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Work and Welfare: How Industrialists Shaped Government Social Service During the Progressive Era

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This article focuses on the welfare work of industrialists which was developed as a mechanism for fighting trade unionism during the Progressive era. This focus is designed to place welfare in its proper perspective within the political economy and to identify its political and economic functions. The article concludes that industrial welfare was one of the instruments used in creating a work ethic in the United States and one of the mechanisms of social engineering both in and outside of industry.

The inability to develop a rational social welfare policy in the United States and the confused public perception of welfare is a result of deliberate distortion of market realities. Welfare is seen as an isolated government action; as something done by government for a few nonworkers who can't help themselves. The key description is nonworker. Somehow a dichotomy has been forged between those who work and those who receive welfare. The legacy of welfare is in fact quite different. It indicates to us that welfare measures are an outgrowth of the work environment. In fact welfare was designed to aid in controlling the work process. The separation of work and welfare serves a very useful ideological function by completely obscuring the actual function of social welfare. Welfare must be understood as part of the political economy of this country. According to Piven and Cloward, in their major work on welfare, *Regulating the Poor*:

Relief arrangements are ancillary to economic arrangements. Their chief function is to regulate labor, and they do that in two general ways. First, when mass unemployment leads to outbreaks of tur-

moil, relief programs are ordinarily initiated or expanded to absorb and control enough of the unemployed to restore order; then, as turbulence subsides, the relief system contracts, expelling those who are needed to populate the labor market. (1971, p. 3)

The expansion and contraction of public welfare must be seen as a political phenomenon, one which helps to regulate labor. This regulation comes not only in terms of the number of people in the workforce but also their attitudes and behavior. Indeed the very initiation of welfare measures can only be understood within the context of work culture in the U.S. Much like today, early welfare measures were used to reward or threaten workers.

This article looks at one of the early examples of social welfare, industrial welfare. The objective is to identify this form of welfare as one of the regulatory tools used by industrialists to control labor. Industrial welfare was seen as necessary during the Progressive era to help prevent the spread of trade unionism. More important for contemporary reflection is the way in which industrialists passed on the responsibility and expense of these "welfare" services to government, thereby formalizing the separation of work and welfare. Government still bears the brunt of responsibility for the casualties of labor (unemployment, disability etc.) while the source of the problem, industry, remains hidden from view and absolved of responsibility. The historical record which points out the transferal of welfare services from industry to government helps us to understand how the separation of work and welfare has been shaped in the consciousness of the average American.

Industrial Welfare and the Process of Reproduction

The cultural styles and habits of workers posed the most serious threat to industry at the turn of the century. While industrialists could not hope to shatter or dissolve these traditions overnight, they did have to address seriously the whole range of culture, continually trying to adapt the old to their own purposes or attempting to produce new patterns. The disruptive effect of culture on the industrialization process sparked an urgency among industrialists to insure loyalty and order within their enterprises. The crude, casual, and personal ways of treating employees in the plant were therefore coupled with the om-

nipotence of the foreman. But while such informality in factory life may have had its advantages for workers and owners alike, decisions were still arbitrary and the tug of war between workers and management over control of the work process resulted in anarchy as Gerb Korman illustrates in this passage:

For many years most Milwaukee firms kept only meager employment records. This was true even of the E. P. Allis Company which by the mid-1880s was already employing hundreds of workers. Foremen and timekeepers simply noted the number of hours worked, rates of wages, and prices for piecework, often keeping no formal records at all. Indeed, the company made no effort to pay by check during its early years preferring to refer to its Polish workers as 'Mike 1,' 'Mike 2,' or 'Mike 3.' This seemed much easier than trying to master Polish names.

