

THE AMERICANISM OF THE  
NATIONAL ASSOCIATION OF MANUFACTURERS

By

JOHN NELLIS STALKER JR

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CHAPTER I  
Introduction

Some 2500 years ago the Greek dramatist, Sophocles, in his tragedy, Antigone, posed one of the fundamental questions which man, as we think of him, has had to face. Namely, whether man-made and socially enforced law should take precedence over what the individual conceives in his heart to be a higher law. In short, to what institution, ideal, belief, or law does man owe his foremost loyalty? Sophocles offers no easy solution to this question, though his sympathies are obvious.

But in the era of nationalism, in which we have been living for some two centuries, man's responsibility in society has been resolved in a spirit of unmistakable dogmatism. Because of the natural affinities which a man has for his neighbors, those who speak his tongue, he has found it singularly difficult to withstand appeals to his patriotism. Loyalty to one's God, religion, fellow-man, even to one's self has been swept aside by a new force in world history. The national state has become the unit which now commands the individual's first allegiance. Loyalty to the state has become the greatest good, patriotism a transcendent virtue --- treason the worst of evils.

However, the industrial age has engendered new social strife, as opposing groups seek to alter or to maintain their position in society. In this conflict no force has proven so beneficial to the status quo's cause as that of nationalism. In our country the struggle has often been resolved into a conflict between ideas termed American or un-American. Thus the constant usage of the term by opposing groups has resulted in tremendous confusion, and Americanism has become almost undefinable.

Essentially, the term is an abstraction which when translated into positive action becomes any force or idea considered contributory to the welfare of the United States as a whole; as such it is both nationalistic and patriotic.

Certain groups and sections of the United States are most vehement in

their faith in Americanism, and are equally outspoken in their condemnation of all they feel contrary to this creed. In the last ten years, several Congressional committees have been organized for the investigation of 'un-American activities,' and ideas not consistent with the 'American way of life' are being regarded with suspicion and intolerance. Thus it may be of some value to examine one of these interests or groups through its words and actions in an endeavor to determine its conception of Americanism.

Several excellent studies<sup>1</sup> have been done which deal with particular groups of America-enthusiasts, though not with their specific use of the term. Yet for reasons unknown, one group has been ignored --- the National Association of Manufacturers. The purpose of this study is to determine in so far as possible the actual meaning of the Americanism which the N.A.M. is advocating. Perhaps it would be expedient to explain why this particular organization has been chosen for analysis.

Generally speaking, the Association has been regarded as representative of big business interests of American industry. A quick enumeration of concerns represented on the Board of Directors or chairmanship of the various committees of the Association will serve to establish this contention. For example: Dupont, Standard Oil, General Motors, National Steel, Westinghouse Electric, United States Steel, Monsanto Chemical, American Cyanamid, Chrysler, American Smelting and Refining, General Foods, Heinz, Pittsburgh Plate Glass, not to mention many others. In this sense, then, the N.A.M. may be considered as representative of America. For much of America is synonymous with business --- Big Business! But the N.A.M. represents not only large business organizations of the country, but "speaks with authority for over 57,000 businessmen --- 12,000 manufacturer-members, more than 40,000 members of 307 regional, state, and local manufacturing or trade groups affiliated

<sup>1</sup> See William Gellerman, The American Legion as Educators, (New York, 1938); and on the United States Chamber of Commerce and the American Federation of Labor, H. L. Childs, Labor and Capital, (Columbus, Ohio, 1930).

in the National Industrial Council and 6300 subscribers to the National Information Committee.<sup>2</sup> Thus, the N.A.M. is the spitzenverbande or peak association of the federated American business associations.

The Association is also noted for its outspokenness on national and domestic issues. With a well-organized, efficient publishing office at its disposal, and a wide variety of interest, the N.A.M. has voiced its opinions on almost every problem confronting the American people. The Association has even been labelled in the popular sense 'the shock-troop brigade' of the United States Chamber of Commerce. Having committed itself so arbitrarily, the organization practically invites critical analysis.

Finally, no large amount of study has been devoted to this organization.<sup>3</sup> This nescience about one of the most important organizations in America today is a remarkable commentary on modern American scholarship. Surely such an influential group merits careful scrutiny, especially in these unsettled times. And, perhaps, by focusing our attention on the patriotic ideology, the Americanism, in which the organizations' activities are so adroitly immersed, we may be able to see beyond every-day issues and realize the complete pattern that the N.A.M. has designed for our country.

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<sup>2</sup> National Association of Manufacturers, What is the N.A.M.?, (New York, 1944), 5.

<sup>3</sup> The author found only three studies which dealt with the N.A.M. in any detail: Clarence E. Bonnett, Employers' Associations in the United States, (New York, 1922); Robert A. Brady, Business as a System of Power, (New York, 1943); and Albion G. Taylor, Labor Policies of the N.A.M., (University of Illinois Studies in the Social Sciences, vol. XV, no. 1, Urbana, Illinois, 1927).

