworkers' unions led to the formation of the Boot and Shoe...
Workers' Union (BSWU) in 1895. Both the BSWI and the BSWU became members of the AFL.34

The formal organization of Local 120 (later changed to Local 42 after the formation of the BSWU) was soon followed by the initiation of major wage and managerial reforms by George F. Johnson, the Lestershire Manufacturing Company's new superintendent. He introduced a piece wage system to a factory that had employed mostly daily or hourly wages. Piece rates had been applied in only a select number of jobs, generally skilled handwork. In extending it to both machine and handwork, Johnson believed that productivity would be greatly increased as a result of the built-in incentive.35 Johnson also began to cut costs by eliminating middlemen wherever he could and by undertaking a more aggressive selling strategy. Wage reforms, drastic cost-cutting measures, and aggressive selling paid off, successfully turning around the financial condition of the factory and helping it weather a national depression.36 Indeed, job opportunities even expanded as the firm began an early recovery from the depression.37

Initially, Johnson's new wage and factory policies were well received by the workers. Johnson had surely anticipated this when he initiated his reforms. Wages (and productivity) increased dramatically.38 Even officials of Local 120 acknowledged the improved employment conditions when they reported to state officials on the status of the workers in 1894: "At the time the union was formed the boot and shoe workers were employed by the day, and the wages ranged from $6 to $12 a week. It is all piece-work now, and the weekly earnings run from $7 to $18. We average 11 months' work in a year."

Unfortunately, whatever satisfaction the union or the firm's workers obtained from the new superintendent's factory reforms was short-lived. Johnson came to realize that he had opened up a Pandora's box with his introduction of piecework. Wages had risen far faster and far higher than he had anticipated. He was placed in a typical managerial predicament: "Whenever piece work was introduced and workers began to receive significantly higher pay than they had under the day wage system, the manufacturer was tempted to cut the rate so the wage earners, though producing more, would earn approximately what they had under day work."39 Johnson began to lower wages selectively. Ironically, the very piece rate system that had led to wage increases also served to decrease the workers' power to defend their gains. Piece rates functioned both as incentives for increased production and as divisive forces within the factory. They emphasized the divisions between fast workers and slow, experienced workers and inexperienced, older craft workers and "green hands." The union would find it difficult to unite workers who equated just remuneration with individual effort.40

Johnson, engrossed in his drive to streamline production and increase worker efficiency, soon came into conflict with none of the company's skilled workers who were attempting to defend both wage gains and the traditional
work practices that his reforms were challenging. Near the end of February 1894, the general manager, claiming a need to economize during the slack season, fired an employee who delivered lasts to lasters. This action forced the men to fetch their own lasts, which resulted in an effective reduction of their piece rates by one or two cents a case. Failing to convince Johnson to rehire the man, several dozen lasters went out on strike. Johnson explained his version of the events to a reporter from the *Binghamton Republican* who went out to Lester-Shire to investigate the matter.

We have always employed a man, whom the lasters call a waiter, to bring lasts, and have paid him two cents a case. On Monday we laid him off. This was done to avoid cutting down the wages of those employed as nearly all other concerns are doing. Business is very dull and this is sample season, and owing to the hard times we have found it necessary to economize in every possible way. This cannot be construed into a cut of two cents a case, as it is a very common occurrence to see lasters sitting idle waiting for the waiter to bring lasts, when they might just as well have got up and fetched their lasts themselves.42

As soon as the lasters walked off their jobs, union organizers quickly stepped in with their support and encouraged other workers to join the strike. The fitters, peggers, and trimmers, as well as the screen, heelers, and trimming machine operators, walked off their jobs in support of the lasters, demonstrating a worker solidarity that transcended craft lines. But other workers, in particular the stitchers and cutters, did not. The strike was initially effective. It brought to a near standstill the entire factory work force. Only three lastling machines remained in operation. To maintain production the firm began recruiting workers at Binghamton to replace striking workers. In response allies among Binghamton's organized trades held a meeting on the evening of March 1 in Cigarmaker's Hall and issued resolutions of sympathy with the lasters: "Resolved, that we are in hearty sympathy with the employes of the Lester-Shire Boot and Shoe Company, who are now resisting an unnecessary reduction of 50 cents per man a day, that we pledge ourselves to aid them in their struggle to the best of our ability and call upon organized labor of this city to join us in such support."43

Resolutions of sympathy, however, were powerless against the determina-
tion of management; the lasters' strike was short-lived. Mention of the strike disappeared just as suddenly as it had appeared. Strikers soon began returning to work, and there seems to have been plenty of eager workers around, victims of the 1893 depression, who were desperate for jobs. There was probably more than a little truth in Johnson's version of the end of the strike: "They have now been out two days and several of them are applying for their old places again. The fact that these men went out makes no difference with the other employes, who do not sympathize with them. Over fifty persons applied to-day for the places of the men who are out."44
Johnson continued making adjustments in piece rates through the rest of the 1890s, provoking repeated resistance from his workers. In late winter of 1895, price reductions went into effect throughout the factory. Workers complained that the reductions cost them anywhere between twenty-five and seventy cents on a day's work. Furthermore, they accused the company of maintaining an arbitrary fitting system for damaged work, with fines as high as twenty-five to fifty cents deducted from workers' pay. Workers claimed that they had "known of cases where an employee[had] been charged 25 cents and 30 cents for putting a buckle on a shoe wrong, and the shoe has been put in the case and sent with the rest of the case, showing that it was no damage to the firm at all."45 For a worker making only four dollars a week, as some were, such fines constituted a heavy burden.

Management tried to convince workers that slack business made price reductions necessary. The usual strategy of the firm was not to make general rate cuts, which would be collectively felt and perhaps collectively resisted. Instead, Johnson selectively reduced rates when he felt he could do so without provoking rebellion. Such reductions tended to hit hardest at the skilled workers, particularly the cutters and lasters whose work was the least mechanized. Cutting was still entirely a hand operation, and, while cutting machines were being introduced in the 1890s, it nonetheless required a considerable amount of skill and judgment to operate them without damaging the upper.46 Since their wages constituted a high percentage of the cost of a shoe, cutters and lasters were prime targets for price cuts.

In 1897, when a reduction in wage scales reached the cutting room, a number of men rebelled and left their cutting stalls. Their rates had been reduced from fifteen to twelve dollars per week. When interviewed by a local reporter, superintendent Johnson explained his version of what had occurred.