. . . According to J.M.J. Keogh of E. P. Allis: 'When I was timekeeper (in the 1880s) the workmen were given no work tickets. They obtained the number of the casting or forging verbally from the foreman and gave their job to the timekeeper who posted it on a sheet which covered the entire labor cost on the order. . . . There were no time clocks and no production boards to assist the foremen in knowing the next job to give the workers. The result being that the foreman would let his men run out of work and then would have to call at the foreman's desk or trail him around the shop to see what the next job would be.' Highly skilled pieceworkers haggled with foremen over prices for particular jobs, partly in their own interests, but also because foremen, not the company, paid the helpers. (1967, p. 64)

Order, prior to the turn of the century, was impossible in industry unless employers allowed ethnic connections to govern employment practices. They could not ignore human relations even if they wanted to. The result was the unsystematic involvement of companies in the personal lives of workers. For example, land and money were donated to churches by industrialists but this was done in an effort to curb alcohol consumption. Thus church deeds stipulated and/or prohibited the sale of liquor on the properties. Banquets, company outings, and other celebrations were held. Some employers contributed to workers' benevolent aid societies which helped to pay medical and funeral expenses for injured or killed employees, while other employers

handled such issues on an individual basis. Stuart Brandes in his study of these so-called "welfare" practices of employers describes how they were designed to give industrialists a foothold into cultural habits of the employees.

Some companies made it possible for employees to keep cows or chickens, and one maintained a company bird sanctuary. Company gardens were very popular with many employers, and floral displays (perhaps picked from a company greenhouse) graced many factories and houses, recalling misty memories of an agricultural past. Urban living required more attention to grooming than had farm life, and company manicurists cleaned fingernails while company shoe polishers blackened boots. In case employees ran afoul of the many regulations established by community living, free legal advice was sometimes available.

. . . Since one of the most important social problems was the acculturation of young persons to the industrial society, by 1900 various American firms operated every form of school short of a college or university. . . .

. . . Even the most basic problems of food and shelter often aroused the attention of American executives. Many employees dined at company restaurants. Company stores proliferated, and many companies provided milk for their employees from a company dairy . . . (1976, p. 4)

Philanthropic though these activities may seem, the employers through such actions were able for a while to avoid formal responsibilities towards their workers, such as workmen's compensation and other employee benefits. Later, many of these functions would be conveniently turned over to local government.

Despite industry's social policies, or maybe because of them the independent political action of workers continued, both organized and unorganized. We can only guess at the number of factories which closed because of workers social obstinacy. However, between 1880 and 1900 nearly 23,000 strikes affected more than 117,000 business establishments in the United States, an average of three new strikes a day for 20 years (Brandes, 1976). These actions often brought state, federal, and local government into the picture as either mediator or supplier of troops for repression. However, the employer had to find new and/or improved ways of control for stability. The casual, unsystematic

managerial response to decision-making and control was doomed; a more rational means of organization was necessary.

Writers don't agree entirely on the content of the new "rationalization" method. Some, like Korman, combine welfare programs, scientific management, industrial betterment, and social engineering and see in them the concerted thrust to bring order to production. Other writers like Daniel Nelson see welfare work and the scientific management of Taylor as differing and competing managerial philosophies. But, if we look at the intentions and motivations which all of these new managerial techniques and philosophies professed and the definitions given them, we see that Taylorism and welfare work had common goals and a parallel course of development. The definitions reproduced by Nelson are instructive:

Taylorism was an outgrowth of the 'works management' movement and the pioneering work of Frederick W. Taylor at the Midvale and Bethlehem Steel Companies in the 1880s and 1890s. Its basic premise was that 'human activity could be measured, analyzed, and controlled by techniques analogous to those that had proved successful when applied to physical objects.' In practical terms it combined a variety of new and old ideas, the most notable of which were time study and the incentive wage. . . . [But] Taylor's system demanded a thorough reorganization of the shop, new roles for managers and workers alike and most ominously, a 'mental revolution.' (1972, p. 1)

Alongside "Taylorism" stood industrial welfare work. Because of its political function it has a much less precise definition than Taylorism, although it seemed to be embraced more widely by industry. The National Civic Federation, an organization of America's biggest businessmen, was the strongest supporter of industrial welfare. They wrote:

. . . welfare work involves special consideration for physical comfort wherever labor is performed; opportunities for recreation; educational advantages; and the providing of suitable sanitary homes . . . plans for saving and lending money and provisions or insurance and pensions. (NCF, 1904)

