Workers, Managers, and Welfare Capitalism

The Shoeworkers and Tanners of Endicott Johnson, 1890-1950

GERALD ZAHAVI

THE WORKING CLASS IN AMERICAN HISTORY

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Introduction

Letters of appreciation poured into the office of George F. Johnson, newly elected president of the Endicott Johnson Corporation, after the first distribution of bonus checks had been received by the workers in February 1920. A note from the Fire Prevention Department included this vow: "As to the future, may we pledge to you, OUR HEARTY SUPPORT, and BEST EFFORTS, in endeavoring to extend the GOOD WILL feeling to our co-workers, and in living up to the SQUARE DEAL POLICY in ALL OUR LABORS."[1] From the Upper Leather Basement of the New Scout Factory came the following missive:

> Resolved: We the undersigned workers of the Upper Leather Basement . . . wish to extend our thanks to our friend, fellow worker and benefactor of the community, Geo. F. Johnson, for his kindness and our share of the surplus earnings.
>
> Resolved: That we show our appreciation by trying each day to improve our work by being loyal to the Square Deal policy.[2]

From other factories came similar resolutions, as well as long petitions thanking Johnson for his generosity and congratulating him upon his election to the presidency of the firm. But it was a note from the oldest factory of the Endicott Johnson complex that suggested most poignantly the broader implications of Johnson's benevolence. A committee of workers from the treeing room of the old Pioneer Factory, where Johnson had begun his career as a foreman many years earlier, wrote the following:

> The men longest in your employ in the department, that served under your foremanship, inform us, of a later day, that the policies you are exemplifying on a larger scale, were encouraged and exemplified then. We accept them as a heritage that has been handed down to us, and shall strive to perpetuate them in the future as a token of our regards for the Corporation with which we are proud to be associated, and for our mutual interest.[3]

Indeed, with the introduction of the profit-sharing plan, the new president of the shoe manufacturing firm had put into place the major elements of a corporate welfare system. Building on paternalistic practices that dated back to the 1890s, the corporation had established an extensive medical department that would soon furnish surgical, dental, and a wide variety of relief services. It had initiated recreational and athletic programs, begun the construction of attractive, low-cost homes for sale to its employees, and provided countless other services for its workers and for the surrounding communities of Endicott, Johnson City, and Binghamton, New York. But more important, as the popular press and numerous highly impressed visitors continually pointed out, Johnson and his fellow corporate officers had created a unique solidarity between workers and managers, a solidarity that was perpetuated by good works, intense propaganda, and a powerful communal ideology that was at once both tolerant and paternalistic. The origins, development, limits, and ultimate demise of that solidarity is the subject of this work.

In many ways the major argument of this book parallels themes developed in recent studies of chattel slavery, most particularly in the work of Eugene D. Genovese. Although equating twentieth-century industrial paternalism with nineteenth-century plantation paternalism would be a gross distortion of reality, as Genovese was careful to point out, it is nonetheless apparent to me that certain meaningful similarities do exist. In particular, I have come to see in the two regimes a common dialectical struggle for control over the definition of paternalistic obligations and rights. The contradictions that Genovese recognized in southern paternalism were also present in industrial paternalism. As a mode of labor control, paternalism in general undermined the "solidarity of the oppressed by linking them as individuals to their oppressors." But in both the context of slavery and industrial capitalism, paternalism also represented a "moral victory" of the exploited. Just as slaves found "an opportunity to translate paternalism into a doctrine different from that understood by their masters and to forge it into a weapon of resistance," so, too, were Endicott Johnson workers able to transfigure the paternalistic system of labor control within which they operated.[4]

In focusing on the workers and managers of Endicott Johnson, I have sought to broaden traditional conceptions of the American working class and notions of labor power and struggle. That worker struggle occurs both within and without the umbrella of formal labor organizations is one of the themes of this study; that it occurs in the most unlikely setting of a liberal and relatively benevolent industrial order is another. The latter point might make even the most sanguine celebrators of America's triumph over class and class consciousness take pause to reconsider their assumptions.

This study is neither pure labor history nor pure business history, but a hybrid. It reflects my strong belief that there cannot be a history of labor without a history of capital. Thus, I have focused on workers *and* managers,

viewing the entity of the industrial firm as an arena of struggle in which the two groups shape the terms of their coexistence. Since Endicott Johnson's brand of corporate paternalism encompassed community paternalism, and had an extensive community impact, I was naturally tempted to cast a wide net, placing the company in the broad social and cultural context of a community study. But it was within the realm of work that welfare capitalism sought most avidly to achieve its ends, and it was within that realm that the struggle for control was most explicitly expressed, with all its contradictions and ironies. Thus, I have chosen to keep the shop floor at center stage. The wider field of Endicott Johnson's paternalistic policies is not neglected, but it is relegated to the background and introduced where it becomes most relevant to the central issues I treat.