We have made one or two changes in the scale of prices, due to the introduction of machinery. In fact we are constantly raising or lowering prices as conditions change. There was no dissension [sic] until the cutting room was reached. We decided that some of the men were getting more pay than they earned, the men being paid by the day in that department. We cut them and the men left work. This made the men think that the cut was general, and until they had the matter explained to them they asked strike.47

Johnson's selective reduction prevented collective action. Once the "cutters learned . . . that only the men notified were affected by the reduction they went to work as usual." Meanwhile, one of the striking workers sent an advertisement to bonus papers notifying cutters there to stay away from Leicester, an act that surely aroused the anger of Johnson, as it put "the Leicestershire factory in a bad light among shoe jobbers and the trade in gen-
..." Perhaps his departure for Boston two days later, on August 4, was motivated by his determination to set things right with Boston merchants. Although Johnson continually faced price rebellions from his workers, by 1895 he was no longer threatened by a union. He had taken care of that two years earlier. In 1895 Local 120 officers admitted to New York State labor investigators that "our union is not powerful enough to control this place at present," although they did express the conviction that their "best work will be done in 1896." There was little reason for this optimism. The general increase of wages in the factory, the persistence of depression conditions outside Leicester, and the effective use of divisive managerial strategies all contributed to the union's failure to obtain strong support among Leicester shoeworkers.

Partly due to its weakness, the local came to place emphasis on a union label campaign, which amounted to an economic boycott of the firm. In 1895, with the full cooperation of the Trades and Labor Assembly of Binghamton, it began such a boycott in the city. Johnson did not react well to such tactics. Nearly two weeks later a committee of workers from the Leicester Factory published an open letter in the Binghamton papers protesting against several of the pricing and firing policies of the firm, no less. They objected most strongly, however, to the recent firing of several workers who they claimed were union men and concluded that "it is evidently their determination to destroy the union." Johnson was indeed determined to destroy the union, and he was successful. No subsequent record remains of the union's presence in the community. By 1896 it was absent from both press mention and from the city directory.

The report of the second convention of the BSWU, held in the summer of 1896, noted that the local had disbanded but had not yet returned its charters. Years later the Shoe Workers' Journal recalled that "in the year 1895 there was a local union of shoe workers in . . . Binghamton, N.Y. which local union was forced out of existence by the discharge and disbandment route." Johnson attempted to reach an accommodation with as many of the union men as he could. Activists like Fred Hoyack, the local's delegate to the 1895 convention, were probably hired (he disappeared from the city directory). H. W. Parsons, the local's vice president, also lost his job with the firm. Others, like the union's president, James P. Connerton, adapted to Johnson's regime. Connerton had been with the firm since 1885 and was to stay with it well into the 1920s, working his way up to the superintendency of the Pioneer Factory, the original Leicester plant. He died in retirement in 1932, receiving the tribute of company officers for his many years of loyal service.

Johnson would not suffer a union that either challenged his authority in the factory or threatened to destroy the firm's reputation. He believed, as he later would endlessly repeat, that the "employer is the natural labor leader."
son sought a direct relationship with his workers, one that barked back to the ideal of guild production. Having been a benchworker and having experienced the reactions of his workers to his factory reforms, particularly workers whom he respected, he came to reconsider the responsibilities of management to its employees. He grew responsive to the voices of reform that advocated humanizing industrial institutions. He came to believe that the relationship between factory and community should be a more benevolent one. These realizations were the product of two decades of national and local conflicts between workers and capitalists, realizations that were increasingly shared by other industrialists. But they also marked an attempt by a worker-turned-capitalist to resolve within his own conscience the dilemmas and contradictions inherent in industrial capitalism.

IV

In later life George Francis Johnson would come to portray himself as a "changed man," a man who had tasted of riches and privileges, only to find them hollow; a man not altogether atypical of the progressive business community at the turn of the century, who found that true success implied responsibilities. Andrew Carnegie, who declared that the wealthy man was a "mere agent and trustee for his poorer brethren, bringing to their service his superior wisdom, experience, and ability to administer," was a highly visible model for Johnson and for progressive industrialists everywhere. Johnson never credited Carnegie for any of his ideas; but by the time Johnson came into control of the firm's management, the "Gospel of Wealth," as well as numerous versions of the social gospel, were widely heralded in the popular press. Entrepreneurs like Carnegie had come to recognize that the major problem of their age was "the proper administration of wealth, so that the ties of brotherhood may still bind together the rich and poor in harmonious relationship."6 Johnson would come to a similar recognition, derived in some measure from the reformist ideologies of churchmen and progressive entrepreneurs but rooted also in the world of his youth and young adulthood. Not unlike Carnegie, who carried with him from his native Scotland the seeds of a radical social ideology derived from British Chartism, an ideology that shaped and mediated his later ideas, Johnson brought with him from Massachusetts equally radical ideas, destined to influence similarly his own emotional and intellectual development.77

George Francis Johnson was born on October 14, 1857, in Milford, Massachusetts. He grew up in a family where husband, wife, and children all contributed to the family economy. His father was a boot-reefer, teamer-keeper, and honored Civil War captain, a man of "tremendous energy." His mother was a devout Methodist, whose kindly deeds for neighbors were often recalled by her son in later years. They were hardly as poor as Johnson would later
cure to portray them, his father owning "considerable property." Parents and children alike subscribed to the value, honor, and necessity of hard work. "We were poor,—very poor—but always managed to get a good living. Father worked in the shop and the boys worked in the shop. There were three or four of us. Mother was a great manager. Took care of a family of children, and generally had anywhere from ten to twenty-five boarders to take care of, besides. As a rule, she did her own work." 38

As a youth Johnson grew restless working in his father's shop and soon left. At the age of thirteen he took his first job in a local shoe factory in Ashland. Following the trade of his father, he soon became an expert crier, a worker whose skill lay in the finishing of boots and shoes. Johnson did not stay long as his first job, nor for that matter in the new one, but spent the next ten years of his life as an itinerant shoeworker in eastern Massachusetts, as his father had been. 39 Perhaps he inherited his father's restlessness, but Johnson's mobility also reflected the realities of the Massachusetts shoe industry. Seasonal production, frequent factory closings, and an abundance of those manufacturing enterprises led to periodic moves by shoeworkers from one community to another. Since hundreds of factories lay within forty miles of Boston, however, the search for employment opportunities rarely involved long-distance relocation.

Through the new towns of Massachusetts—Holliston, Natick, Hopkinton, Ashland, Milford, Wrentham, and Plymouth—the young Johnson traveled, seeking employment for a season or a year. The drudgery of life in the harsh factory towns, where employers showed more "hate than good will," was partially alleviated by the companionship of fellow workers who indulged themselves in drink and baseball. 40 Yet even while he sought out the camaraderie of fellow workers, Johnson's energy and ambitions were driving him away from them. At the age of twenty-one, he became a foreman of a creaking mill at a Plymouth factory, a position that marked his growing distance from his former overlords. It also marked the erosion of ideals and ideals he had absorbed in his travels.