All of the examples of industrial welfare owe their origins to a common source in the National Civic Federation. Business and

industry asserted their new organizational fervor and class consciousness in establishing the NCF in 1900, where they undertook collectively the task of exercising control of public opinion. Smaller and middle range businessmen, manufacturers and merchants, who were tied exclusively to the domestic market and who were therefore more vulnerable to labor and financial fluctuation, maintained very parochial and narrow interests. They acted as individual entities and not as part of an ownership "class" in their opposition to unions, their avoidance of national interests, and their opposition to the big corporations. The NCF too opposed unions, radicals, and Socialists, but they considered the National Association of Manufacturers (NAM), dominated by small business, the "anarchists" among businessmen, to which they were opposed (Weinstein, 1968).

Even though the NCF was an exclusive business club with the responsibility of "educating businessmen to the changing nature of America's business system," they nevertheless maintained a "tripartite" membership with "labor" and "the public" as well. We therefore find among its members names such as Grover Cleveland, William Taft, Samuel Gompers, and John Mitchell along side the long list of industrialists and financiers such as Belmont, Hanna, Carnegie, and Morgan. The NCF set the tone of the age and professed an ideology which denied class interest, substituting in its place "conciliation" and "reform" based on "cooperation." Ironically, it was the class interest and consciousness of the industrialists that allowed them to take on functions of "public officials." They realized all too well the limitations of individual company action in attempting to establish control. Therefore businessmen actively reshaped their own image and that of the corporations to win the loyalty of workers. This included the assumption of many social responsibilities which today we associate with government.

In the early history of NCF, 1900 to 1905, its main function was that of mediating labor disputes. It was therefore the forerunner of the government's Commission on Industrial Relations (1913-1915). While NCF rejected trade unionism as an independent movement, it willingly developed a Trade Agreements Department under the joint chairmanship of Francis Robbins of the Pittsburg Coal Company and John Mitchell of the United

Mine Workers, to establish some mechanism of agreement between members of the organizations. Trade unions were viewed as a "bulwark" against the great wave of socialism. Where trade unionism did not stabilize factory relations or where they were rejected by owners, the NCF suggested welfare measures.

Any uniformity in welfare measures owed a debt to the general policy of the NCF which its member industries followed. The Welfare Department of the NCF was established in 1904. The general approach of the Department was to promote "sympathy and a sense of identification between the employer and his employees" by integrating the lives and leisure time of workers with the functioning of the corporation (Weinstein, 1968). However, as James Weinstein clearly explains, part of the process of integrating the lives of the workers with that of the corporation involved the assumption by corporations of many functions which today we see as government's responsibility. Early welfare concerns included, technical education for workers, kindergarten for their children, low cost housing, recreation facilities, some aspects of public health programs, saving and lending money, insurance and pensions. Such paternalistic labor relations it was felt would undermine union strength, though this was not always the result. But the NCF was somewhat successful in individualizing workers' political action and they maintained their own class-based hegemony. Industry must be credited with providing the initial impetus for the use of social services in the structuring of political relations. If industry relinquished much of its "social responsibility," it was because it was able to pass on the responsibility to government while retaining the benefits. Additionally, the conditions which created the need for certain types of welfare also facilitated their demise. In industry, medical plans, pension plans, factory environment and employee representation replaced the old emphasis on education, recreation, and religion for workers.

While welfare work was not pervasive throughout industry, it allowed the industrialists to address pragmatic concerns in the garb of philanthropy and paternalism. Like Taylorism it was a response to the specific pressures of labor turmoil. While Taylor very openly announced the very ambitious promises of scientific management—greater output, lower costs, higher wages and la-

bor-management harmony—welfare work programs camouflaged similar intentions of reduced production costs and increased profits. However, some employers were quite proud to announce of welfare work that: “. . . [it] decreases the floating element and secures a stable work force, promotes harmonious relations and worker loyalty, combats unionism and insures against strikes” (Cardullo, 1915, p. 197).