Because, as countless historians have pointed out, workers rarely left as extensive a record of their feelings and thoughts as managers, oral history plays a large part in this study. Whatever objections one might make to the reliability of oral history, and historians have offered many, the clear and obvious logic of tapping such a rich source on working people's consciousness and behavior seems to me hardly contestable. Luckily, both corporate and union records existed to at least partly corroborate (as well as stimulate) the recollections of interviewees. Where written records did not exist, I tried to cross-check particular oral accounts with those of other workers who witnessed or participated in common events. The utilization of both oral and written sources resulted in an enrichment of one by the other and allowed me to trace the relationship between managers and workers through each group's perspective. I should emphasize that oral history was "mined" for both its objective and subjective content. Not only did workers provide me with numerous vivid descriptions of shop floor behavior, strikes, committee actions, and so on, but the tone and language of their recollections, as well as what they remembered, misremembered, or forgot, also offered me important insights into the psychological legacy of corporate paternalism. How else, except through oral history, can such information be obtained?

This study owes its existence not merely to my own efforts but also to the many institutions and individuals who offered me material, psychological, and editorial assistance. Syracuse University, the Lincoln Educational Foundation, and the Snow Foundation provided me with greatly needed and much appreciated financial support. To my wife, Deborah D. Maxwell, I owe an immense debt. Her assistance on many of the interviews cited within and in editing numerous versions of my chapters has been invaluable. I am especially grateful that she became as enthusiastic about this project as I was. My thanks also go out to Jared Namenson, an old and dear friend, who took the time to read and edit early drafts of this work. David Brody and Melvyn Dubofsky offered valuable advice that has considerably improved the manuscript. Aaron Appelstein, of the University of Illinois Press, helped purge it of several

minor and major errors. Three former teachers, David H. Bennett, Sally Gregory Kohlstedt, and William C. Stinchcombe, were especially helpful in nurturing this study in its original form. Bill Stinchcombe continued to offer his much-valued advice well beyond the dissertation stage of my work. To the other faculty members and numerous Syracuse University graduate students who took the time to read and comment on various chapters, I would also like to express my thanks. Whatever chaff remains in the finished work, of course, is my responsibility.

Individuals from Binghamton and environs have also provided me with a great deal of aid. First and foremost on this list are the dozens of former Endicott Johnson workers who graciously welcomed me into their homes and offered me glimpses into their past working lives. Nancy Grey Osterud and David Nielson, both formerly of the State University of New York at Binghamton, shared with me some of the fruit of their research, including oral interviews, and pointed me in the direction of important sources. To them I am particularly grateful.

Several institutions and individuals have helped me in yet other ways. The State University of New York at Albany, and my new colleagues there, provided me with an ideal environment in which to complete the revision of my manuscript. Ross McGuire, former head of the Broome County Historical Society in Binghamton, greeted me with open arms and made available to me the resources of the society. Michele Morrisson was equally generous with the interviews collected by the Broome County Immigration History Project. Professor Luciano Iorizzo of the State University of New York at Oswego loaned me over thirty-five linear feet of Endicott Johnson employee files that he had salvaged from the company in the late 1960s. He later donated the collection to the George Arents Research Library, where they now reside and complement other corporation records.

To the staff of Bird Library and the George Arents Research Library, of Syracuse University, with whom I shared my labors for more than three years, I would like to pass along special words of praise. It has been a real pleasure to work with such dedicated and responsive professionals; I hope they realize how much they have been and are appreciated. I also want to thank the staff of the following libraries for their help: Baker Library, Harvard Graduate School of Business Administration, Boston; Goldfarb Library, Brandeis University; State Historical Society of Wisconsin Library; Binghamton Public Library; Your Home Library, Johnson City; George F. Johnson Memorial Library, Endicott; New York Public Library; Broome County Historian's Library, Binghamton; New York State Library, Albany; S.U.N.Y. at Albany Library; United States Department of Labor Library; Labor-Management Documentation Center, New York State School of Industrial and Labor Relations, Cornell University.

Finally, to my father, Jakob, who did not live to see the product of my labors, and my mother, Judith, I dedicate this book.

NOTES

1. E-J Fire Prevention Dept. to George F. Johnson, Mar. 1, 1920, "Employee Correspondence" folder, box 18, George F. Johnson Papers, George Arents Research Library for Special Collections, Syracuse University, Syracuse, N.Y.
2. Workers Committee, Upper Leather Basement of the New Scout Factory to George F. Johnson, Mar. 1, 1920, "Employee Correspondence" folder, box 18, George F. Johnson Papers.
3. Corliss Ave. [Factory] Treeing Department to George F. Johnson, Mar. 2, 1920, "Employee Correspondence" folder, box 18, George F. Johnson Papers.
4. Eugene D. Genovese, *Roll, Jordan, Roll: The World the Slaves Made* (New York, 1974), 6–7, 689n.