In later recollections of his Massachusetts years, Johnson described himself as a young man with natural leadership predispositions, one who loved team sports, and one who has tasted the fruit of New England radicalism. He confessed, without detail, that he had been "something of a socialist and radical" in his youth. 41 It was not a surprising admission. Radicalism pervaded the shoeworkers of Massachusetts and the towns of Milford, Plymouth, Holliston, and Haverhill, all towns Johnson had worked in. The founder of the Knights of St. Crispin, one of the largest and most aggressive of nineteenth-century American trade unions, came from Milford. Johnson's birthplace. 42 Massachusetts shoeworkers were a militant group. They had formed radical unions in the 1860s and afterward and were to find socialist doctrines relevant to their industrial experience. In the labor theory of value, they recognized a
central controlling idea that sustained their pride in their work and themselves in an era of technological displacement. Whatever radical or socialist ideas Johnson absorbed in his wanderings through the shoe towns of eastern Massachusetts, they had been diluted by the time he arrived in Binghamton in 1881. By his own admission he had taken a job as treeing room foreman at the Lester Factory in order to direct "a bigger crew of workers" and to make more money. In many respects, during the 1880s and 1890s, Johnson seemed little different from the driving foreman whom he had encountered as a worker in Massachusetts. Yet it was also during these years that he began to modify his ambitions. As he recalled:

I had at that time no particularly definite ideas upon the subject of man management. I had been brought up in the old, hard school in which the worker was considered somebody that the employer had to have just as he had to have leather. I imagined that the best way to get work out of men was to keep them going as hard as they would go and especially to see piece rates were low enough to force a man to do a good day's work in order to gain a living. . . . We prospered and made money. I had always been anxious to have money, but as I began to get more and more of it, I discovered that really it did not amount to much—that there were few things that one might buy that were really worth while. I began to wonder if it would not be better to give more attention to the human side—that workers had hearts as well as hands and that a leader of industry shouldered certain responsibilities beyond pocketing the profits. Out of that thought grew our present plan of organization.

Johnson did not experience a personal transformation, so much as he re-discovered former values. He had always possessed a dual personality, one side pulling toward acquisitive capitalism, the other toward collectivist and somewhat socialist ideals.

Johnson was doomed to inhabit two worlds, neither comfortably. He was a bold manager, a natural entrepreneur, destined to build an empire on such an unlikely product as shoes. He would come to associate with governors, senators, presidents, and the top corporate leaders of the nation. But in his own mind he remained a worker. He yearned for the simplicity of his youth, for the company of his former comrades. His constant ambivalence was exhibited in numerous ways. In his correspondence the most genuine sentiments appear in letters to his old worker buddies. In his dealings with employees as a foreman under Lester, he evinced a firm yet flexible style that hardly changed over the years. A worker who had been employed in the treeing room in the 1880s, under Johnson, recalled him in these terms:

I guess George F. had been there a couple of years when I began to work in the treeing room. . . . I was seventeen then. He started me on one dozen pairs of boots a day, and added more when I could handle them. He was one of the finest men I ever worked for. When he wanted a thing
It is a telling testament that a worker should remember Johnson as both a driving foreman and "one of the finest men" for whom he had ever worked. Johnson also exhibited a duality of mind in the factory reforms he initiated in the 1900s. Although he instituted a policy of fines and pushed through numerous price rate reductions, he nonetheless increased the average wages of his workers substantially, and he did it during a period of business depression. The competing forces that mangled and pulled at Johnson are ever more poignantly captured in a passage written by his official biographer:

Within a year after he was made superintendent of Pioneer [the factory], he moved to a house some miles down Riverside Drive. He bought a horse, buggy, harness, laprobe and whip for eighty dollars, so he could drive to work. He had to save every possible minute to devote to the needs of the business—but he felt so embarrassed by his eighty dollars' worth of luxury while his comrades had to walk to work that he never drove up to the factory door. Instead, he stopped the horse between a haystack and a little knoll, out of sight of the factory, and walked to the door. After the six o'clock whistle, he walked to the haystack, where his wife was waiting to drive him home.55

This description, narrated by William Inglis to illustrate Johnson's consideration for the sensibilities of his workers, suggests a great deal about the dilemma that plagued him. Brought up in a modest home, having risen from the ranks of the workers into his present class, Johnson was never able to hold power and wealth without pangs of conscience. The industrial world that he helped forge was one plagued by an identical dilemma. To be both capitalist and laborer, to exploit labor and yet to call it comrades, to nurture while manipulating: how would he merge such inconsistent goals?

They were combined, first of all, in a pragmatic paternalism designed to assuage both the problems of an expanding company and village as well as the psyche of an emerging worker-turnt-capitalist. In the context of active challenges to his authority and growing social problems associated with the physical expansion of the firm, Johnson began to respond with increasingly paternalistic solutions. As he rose within the firm and his control of labor policies increased, he accumulated more and more company stock and his successful management came to be appreciated by Endicott, he was able to steer the firm's labor policies in a new direction, one destined to lead to welfare capitalism.

In early 1900 Johnson became Endicott's partner by buying the real estate interests of the Lestershire Manufacturing Company along with a substantial
amount of stock. He had begun to buy into the firm in 1894 and by 1899 had
over $30,000 invested in the company. But most of the $225,000 that he paid
for his half-interest in the business was, in fact, loaned to him by Endicott,
who was confident that Johnson would make good on the loan.44 Soon after
becoming a partner, Johnson began to formulate plans for a dramatic expan-
sion of the firm. About the middle of February 1901, the Leicestershire Manufac-
turing Company announced its intentions of opening another factory several
miles to the west of Leicestershire. Johnson and Endicott concluded a deal with
local land developers and purchased several hundred acres of land along the
Sauspaham River.45
Plans for expansion of the company into what land developers had tactfully
named “Endicott” reflected the general growth of the manufacturing enter-
pise, a fact that was bringing with it serious human problems. At the turn
of the century, the firm’s labor force hovered at 2,000 workers, a considerable
increase from the 450 employees of a decade earlier. The Leicestershire Factory
was, at this time, among the largest in the industry. It continued to draw
in workers from Pennsylvania and surrounding New York counties, and it was
attracting an ever-growing number of Eastern European immigrants. To both
Binghamton and the village of Leicestershire, the factory was a mixed blessing, a
source of pride, awe, hostility, and ruin. Neighboring rural folk were es-
pecially wary of the behemoth. They hesitated to sell their land to developers
whom they believed would in turn sell it to the company. Overcrowded
housing and filthy tenements, products of the rapid growth of the shoe factory
and the large influx of new workers, offered evidence to critics that factories
brought liabilities as well as benefits. A reporter from the New York Herald,
touring various upstate cities, described conditions in western Binghamton as
follows: “The big shoe factory in Leicestershire employs many hundreds of
foreigners, who reside along the railroad tracks in the western part of the
city, and here conditions are also bad. The long, low tenements are crowded with
persons who never knew what it was to live in clean quarters.”46
While the factory had delivered prosperity to the community, it also brought
individual ruin. The experiences of a young orphan who heard that “Leaster-
shire was a good town for a young man” and came to get a job in the factory,
only to be fired for careless work, reflected the underlying insecurity of
industrial life.