In the final analysis the employer would choose those techniques which were least expensive economically and emotionally. Often welfare work was less demanding of owners and managers because, unlike Taylorism, it allowed them to retain their traditional paternalistic roles and defend themselves against trade unions under the guise of “social responsibility.” Welfare work helped to transform the corporation itself from solely an economic institution into the basic social unity of American society (Scheinberg, 1966). Some historians have recognized the intent of these reform measures and have placed them in their proper perspective within the whole web of bureaucratization which was occurring in the United States at the turn of the century. It is important, therefore, that we see scientific management and welfare work as opposite sides of the same coin. They were not simply the result of diligent engineers like Taylor and social workers like Gertrude Beeks of International Harvester. The pressures of workers’ uncontrolled habits brought about the necessary emergence of what Brandes calls a tripartite system involving labor, government, and big business (Brandes, 1976). Mark Hanna, industrialist and President of the National Civic Federation, became adviser to President McKinley, which gave national recognition to welfare work. John Commons, in his efforts to study ways to involve government in employment conditions, brought notoriety to scientific management in 1910 in the *Easter Rate Case*, and in 1909 the federal government utilized features of Taylorism at the Watertown arsenal. Thus welfare measures and scientific management became means for entrenchment of business hegemony and fulfillment of the corporate state. Both were means of “indoctrinating workers into accepting corporations as the central institutions of modern American life. Part of the process of integrating the lives of workers with that of the corporation involved the assumption

by corporations of many functions now seen as government responsibilities" (Brandes, 1976, p. 8).

Ironically, because welfare work was based on sentiment rather than "science," its rationale always served to underscore the dehumanizing consequences of industrial work which industrialists were attempting to deny. Hence, welfare begins by calling attention to precisely that which industrialists proposed to obscure.

Industrial Welfare and Skilled Workers

In industries which attempted to institute scientific management and industrial welfare, the reactions of employees serve to explain further some of their differences. The old forms of management were not only predicated on paternalism which revolved around the whim and good graces of owners and foremen, but also on the loyalty and efficiency of workers, particularly skilled workers. These workers became the primary targets of industrial welfare schemes. They asserted a great deal of autonomy over work procedures. However, once industries began to expand and to consolidate, this dependence on skilled labor became intolerable because it threatened the control of owners. Skill eventually fell victim to systematization through the mechanism of scientific management (e.g., the introduction of the assembly line, a new division of labor, new tools, new work methods, etc.).

In many cases where scientific management was incorporated in a plant, welfare work might also be adopted. Employers sought to retain some of the personalism of old managerial systems in an effort to maintain workers' loyalty and welfare schemes allowed this. These measures would be instituted as often inside the factory as outside. Inside, employers, like Pullman in Illinois, might construct modern ventilation systems, lunchrooms, and restrooms, and hire company doctors for workers, while their industrial welfare measures outside the workplace most often consisted of libraries, restaurants, club houses, recreational facilities, dancing classes, schools, housing projects, company bands, Sunday school, and cooking lessons. Modern systematic welfare programs of the period institutionalized these practices not only by coordinating them nationally

and regionally, as the NCF attempted to do, but these measures were professionalized under the direction of experts hired by the companies and operating out of newly established industry departments. The professionalization of industrial sociology, industrial psychology as well as social work begin in these departments.

When industries provided savings and loan associations, accident insurance plans, and pensions for the elderly, they were normally directed to skilled workers. While the reorganization of industry facilitated by scientific management may have antagonized skilled workers by upgrading the "unskilled" and transferring skilled knowledge to management, welfare measures served as a reward system (carrot and the stick); a way of encouraging worker retention and a way to salvage worker loyalty. Industry was constantly fearful that antagonizing workers might force them into the arms of organized labor. Welfare measures were designed to prevent this while at the same time creating a new dependence among workers. David Brody identifies this in his study of steelworkers: "Through promotions, housing, bonuses, pensions, and steady work, corps of company retainers were developed. The skilled workmen entered an orbit of dependence, induced to accept without dispute the terms of employment set by the steel companies" (Brody, 1960, p. 90).