The poor boy now became worse off than ever, and what he should do
was more than he could understand. His friends were gone—work had
been denied him, and not having had any experience in outdoor life he
became utterly helpless. After his few dollars had been spent he was
turned out of his boarding house and compelled to roam the streets all
hours of the night. Once or twice tender-hearted citizens who happened
to meet him and after hearing his pitiful story took him to their homes
where food and shelter were given him.47


A far greater violation of public sensibilities than poverty and destitution was the rise of prostitution that accompanied industrial growth. "The Downward Path" of a young woman, drawn to the factory by its promise of "fortune and friends," was traced by the local Leicestershire Record, with all the rich descriptive language of a sentimental novel of the period. "Fresh from the green hills of Union Center," Rose Cornwell, "an innocent looking little maid of less than twenty summers," came to "Shoeburyness." "She had heard her brothers speak of the big shoe factory where 2,500 honest toilers seek to earn a livelihood, and often wondered how it would be to be a worker among them." The community, however, did not meet her expectations. The paper went on to describe her transformation from innocent rural maid to "fallen woman".

Unable to get immediate employment in the factories she hired out to a family to do general house work, and here her downfall commenced. The head of the house was an unscrupulous fellow whose brute nature forced him to take advantage of this young girl. After accomplishing his desire he became tired of her new acquaintance and cast her out in the world penniless and without a person whom she could command as friend. Drifting from one corner to another under the shadow of the electric lights, she soon became tired and despondent, and was willing to do most anything in order to secure shelter and rest. In her half crazed, half starved mood she proved an easy mark for a number of young men of the town. . . .

The plight of young women workers in the shoe town, dependent on the factory for employment, remained somewhat precarious throughout the latter years of the nineteenth and early decades of the twentieth century. Reports of the conversion of young female shoe workers into prostitutes periodically appeared in the local press. Streams of repentant and not-so-repentant prostitutes, as well as numerous pregnant young women cast off by their seducers, made their way into the local House for Fallen Women and Binghamton's YWCA.

Johnson and other company officers recognized that they had to address the growing problems that accompanied industrial expansion, both inside and outside the factory. They began by trying to bridge the psychological and social distance between operatives and managers. In his early years as a factory superintendent, faced with growing conflicts with employees, Johnson had instituted a policy of workers' direct and personal access to upper management. Grant Chambers, the young Livingston County lawyer introduced earlier, recalled how soon after Johnson took charge of the Leicestershie Factory he had put up notices in each department stating that "any one in our employ can get an audience with me at any time. If you are not satisfied, come in and see me." It was an offer destined to become a central element in later labor policy.
This policy of accessibility was further developed in another practice designed to strengthen the bonds between workers and managers. It was expected of junior members of the firm that they would take menial positions in the company and "work their way up" to managerial posts. George E. Johnson's son and younger brother both began work in factory jobs, the former in the firm's shipping department, the latter in the packing room of the Lester-shire Factory. Of course, there was no question at their minds or in the minds of their fellow workers that they were headed for eventual promotions. Nevertheless, this process made a positive impression on both the community and the workers." When Wendell Endicott, H. B. Endicott's son, took a job in the packing room of the Lester-shire Factory, the local press characterized it as "Truly Democratic."

One of the most noteworthy features about the young man is that he does not feel himself too good to live in the village of Lestershire and eat the food that keeps common shoemakers alive. He seems with a respectable family on Main St. and takes his meals at one of our hotels. He is a favorite with the boys, who feel that when he shall take his father's place at the head of our great industry, they will have a loyal friend who knows what it is to labor in a shoe factory."

Other members of the company's management also took it upon themselves to commingle with "common shoemakers." Joseph E. Tilt, a prominent shoe manufacturer from Chicago, became involved with the new venture in Endicott in 1911, after a decade of extensive financial dealings with the firm. The Lestershire paper publicized Tilt's intentions to move to Endicott and occupy a small farmhouse as "Thoroughly Democratic," in light of his leaving behind a Chicago lakeside mansion. Taking a position as general manager of the Goodyear shoe department of the new factory, the Chicago industrialist brought with him an elaborate scheme for shaping the community of Endicott into what the New York Herald referred to as an industrial "Utopia," complete with "true homes" for workers, recreation centers, a beneficiary insurance system, and assorted other corporate labor reforms. Tilt was more modest. To those who celebrated his "democratic" spirit in taking up residence among lowly shoeworkers, he replied: "I do not want to pose as a philanthropist... for I am not one. I am closing up my house here and going to Endicott to live in a cottage like the ones in which the men live for effect. . . . It is pure business, nothing more." Tilt's plans for Endicott were equally pragmatic in motivation. As he confessed, the dual object of his proposal was to "make our payroll a permanent one" and to "obviate all necessity" for labor unions."

While the Lestershire Manufacturing Company did not immediately adopt many of the ideas that Tilt advocated, it did continue to steer its own course toward corporate paternalism. Indeed, even before the arrival of Tilt and his plans for "utopia," the firm had come to be regarded as a model of industrial
The company pays larger proportionate wages than any other manufacturing concern in this region, while privileges and kindnesses are freely extended to the employees by the superintendent and his assistant that generally are unheard of in large establishments. Indeed, this company never allows any of its faithful employees to suffer through want or distress, neither does it allow the property of any of its men to be sold under process of law. Between employees and employers there exists a bond of warm friendship, and the interests of master and servant are identical. Herein lies the secret of the success which has rewarded the efforts of the managing officers of the Lestershire Manufacturing Company.footnote

The "success" that "rewarded the efforts" of management was dramatic indeed. The rising profit of the firm were reinvested in capital expansion and improvements in the new village of Endicott. Along with plant construction, management also entered the real estate business, duplicating Laster's earlier speculative endeavors.footnote The years between 1900 and the coming of World War I were characterized by constant growth and diversification of the company, interrupted only by the depression of 1907-8. New factories were built, and new partners were taken in. The firm expanded, both vertically and horizontally, constructing four annexes in Endicott and over a dozen factories and houses in both Endicott and Lestershire. It also entered the lucrative retail trade, opening more than a dozen store outlets in various upstate New York communities. It expanded its manufacturing departments; entered into production of tanning oils, cartons, counters, listings, and assorted findings; and broadened its line of footwear. Following the repayment of Johnson's debt to Endicott, in 1902, the company ceased to be known as the Lestershire Manufacturing Company and became the Endicott Johnson Company. In 1905, two years after admitting several additional partners, the firm became known as Endicott, Johnson and Company.footnote Strengthened by its diversification into dress shoes, as well as women's and children's footwear, by its expansion into lining and the manufacture of shoe components, and by its entry into retail sales, the firm became one of the largest and most structurally integrated shoe manufacturing firms in the nation.

Paralleling the growth of the physical plant, the size of the company's labor force increased significantly in the pre-World War I years, most dramatically after 1910, when the expansion of the firm was at its peak.footnote The thousands of workers who streamed into the factory or placed additional pressure on the firm's informal paternalistic practices. But the pace of labor reforms in the peacetime years was slow, suggesting that the paternalistic policies of management for corporate paternalism were moderated by labor market considerations. Recruitment of workers was relatively easy in those years; immigrants,
women, ex-farmers, and farm laborers provided the firm with a steady flow of new personnel. Only rudimentary gestures were required to attract and retain them as employees of the firm. Given the growing housing shortage experienced by both Leamington and the newly founded village of Enidcot, the company was capable of igniting only a modest (and hardly generous) effort of relief on the part of management. Seventy-five homes costing between $3,000 and $3,500 were built in Enidcot in 1904.63

The slow pace of corporate reform is particularly evident in the realm of health and sick-relief services. Early in 1896 the firm had first demonstrated a recognition of this need when it organized a mutual benefit society for its workers. The bylaws of the organization stated that members would receive sick benefits from the second to the eighth week of an illness, amounting to $5 a week. Ten cents a week was deducted from members’ wages to fund the society. The company, for its part, contributed $5 every week to the benefit fund. The organization was fundamentally flawed from the start. The foreman of each room was responsible for determining whether a worker was truly ill and eligible for relief—a practice open to serious abuse.64 Furthermore, the company’s monetary contribution was miniscule: it would not be until 1916 that the firm would increase its financial commitment. The businesseslike, intrusive, and capricious qualities of the plan led to a somewhat hostile response from workers. Few joined.65

In the prewar years the firm’s concern for the health of its employees was expressed, for the most part, through the personal involvement of the Johnsons. Insuring medical attention for injured employees became part of the direct responsibility of top management. It was typical, for example, for George F. Johnson, or one of the other Johnsons, to directly write to and fetch injured workers to a doctor.66 Yet such personal attention disguised the reality that the firm’s medical services in the first decades of the century remained limited, highly arbitrary, and designed more to deal with the threat of lawsuits than with the health of workers. In 1903 the New York State Department of Labor, in a survey of “Employers’ Welfare Institutions,” described the extent of the company’s medical and health commitment to its operations:

Provision for prenatal care in case of the accidental injury of any employee is made in a hospital leased to the factory, which is kept always ready for occupancy, and in all accidents the company pays for the first attendance of a physician. . . . No formal system of benefits is maintained, but in each case of sickness the firm makes careful inquiry into the circumstances of the employee who is incapacitated from work and frequently wages are paid during this period of disability. Voluntary expenditures of this sort which the company has been in the habit of making have amounted to between $2,000 and $2,600 a year.67
Emergence of Corporate paternalism

23

Considering the size of the blue force in 1903—close to 3,000—an expenditure of $2,000 or $3,000 a year on disability was hardly adequate.

While the firm provided various other services to its employees in the present years, these, too, were modest in scope and impelled by mixed motives. A savings plan, through which workers could deposit savings with the firm and receive a 6% percent yearly return on their money, was instituted to encourage thrift, as well as to provide cheap capital for the firm’s expansion. The many women who entered the firm required special treatment that both conscience and public prejudice sanctioned. By 1900 over 400 women worked in the Lestershire Factory, their numbers having increased dramatically in the latter part of the 1890s. The large representation of women amidst a far larger male population led management to consider providing factory amenities for female employees. In July 1901 local papers announced that George F. Johnson planned to establish space for a “Rest Club” for women workers at the Lestershire Factory. A dining room for hunches, coffee, and tea was to be provided, along with a real lounge with a “fine line of good literature.”

After the expansion of the fine shoe departments of the company in 1901 and the construction of the Endicott Fine Welt Factory, more and more young women were sought to take over stitching jobs. Local papers periodically reported that “young women from here have found employment in the Endicott shoe factory.” Recognizing that by humanizing the factory environment the firm would have a better chance of attracting and retaining female workers, management soon came to provide the same sort of amenities for its female Endicott employees as it had for their Lestershire counterparts. One former Endicott stitcher could still recall, in later years, the loft in the Fine Welt Factory where two or three cots were available for tired women workers to rest upon during their lunch break.

VI

The bonds of “warm friendship” between managers and workers, as the Binghamton historian writing in 1900 had referred to it, were cultivated not merely within the confines of factories walls; for George F. Johnson believed that “It is not entirely what happens inside the factory, as what happens outside, that affects working conditions.” What happened outside was a careful cultivation of an identity of interests between capitalist and worker: “Those who control, live with, work with, and play with the working people. The families, outside the factory, meet on an equal basis; the children play together.”

From the late 1890s through the early years of World War I, the firm’s corporate paternalism was community oriented and was generally manifested informally in the personal acts of its managers and their families. Johnson had
brought his two brothers into the firm earlier—the oldest, C. Fred Johnson, in 1884, and the younger, Harry L. Johnson, in 1885. In a blend of philanthropy and self-interest, they cultivated the good will of their workers and the community. They became involved in all varieties of civic affairs. George F. Johnson’s second wife, for example, who had been a free-lance in the Lea- shire Factory’s stitching room, took local girls into her home and taught them sewing and other domestic skills, a precursor of her more extensive Amri- canization projects during World War I. 98 As early as 1897 local papers took notice of the community spirit exhibited by the Lestershire Manufacturing Company: “They are more than ordinarily interested in the town outside of their industry. The different members of the firm are active in all of the public enterprises of the town, and subscribe liberally to help along every project which is of benefit to the village.” Contributions to local charities and churches, as well as for local civic improvements such as parks and road construction, came continually from the Johnson family, particularly from George F. Johnson. In 1897 he donated $1,008 for a local park. A year later, mainly through Johnson’s influence, the Lestershire Manufacturing Company offered to pay close to half of the cost of a central fire station and recreation center for the village of Lestershire. In contributing extensively to community charities, civic projects, and local recreation, the Johnsons solidified their influence over local public life. For them, this was not only good business but also a reflection of their loyalty to the community. George F. Johnson and his brothers believed that a manufacturing enterprise should be rooted in its surrounding community, and they emphasized the importance of activities that necessarily existed between firm and village. The contribution of a new fire truck or buildings for the macadamizing of roads represented expenditures valuable to both the company and Lestershire. 99