I don't mean to imply that employers were too generous with their welfare measures. Workers paid for industrial welfare as citizens pay for government welfare. For accident insurance, workmen contributed a specified amount deducted from their wages and employers never contributed more than a third of the total costs (Brody, 1960). Additionally, employers were able to escape the legal responsibility for industrial accidents through the use of "common law" defenses: the fellow servant doctrine, the assumption of risk, and contributory negligence. When worker demands for compensation intensified in such a way that industries could no longer avoid their legal responsibility they called on government for support. Either the government would provide for workers' coverage or regulate the limits of coverage through the courts. By 1912, after several years of investigation, a Congressional Commission finally established a compromise between labor and capital. Weinstein, in his excellent analysis

of the transfer of these social functions to government during the Progressive era points out the supportive role of government when the social welfare expenses of industry were overtaxed. For example, in the case of accident insurance companies were able to depend on government to set "limits" on compensation while ensuring deregulation.

The competition between industrial welfare work and trade unions for workers' loyalty is further indicated by the historical presence of programs which rose and fell concurrently with unionism. The spirit in welfare programs during the 1920s was in part a response to the gains made by organized labor during World War I. Welfare work created "mediating structures," which in some instances came to fulfill some of the function of the family as well (Brandes, 1976). Regardless of the reaction of workers to these programs, government and industry imposed themselves on the daily lives of individuals without request. Eventually, government would come to dominate the area of "welfare" services, particularly housing, health, and recreation as their expense increased for industry.

It is not my intention to prove or imply that any particular group of workers, women, immigrants, skilled or unskilled, was more responsive to social welfare than another. To do so would only duplicate previous errors in analysis which persist in associating this acceptance with the lack of political consciousness. Welfarism has left its impact on all workers. Today those persons outside of the industrial environment are the most obvious targets of welfarism, but it permeates all our lives, those who work and those who do not. Ironically, at the turn of the century, the only judgement which seems fair, given the contradictory evidence, is that workers in the industrial sector were the primary targets of welfare, while variations in program application were influenced by geographic considerations.

According to Brandes, welfare work was also one of the techniques used by government in its attempts to stimulate production. However, industrial welfare waxed in times of prosperity and waned in depression (Brandes, 1976), expanding when business profits were up and industry anticipated worker demands for greater compensation, welfarism was a way to head them off. But this cycle was reversed for government (Piven & Cloward,

1971) precisely because government was concerned with mobilizing the economy and the task was more important in bad times than good. Therefore, during World War I the Wilson Administration formed

. . . government bodies to supervise critical goods and services as food, fuel, railroads, shipping, and housing. Two of these, the United States Shipping Board and the United States Housing Corporation, encouraged welfarism in industrial housing. The Housing Corporation was created by the War Department to build homes for workers. It included a town planning division, chaired by famed city planner Fredrick Law Olmsted, which planned numerous housing projects near arsenals, munitions factories, and shipyards. Several developments qualified as full-scale model towns designed to give pleasant accommodations at mass productions prices. The Housing Corporation spent a total of \$194 million to house about six thousand families. In effect, the United States government constructed a whole series of "company" towns during World War I. (Brandes, 1976, p. 4)

These developments show clearly government's assumption of the responsibility of industrial welfarism and this would clearly affect the cognitive referents or symbols given to the working class.

Meanwhile, self-help institutions suffered attack and obliteration at the hands of the new social welfare functions of government. The family, home, neighborhood, community, places of leisure, taverns, stores, meeting halls, churches, stoops, and alleys, all of which had been shaped by occupational groupings at an earlier period of capitalist development, lost their place within the pattern of labor and leisure. The conditions of work, long hours and poor wages, seriously affected patterns of relations among "unskilled immigrants" as well. While the urban political Machine did lend some legitimacy to the urban ethnic ghettos. Even with the demise of the "Machine," ethnic culture and ritual still remain a source of strength for immigrants in resisting the exploitation of work. However, as industry and government introduced social services into communities, institutions arose which would undermine the functions of the "old" cultural patterns. To prevent home from being, as some workers commented, "just the place where I eat and sleep," (Alt, 1976)

it had to be recreated as a social center. A cynic might argue that the conditions of poverty and overcrowding therefore came to serve as a positive function for the poor who were forced to live together to survive. This description of workers housing from a study of the Homestead mill community presents a picture of cultural habits which give positive meaning to the otherwise negative condition of poverty:

The Slavic workers, plus their families, relatives and intirant boarders, lived together in large numbers and in very close quarters, usually in tenement houses which would often face and share a common courtyard. It is in the extended home that the primary social bonds of mutuality are first reproduced as they originate out of the conditions of exploitative industrial employment. The extended home and ecological character of the early tenements fostered extensive social interaction among its members. For one, the homes which occupied a common courtyard used a common water source and shared one toilet facility. During mild weather, the courtyard was typically a focus for discussions between men on shop-floor political and cultural topics, and was a place for playing cards, singing, and dancing. The house itself was a major center for social life: "In the evening a group often gathers around the stove gossiping of home days, playing cards, drinking, and playing simple musical instruments. On the Saturday after pay day the household usually clubs together to buy a case of beer which it drinks at home." The home was also the scene of larger festivities during the events of birth, marriage, and death. These gatherings always drew workmates, relatives, old friends, and new neighbors together where "joy and grief and religious ceremony are alike forgotten in a riotous good time." (Alt, 1976, p. 63)

However, deteriorating living conditions always demanded that the poor plan on leaving rather than remaining in such quarters. Therefore, either returning to Europe or geographic relocation in the United States remained an objective. Transiency and geographic mobility became the greatest threat to working class community life.

Scientific management and industrial welfare combined to undermine the function of occupational communities as the most significant peer group. The extended family, the local tavern, and other working class community centers lost their earlier meaning. This is not to say that individualization completely

replaced group activity among workers, but it is pointed out here to make reference to social changes taking place for workers and the new conceptions of life which may have emerged.

Contemporary studies of industrial welfare and its consequences in working class communities, however, do argue that individualism and consumerism came to completely dominate working class life and leisure. Leisure, more and more, became associated with a reaction against work thereby helping to solidify the separation of work from social conscience.

Even though studies show workers maintained a low evaluation of welfare work (Houser, 1927), there is no question that it left an impact. The Progressive era opened up a whole new role for institutions in the social life of individuals. The assumption that workers could not provide certain necessities nor amenities for themselves and/or families, obviously had social and psychological consequences. When workers accepted such services, they implicitly exposed a weakness (Brandes, 1976).

Immigrants were fast coming to view themselves not as temporary workers, but as permanent residents in the new industrial order. If the attitude toward work had changed by 1921, social engineering techniques were largely responsible. There is no question that these techniques were aimed at the control of labor. But the long term consequences for political consciousness seem to have been more successful than the short term control of behavior. Strikes did decline somewhat at Taylorized plants and those with welfare programs, but they did not disappear. The promise of social harmony had not been achieved. Therefore, industry would have to turn to both government and the craft unions to aid its process of social control.

Even though organized labor came to oppose both industrial welfarism and scientific management, it is important to note that its leadership was actually a part of the National Civic Federation which brought "welfarism" and employee/employer cooperation to national attention. John Mitchell and Samuel Gompers were both members of the NCF and both applauded the initial creation of the NCF's Welfare Department. Therefore, while industrialists had as their expressed intent the elimination of unionism, union officials embraced their goals of "propagating an improved American working man: thrifty, clean, tem-

perate, intelligent, and especially, industrious and loyal" (Brandes, 1976, p. 33). Since most industrial welfare measures seemed beneficial to skilled workers who constituted the membership of the unions at that time, the labor leaders can be seen as participating in that which ultimately undermined their legitimacy. The AFL not only actively sought to cooperate with owners and management on particular issues at the national level but came, as Dubofsky describes, to "ape their corporate cousins." The labor leaders reorganized their associations in the image of Progressive reform "in which the rank and file obediently followed the commands of bureaucratically inclined well-paid officials" (Dubofsky, 1975, p. 84). The organizational reforms of the unions, like those in industry and government, transformed both the nature and process of decision-making, authority, and participation. They emphasized appointed rather than elected to insure loyalty. Administrative techniques became more important than oratory and charisma. Like government, the union, too, sought to take politics out of their "business." While shunning scientific management, the unions adopted a prostandardization posture in their defense of formal work rules and procedures. They also emphasized their contractual relationship with industry.