The wedding of community paternalism and business expediency was par- ticularly exemplified in the Johnsons’ involvement in local civic organiza- tions. Both C. Fred Johnson and George F. Johnson were active in Lestershire’s Board of Trade, with C. Fred Johnson serving as president in 1897.99 George F. Johnson became a trustee of the local Businessman’s Club, whose motto was “Lestershire’s Interest is Our Interest.”99 In the 1890s C. Fred Johnson was periodically elected chair fire engineer of Lestershire and later became fire commissioner.99 In 1904, when all of the fire companies of Lestershire were united into one organization, George F. Johnson was chosen president. The Johnsons recognized the importance of social and economic func- tion of the volunteer fire companies. Not only were they necessary to protect the property of the firm, but they also represented an arena where workers and capitalists met on a somewhat equal ground and thus functioned to resolve class tensions.99

Through politics, too, the Johnsons tried to merge community and com- pany interests, although in this realm their obvious self-interests under-
mined their effectiveness. In 1908 Harry L. Johnson, George F. Johnson's younger brother, ran for and won the presidency of the recently incorporated village of Endicott. C. Fred Johnson became president of the village of Lestershire in 1908, amidst a great deal of controversy. It was charged that he was seeking too much influence over the village board of trustees. He wanted full authority to make all appointments; as a result, four of the village's six trustees resigned. Politics for the Johnsons obviously involved controversy. But the selection of key municipal officials was crucial to ensure the smooth operation of their factory. The appointment of a "friendly" water commission

er would prevent the sort of inconvenience that occurred in 1904, when water was ordered shut off to the firm's factories until water meters had been installed in each one. Although a local justice issued an injunction preventing the shut-off, such events highlighted the importance of appointing and maintaining sympathetic local officials in municipal posts. This was particularly true with respect to taxes, since the power to set tax rates of assess property valuation of company factories placed an understandable temptation on village officials and tax assessors. It is hardly surprising to learn that C. Fred Johnson, as president of Lestershire, had managed to reduce property taxes in 1909 from 5.3 to 10 per $1,000 of assessed valuation. As the Johnsons amassed community allies, it became less necessary and, in fact, counterproductive for management to involve itself directly in local politics. George F. Johnson, by the late 1920s, had made it the firm's policy the company officials could no longer serve in local government posts.

Far more conducive to the cultivation of cordial community relations was the participation of the Johnsons in local battles over the annexation of Lestershire by Binghamton, a move they sought to prevent, and over nibbalsitical recreation, which they supported. In both community controversies George F. Johnson took a particularly active role. He became the president of the local Anti-A annexation League and lobbied heavily in the state legislature against attempts by Binghamton and Lestershire businessmen to annex Lestershire. His lobbying paid off. The annexationists triumphed when the state assembly committee failed to report the annexation bill to the floor.

As he had become the champion of Lestershire in his victory over the annexationists, so too did Johnson become a champion in his advocacy of community athletics. He had always loved athletics as a worker. Now, as a capitalist he recognized its other virtues. In 1900 Johnson donated land to the newly formed Lestershire Athletic Association. His support of the association was rooted not merely in his boyhood love of baseball and sports in general but also in a recognition that the organization had a more important social function in molding class consciousness. A local Lestershire paper acknowledged such a function in praising the egalitarian structure in which workers and capitalists commingled in the association: "It certainly is a rare pressure for a poor man, for such nearly all the citizens of Lestershire are, to reside in
village where everybody seems to feel like brothers and have the blessed privilege of associating with men who possess an abundant [sic] of the world’s goods but do not feel out of place because of such, who work together for the interests and prosperity of the community without any selfish motive whatever.\textsuperscript{106}

The unity of interests between capitalist and working-class promoters of athletics was particularly evident during community battles over Sunday baseball, disputes that periodically surfaced in the first few decades of the century and that were reflected in similar controversies over Sunday movies and other forms of sabbatical recreation.\textsuperscript{107} The debates over Sunday baseball, from the start, were translated from a cultural controversy into a class conflict, but with a twist. Middle- and upper-class professionals and businessmen who backed Sunday baseball defined the issue along class lines, thus creating a bogus cultural class enemy that helped to diffuse more volatile economic and industrial conflicts.

The controversy over Sunday baseball that surfaced in 1913 is an excellent example of the way in which the issue could ally worker and capitalist interests. George F. Johnson had been extremely active in promoting local baseball and in initiating Sunday ball games. The previous year he had purchased the Bloomington state league club and franchise, and only recently he had completed the construction of a new baseball stadium in Landon.\textsuperscript{108} Although he donated proceeds from Sunday ball games to local charities, Johnson still came under fire from the local community middle class, particularly Protestant ministers and lodges. A pitched battle between supporters and detractors ensued, one carefully followed by local papers. One particular letter in the Bloomington Press, responding to the controversy, demonstrated the transformation of Sunday baseball into a class issue when the writer argued that it is rather inconsistent for those who ride Sunday afternoons in their automobiles or drive their horses and carriages or go boating on our beautiful Susquehanna river or have a number of other pleasant but harmless recreations to say that it is wrong for others who are not as fortunate as themselves to go to a Sunday baseball game. To my mind we are reaching a very important and serious problem on the labor question and Bloomington and vicinity with its largely increasing foreign population is a different place than the city of twenty years ago. \ldots{} The tabloids known as the International [sic] Workers of the World have created havoc in other places by the inciting of the non-thinking workers against manufacturers, and such things may be repeated also right in this beautiful city with the argument appealing to them that the classes are against them. A great deal of bitterness has sprung up among the people who are interested on each side of this Sunday baseball proposition which is not going to help the success of this city.\textsuperscript{109}
Such sentiments were by no means unique to Binghamton or Lestershire. In a conference of mayors held in Auburn, New York, in June 1913, the mayor of that city made very similar points:

If you say to the laboring man you can have no recreation on Sunday as your rich friend has, you are building the foundation for future anarchy. But if while he is sweating in his shop the employer is doing his part in contributing for parks, playgrounds and breathing places for the working man, his wife and children, he realizes his employer is doing his share. If you tell him that on Sunday when he goes to church in the morning the city is going to allow the baseball club to play a game of ball in the afternoon, it makes for contentment.122

By becoming a champion of the "working classes" in supporting a policy opposed by many of the local, middle-class Protestant clergy, Johnson established himself as an ally of his own workers. Thus, ironically, the politicization of recreation and its translation into class terms served to dampen class consciousness. Indeed, petitions were circulated in the community and factories in support of Johnson's position. A worker suggested the prevailing sentiment in a letter appearing in the Binghamton Press: "Sunday baseball is a great help to the masses of people who have only Sunday afternoon in which to enjoy this harmless recreation. Now, why should these people who labor six days in the week be coaxed to keep away from this enjoyable pastime?..." George F. Johnson, a man who had started this clean recreation, should be given loyal support.123

For decades afterward Johnson's battle for Sunday baseball remained lodged in workers' minds. In fact, it became part of the collective memory of the community and an important part of the Johnson legacy. As late as the 1970s and 1980s, older, retired workers fondly recalled Johnson's renegade role in these early community battles: "He had a philosophy that he would do everything for the worker. You know they wouldn't let them have Sunday baseball years ago... They wouldn't let them charge admission to them. He'd take and give everybody tickets to go to that game. He'd give me tickets there in Derby's Drugstore. You could meet him there and he'd give you tickets to go you and your family. I've been to ball games and he'd sit right along side of me, my Mrs. and him."124

The employee benefits offered by the tins, the civic paternalism practiced by management, and the cross-class collaboration fostered by George F. Johnson and his kin tended to, in the words of a sympathetic local newspaper editor, "draw the working people closer and closer" to the company.125 That was, after all, the Johnsons' goal. By promoting a solidarity not only between managers and workers but also between firm and village, the company hoped to create a community of loyal and stable workers.

Yet, as we have also seen, the firm's practices, in these early years of the
NOTES
2. This is not to say that the influence of such ideologies waned. On their impor-
6. An excellent sociopsychological study of paternalism and the Pullman commu-
nity can be found in Richard Scronce, Authority (New York, 1980). See also Aronson Lindsay, The Pullman Strike: The Story of a Unique Experiment and of a Great Labor Uproar (Chicago, 1942); and Stanley Bender, Pullman: An Ex-
8. Binghamton Daily Republican, June 4, 1890.
9. 'L Workers Magazine 4 (Sept., 1925). This is George F. Johnson's recollection of Lester's activities.


11. Among the new firm's major stockholders were ex-officers of the Navy William Collins Whitney, whose store moved to the Vanderbuilt and Hay families; Ohio senator Henry B. Payne, who had extensive connections with the Standard Oil Company and whose son Oliver H. Payne was the treasurer of Standard Oil; and Daniel Scott Lamont, private secretary and close confidant of Grover Cleveland, destined to serve as secretary of war during Cleveland's second presidential term. On the board of directors of the new firm was Charles S. Fairchild, ex-secretary of the Treasury and president of the New York Trust Company. Democratic Daily Leader, Mar. 5, 1890; Democratic Weekly Leader, Mar. 21, Apr. 11, 1890; Davis Malone, ed., Dictionary of American Biography (New York, 1933), 20:1536–66, 14:325–26, 10:563–64, 6:21–52.

12. The average size of the work force fluctuated to 425 in 1891. In 1892 it remained at that figure, and in 1893 it dipped to 400. These statistics do not tell the whole story. At one point the factory had downed entirely. New York State, Report of the Factory Inspector, 5th through 8th annual reports (Albany, 1891–94).


14. Endicott's reorganization of 1892–93 created two companies, the Lestershire Manufacturing Company which retained its predecessor's name, and the Lester- shire Boot and Shoe Company. The latter corporation held ownership of the factory buildings and land, while the former took over the manufacturing end of the business. George F. Johnson to G. Harry Lester, Mar. 12, 1925, box 9, George F. Johnson Papers, George Arents Research Library for Special Collections, Syracuse University, Syracuse, N.Y. : Biographical Review (Binghamton) (Boston, 1894), 91–92; Binghamton Sun, Nov. 29, 1948; Binghamton Republican, Mar. 17, 1897; Binghamton Evening Herald, Mar. 17, 1897.

15. Binghamton Republican, Jan. 27, 1890. For another description of the factory, see Lester-Smith News, Apr. 11, 1891.


19. The 192 directory understated the actual number of transients and shoe -workers in the community, since it was based toward stable residents. Further more, the hundred or so shoe workers of Binghamton's small slow factories and custom shops also bias the estimate of temporary Lestee-Share Factory employees downward. The proportion of boarding shoe workers in 1880 is based on analysis of the 1880 federal census population census for Binghamton, a source that should have "captured" more boarders than the city directory Binghamton, City Directory (1892); New York State, Department of Labor, Youth


27. Chatman, Work, Culture and Society in Industrializing America, chap. 1.


30. Ibid. (June 1919): 53.

31. This transformation is reflected in an increase in occupational categories employed by some federal census enumerators. See the federal manuscript schedules of 1880 and 1900 for Broome County, not all enumerators, however, distinguished between occupational groups among the shoeworkers. Most simply wrote "shoemaker." But subsequent events should also be viewed in the context of the broader currents of worker militancy of the 1860s and 1890s. See Philip S. Foner, History of the Labor Movement in the United States, vol. 2, From the Founding of the A.F. of L. to the Emergence of American Imperialism (New York, 1973); lettuce blighters, Strike! (San Francisco, 1977), chap. 3; Chester McAdurth Dexter, American Radicals, 1865–1960 (Chicago, 1966). On the rise of agrarian militancy and the Populist movement, see Lawrence Goodwyn, The Democratic Promise: The Populist Movement in America (Oxford, 1976).


33. Democratic Weekly Leader Aug. 8, 1900. See also Democratic Daily Leader Aug. 8, 1900.

34. Democratic Daily Leader, Aug. 2, 1900.

35. Democratic Weekly Leader, Sept. 11, 1891. This had not taken place in previous years.

36. In Sept. 1893 Local 120 members proudly participated with fellow unionists from other trades in the annual Labor Day parade. By the following year the local and its officers were listed in the city directory, Democratic Weekly Leader, Sept. 8, 1893; Binghamton, Civ. Directory (1894), 72; New York State, Department of Labor, Twelfth Annual Report of the Bureau of Statistics of Labor (Albany, 1902): 36.

37. Gerald N. Grah, Workers and Utopia: A Study of Ideological Conflict in the
diminish the skill required of a cutter. See the Shoe Workers' Journal 9 (May 1903) 9.
47. Binghamton Evening Herald, Aug. 2, 1907. See also Democratic Weekly Leader, Aug. 6, 1907.
48. Binghamton Evening Herald, Aug. 2, 1907. It was common practice for skilled shoe workers, like cutters, to "hustle" from one factory town to another, hence the notification of cutters to stay away from Lebanon. [Note that by the mid-1900s "Lanier-Shire" had become "Laniershire."]
52. Boot and Shoe Workers' Union [BSWU], Report of Proceedings of the Second Convention of the Boot and Shoe Workers' Union (Boston, 1896), 30. For capital assets from Local 42 continued to come into the national union office after Aug. 1895, suggesting that the union struggled to hold on. See ibid., 28.
54. BSWU, Report of Proceedings of the Joint Convention of Boot and Shoe Workers (Boston, 1895), 9. Haycock had resided in Laniershire. He returned in 1914 and was reemployed by the firm. E. J. Workers' Review 1 (Jan. 1902): 2.
55. E. J. Workers' Review 1 (Aug. 1912): 50. Binghamton Sun, Feb. 5, 1932. Conneris, either during the time he was serving in the union or soon afterward, may have been utilized by Johnson as a confidant spy. See Charles F. Johnson, Jr., to George F. Johnson, Jan. 31, 1929; box 32, sec. 3, Charles F. Johnson, Jr., Papers. George Armes Research Library for Special Collections, Syracuse Uni-
can Protestantism, 1865–1915 (New Haven, Conn., 1940).
57. On the impact of Carnegie's early encounter with Chartism on his later life, see Wall, Andrew Carnegie, chap. 1.
58. George F. Johnson to Mrs. Nina G. K. Heft, Jan. 18, 1927, box 8, George F. Johnson Papers. Biographical Review (Binghamton), 91, inlustr., George F. John-
59. George F. Johnson to William Johnson, Aug. 27, 1929, box 10, George F. John-
56. Mike Szyba to George F. Johnson, Oct. 25, 1921, box 4, George F. Johnson Papers, inlustr., George F. Johnson, chap. 2. Johnson would later name the Lebanon Factory after his old baseball team, the Bunters.
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64. Ingels, George F. Johnson, 21.