It was organized labor's antiimmigrant, antiunskilled policies and attitudes which would ultimately be their demise. Not only did they exclude the unskilled from their locals, but immigrants were chided for their "alien and inferior character." As for Black migrants to the industrial cities, the AFL exclaimed: "Hordes of ignorant blacks, possessing but few of those attributes we have learned to revere and love, huge strapping fellows, ignorant and vicious, whose predominating trait was animalism" (Dubofsky, 1975, p. 84). In an effort to defend their own craft exclusiveness, the AFL even opposed government efforts to mandate maximum hours and minimum wages for adult men and provide unemployment insurance and social security.

With everything eliminated from their domain of concern except business, material gains and efficient organization, unions lost their ability to describe and critique the industrial economic environment which fostered them. The interest of skilled labor was separated from that of the "public interest." But, as orga-

nized labor maintained their exclusionary position, mass production industry came to rely more on unskilled immigrant labor.

Ironically, mechanization, particularly in large-scale mass production industries, reduced the attraction of the craft union (Dubofsky, 1975). The "unskilled" now dominated the technologically advanced sectors of the economy (auto, steel, meat-packing, rubber, electrical goods). By 1919, it was the unorganized rank and file, the immigrant, the unskilled workers who remained the most significant threat to industrial hegemony, not the unions. Strikes increased but not trade union membership (Brecher, 1972). In fact, the AFL, in a desperate attempt after World War I to save itself from extinction, entered an agreement with industry and government alike which went beyond mere cooperation. Their antistrike, procontract position was traded for the right to organize and they became facilitators of the new "company unions."

The Role of the State

Industry would ultimately turn to government as yet another tool to control workers' behavior. Since welfare work and industrial organization could not completely contain strikes it became necessary to create new "social consciousness" which would be predicated on a new idea of the government as "imperial mediator."

The U.S. government did not take on the responsibility of categorical benefits and of social welfare as we know it today officially until 1935 and then only as a response to strikes and the collapse of the economy. However, the precedent for government to assume this role was set at the turn of the century by industry and the National Civil Federation in their effort to establish government's mediator role. Industry was actively looking for ways of transferring the cost of industrial welfare work to government. Since industry was involved in everything from setting up cooking classes for the wives of workers to building roads leading to and from their establishments this was an expensive and therefore necessary transfer. The cities would "inherit" many of the welfare measures and programs previously conducted by industry, as is illustrated in the case of Dayton,

Ohio. Here, the city took over the National Cash Register Company's "welfare" program, "to take care of the education and the health and working conditions of employees and their families." Without interfering with the internal dynamics of industry, the social services were designed around the attitude that "happy workers are more efficient." Dayton constructed parks, planted trees, built new bridges. The city's welfare department inspected milk, provided free legal aid, established a municipal employment agency, a municipal lodging house, provided free medical examinations for school children, free vaccination, playgrounds, play festivals, and other social services. The city also created new employment opportunities by building its own asphalt plant, new sewers, and instituting city-wide services. Often these types of services and municipal ownership policies coincided with the aims of radical social reforms, though their objectives remained different.

There was a conceptual change which occurred as well within this transfer of the responsibility for social services. By the 1920s the old philosophy of laissez-faire had been completely replaced by a new Republican ideology and organizational direction which enlarged government and its functions. The involvement of the federal government as a "neutral third party" standing between owners and workers was designed to curb organized confrontation. Government "presence" it was hoped, would create an aura of fairness in negotiated settlements, rather than changing workers' independent action. This new role of the State is central to understanding other changes at the time.

By the 1890s it had become apparent that society could no longer allow workers to shift for themselves in an imaginary free market place, or be subject to the whims of their employers, or even worse, themselves. Working-class life had to be regularized and routinized. This was the necessary consequence of bureaucratic-technological society as Wiebe stresses in *The Search for Order*. Gigantic modern industrial corporations governed by impersonal, formal managerial bureaucracies replaced the old set of social relations typical of "island communities." All of the social reformers agreed that the regularization of working class life was a necessity, and formalized work rules became a motif of working class existence. Unregulated working conditions and

laissez-faire was now seen by industrialists as creating a situation which was totally unpredictable. In this context government was seen by reformers and industrialists alike as a regulatory alternative.