65. Johnson, '50 Years without a Strike,' 46-47. See also George F. Johnson to Harold and Lena Chalmers, Apr. 25, 1933, box 11, George F. Johnson Papers, for a similar version of his 'transformation.'

66. Ingels, George F. Johnson, 42.

67. Ibid., 23.

68. C. B. Endicott to George F. Johnson, Feb. 10, 1900, box 2: 'Canceled Checks,' folder, box 20; George F. Johnson Papers, Ingels, George F. Johnson, 40-41; Democratic Weekly Leader, Apr. 9, 1904. By this time Johnson bought into the firm, Endicott had pretty much gained ownership over all of the real estate and property of both the Lawrence Manufacturing Company and the Lawrence Boot and Shoe Company. See Letter from Lawrence, Mass., Oct. 20, 1897; Binghamton Republican, Mar. 17, 1897; Democratic Weekly Leader, May 19, 1897.


70. Democratic Weekly Leader, May 24, 1900. The Leader was quoting from the Sunday New York Herald, May 15, 1900.

71. Letter from Lawrence, Dec. 13, 1901.

72. Ibid., Aug. 16, 1901.

73. See, for example, Binghamton Press, Mar. 18, 1910.

74. On local, middle-class women's efforts to combat prostitution and sexual vice, see Alice Miller, 'Binghamton's Good Women—1890 to 1917' (Research paper, S.U.N.Y. at Binghamton, 1980), 38-42 and passim. The House for Fallen Women was established in 1895 by the local chapter of the Woman's Christian Temperance Union. Late in the 1800s control was transferred to the Binghamton Ministerial Association, and in the early years of the twentieth century, it became closely affiliated with the Broome County Humane Society. Information on the House for Fallen Women, also known as the Refuge for Unwed Mothers, can be found in vol. 38, History Document Collection, Binghamton Public Library, the Binghamton Press, Apr. 11, 1914, and in Miller's paper. I would like to thank Professor Sarah Ellen of S.U.N.Y. at Binghamton for making Alice Miller's paper available to me.

75. Binghamton Press, July 6, 1912.

76. Biographical material on Harry L. Johnson (George F. Johnson's younger
brother) and George Willis Johnson (George F. Johnson's son) can be found in Rev. William MacAlpine’s memorial biography of Harry L. Johnson, A Brief Memoir of Harry Leonard Johnson (Johnson City, N.Y., 1923), in box 2, ser. 2, of the George W. Johnson Papers, George Arents Research Library for Special Collections, Syracuse University, Syracuse, N.Y. For further information, see box 1, ser. 1, in this same collection.

77. Leisurite Record, Nov. 8, 1901.

78. General ledger for 1892–1914, box 20, George F. Johnson Papers.

79. Leisurite Record, June 28, 1903.

80. New York Herald, June 30, 1901. This article was partially reprinted in the Leisurite Record, July 5, 1901. In late Oct. 1901 Till left the employ of the firm. See the following for more information on him: Leisurite Record, Nov. 1, 1901; Democratic Weekly Record, Nov. 7, 1901; Union South and Shoe Worker, Nov. 1901, 11: 14; Bethlehem Sunday Press (magazine), Oct. 1, 1978, Mar. 22, 1979.


82. See the firm's appeals to investors in the Leisurite Record, June 7, June 28, Aug. 16, 1901.

83. O. R. Smith, The Endicott Johnson Corporation (New Orleans, 1956), 7. The firm continued to take in partners through 1919, when it was incorporated.

84. Just previous to incorporation, eleven partners made up the firm: Mr. B. Endicott, George F. Johnson, H. L. Johnson, Eliot Spalding, George W. Johnson, Chester B. Lord, H. W. Endicott, J. A. R. Bowes, George W. Hockey, C. F. Johnson, L., and C. Fred Johnson. Henry B. Endicott and George F. Johnson held the largest shares of the business. In June 1907 $10,000 of capital stock was sold to five junior partners by Johnson and Endicott. The original five partners were H. L. Johnson, Eliot Spalding, Chester B. Lord, G. W. Johnson, and H. W. Endicott; all officers in the company. H. L. Johnson was a factory manager. Eliot Spalding had been treasurer of the Leisurite Manufacturing Company and later continued in that position in the company that succeeded it. Chester B. Lord was in charge of sales, continuing in that role until his resignation in 1927. G. W. Johnson headed the tammy operations of the firm, and H. W. Endicott took charge of the Wholesale Department in Boston. Eliot Spalding to Howard C. Freeman, Feb. 19, 1919, box 18; Endicott Johnson Corporation stock listing certificates, 1919, box 22; “Statement of Tax of Partners,” box 16, George F. Johnson Papers.

85. Between 1900 and 1910 the firm’s labor force grew from 2,000 to 4,000. Yet in the next three years an additional 2,000 workers found employment in the company. Binghamton Press, Dec. 24, 1910, “To the Workers” notice, Jan. 13, 1944, box 34, ser. 1, Chauncey P. Johnson, Jr., Papers.


Apr. 11, 1914. See also numerous articles appearing in the Brown Republican and other local papers in Apr. 1905.

100. Lespitshire Record, May 24, 1901. The importance of sport in the community was constantly reflected in local and national papers. See Democratic Weekly Leader, Apr. 26, 1900; June 25, 1903; New York Sun, June 25, 1903.

101. Two particularly bitter battles over Sunday baseball took place in 1904 and 1913. See the Democratic Weekly Leader, Apr. 21, Apr. 28; May 5, June 2; July 7, 1904. For the 1913 controversy, see May and June issues of the Ringham- ton Press.


103. Ibid., May 27, 1913.

104. Ibid., June 5, 1913.

105. Ibid., May 24, May 26, 1913. The petitions were circulated not only in Enfield Johnson factories but also among other industrial firms in the area. For a fascinating and more comprehensive analysis of the politics of working-class recreation, see Roy Rosenweig, *Eight Hours for What We Will: Workers and Leisure in an Industrial City, 1870–1920* (New York, 1983).