After 1916, with U.S. involvement in the war and the unions' surrender of the right to strike, one might conclude that the state had triumphed in the interest of capital and, in the process, had gained a secure position for itself as mediator to maintain this tenuous balance between unequal partners. More important, however, the State had become the unwilling "sponsor" of collective bargaining. With all of its administrative innovations to limit participation, it was now forced to amend exclusionary practices or continually expand the idea of the "public interest." At the same time, however, the State would give legitimacy to industrial autocracy when worker and citizen participation were denied. The State could participate in the process of the reproduction of productive relations only by sponsoring new and sometimes contradictory social relations. Theirs was a creative function which helps to point out the reoccurrence of contradictions in capitalism. As with the efficiency engineers, the State began to embrace diametrically opposed ideas simultaneously: of consent and manipulation, of men as individuals and as machines, of survival of the fittest and the social explanation of poverty, workers as individuals and as the "group" object of policy, of "merit" as the basis of success and the "inherent" superiority of business, access to information and limited communication.

Conclusion

Work and attitudes about work are cornerstones of American society. Unlike other countries around the world where members of the population may share a common language, customs, or history, the U.S. had to create a commonality for its population. A culture of work was enforced, that is, methods of work, patterns of authority, work behavior and motivation were created from a system of rules and organization. A work ethic was forged at the expense of ethnic cultures and values. Immigrants were forced to give up past values and beliefs to accommodate themselves to the new workplace. Ultimately fear of destitution

was the driving force in the destruction of old cultural values and the embrace of the new work ethic. The breakup of ethnically specific behavior was part of what industrialists considered necessary disciplining of the work force. This discipline was accomplished by a process of social engineering throughout the society. Industrialists, aided by the emerging class of social scientists relied on reorganization (in government and industry) and social services through industrial welfare programs to accomplish their goals. The specific objective was to create new structures of authority, hierarchy and decision making while cultivating new attitudes to serve as the basis of legitimacy for these structures. All of the action and procedures used by industry to create a stock of stable, dependent wage earners served dual functions: production and control. Industrial organization/scientific management and industrial welfare head the list of mechanisms for control and the transmission of the new "work ethic."

Like industrial organization, industrial welfare had a cultural as well as an ideological function. It was not enough for workers to be controlled on the job, the work force had to be self-regulating. Workers had to supply their own regular work habits and timing and their own motivation for work and wages.

As we witness the current debate surrounding new industrial policies toward workers similar concerns emerge. Industrialists and policy makers continue to address the need for "disciplining" the remaining work force. This has come in the form of massive lay offs, the erosion of collective bargaining and unionization, and wage and benefit "givebacks." We are warned that expectations must be "lowered" in the U.S. lest the society crumble under the pressures asserted by the "internal dynamics of democracy in a high educated, mobilized and participant society" (Sklar, 1980, p. 3). The widespread hardship which has resulted from the attack on the working class is the result of an effort to "discipline" and lower expectations. This review of the process of control as it asserted itself at the turn of the century was intended to develop a clearer perspective of the regular demands of capitalism.

As we continue to be bombarded by the demands of industry, the question of government's function will resurface. Citi-

zens will have to address the logic of the corporate State in terms of their own self-interest. On the one hand government has cultivated a client relationship with workers by denying them independent action as a group. By introducing social services the State has created structures which affect daily life. These structures can be manipulated to shape attitudes.

Ironically, the Reagan Administration's cuts in social services and the simultaneous attack on workers and unions may be the source of a new unity. Sectors of the population who had previously been trained to see each other as antagonists now find they share the same plight: free food lines, welfare offices, dependency. If a working unity emerges we may see a new understanding emerge which addresses the rights of all citizens to a decent quality of life as an inalienable right. Working people may see a new function for the State and the Constitution, forcing us to go beyond the Lockean idea of government's function as securing a "free market of competition."

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