CHAPTER II

1895 -- 1901

## Germination and Formation

By 1890 the United States had emerged on the industrial horizon. With the impetus provided by the Civil War and a physically expanding nation, industry was rapidly replacing agriculture as the basis for the nation's economy. Developed under laissez-faire theories, industry experienced the usual cycles of booms and depressions, and, as it superseded agriculture, the welfare of industry increasingly became the welfare of the nation. Realizing that the United States would soon reach its peak capacity for consumption, leaders of industry began to look for foreign markets to absorb the surplus. Still conscious of the need for a protective tariff, they thought that the solution to overproduction was to be found in a series of reciprocal trade treaties with nations of South America and Europe. These treaties were consummated in 1890, and as the volume of exports rose it was felt that the immediate problem had been met. However, a severe depression throughout Europe began to curtail American exports. The sharp depression in America in 1893 and the ensuing panic have been attributed to many factors, but "the primary factor as we see it now, was the overexpansion of transportation facilities and industrial production, accompanied by unconscionable stock-manipulation and reckless speculation."<sup>1</sup> This depression coupled with the abrogation of the reciprocal trade treaties by the Wilson-Gorman Tariff in 1894 caused the leaders of American industry considerable anxiety. The individual manufacturers of the United States were becoming increasingly aware of the danger of overproduction, yet they, as individuals, could not realize a method for the adjustment of their problems."

During the summer of 1894 an Atlanta publisher, T. H. Martin, drew up an open letter which he published in his magazine, Dixie. Martin was primarily concerned with "a plan for the extension of the machinery trade into

<sup>1</sup>  
H. U. Faulkner, American Political and Social History, (New York, 1941), 495.

Mexico and South America."<sup>2</sup> Subsequently copies of the letter were sent to leading manufacturers of the United States and a questionnaire was enclosed. The questions were designed to ascertain the present status of trade relations with the Latin American republics and whether manufacturers would be interested in extending their relations. Martin received 735 answers. "Out of these replies and encouragement received grew the suggestions that an association of manufacturers be organized for the purpose of promoting trade with Mexico and South America."<sup>3</sup>

Thomas P. Egan, a co-partner of the Fay, Egan Company, a machine tool and woodworking concern in Cincinnati, saw the possibilities inherent in the proposal and wrote hundreds of letters to various manufacturers asking them to meet in Cincinnati to consider the idea. A committee known as the 'Big Fifty,' composed of business leaders of the 'Queen City,' was formed and arrangements were made for a convention to be held in January, 1895. Invitations were sent on a national scale, and while none of the industrialists who accepted were committed to anything other than the general welfare of the country, it was hoped that ways and means would be found to extend trade to Latin America and that a permanent organization would be founded.

On Tuesday morning, January 22, 1895, the convention was called to order by T. P. Egan, its temporary chairman. Committees on resolutions and credentials were appointed, and in a short time the committee on resolutions recommended that a national organization be formed. This resolution was unanimously adopted and the National Association of Manufacturers became a reality. A committee on permanent organization went rapidly to work in spite of some dissension by southern representatives who

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<sup>2</sup> Cincinnati Commercial Gazette, January 23, 1895. A personal interview with T. H. Martin. See Appendix for copy of this letter.

<sup>3</sup> Ibid.

complained of sectionalism in the convention favoring the north.

Thomas Egan's welcoming speech keyed the convention. The high point of his address came when he said: "Some of us built up at great cost a large foreign trade, and we were dealing with foreign countries on extra advantageous terms, and this bill (the Wilson-Gorman Tariff) rescinds all our reciprocity treaties, and virtually destroyed our foreign trade until every country in its turn is refusing our goods; . . . This convention is called to try and find some escape and salvation . . ." <sup>4</sup> Egan then presented the cardinal points which he felt should be the basis of such an association. Briefly they were (1) that a permanent organization be formed; (2) that legislation should be encouraged to aid manufacturing; (3) that ways and means be found to develop trade relations; (4) that expositions and warehouses be established in South America and other countries to display American products; (5) that the merchant marine of the United States be extended; (6) that the United States recognize and control the Nicaraguan Canal; and (7) that reciprocity treaties be renegotiated. <sup>5</sup>

On the second and third days, a constitution was presented and adopted, <sup>6</sup> the general officers of the association were elected and the convention closed with confidence and optimism. Visitors to the meetings were tremendously impressed by both the wealth of the delegates and the seriousness of the proceedings. An editorial in the Cincinnati Commercial Gazette, echoing the sentiment of visitors and interested spectators, expressed the hope that the early enthusiasm would not fade and uttered a prophetic reflection: "It is simply impossible that the demands that are made by such a tremendous aggregation of capital and industry, should not be listened to with the profoundest respect by the great political parties. As the delegates have found it has been extremely difficult to draw the line

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<sup>4</sup> Cincinnati Commercial Gazette, January 23, 1895.

<sup>5</sup> Four of these points were written into the preamble of the constitution of the Association.

<sup>6</sup> For constitution, see Appendix

between politics and business. And yet it has been, on the other hand, plain that business with the delegates has been the end and politics the means."<sup>7</sup>

### The First Six Years

For purposes of simplification it would seem expedient to consider the first six years of the organization as a unit, for these years show the development of the organization to a strength even un hoped for at its optimistic inception. This period also reveals the consolidation and modification of the original purposes of the organization and the efforts to effect a realization of these aims.

Since the major reason for the formation of the organization was a desire for the increase of foreign trade, let us turn our attention to this phase of the N.A.M.'s activities. When Theodore C. Search became president of the Association in 1896 (an office he held until 1902) he introduced the subject with the following statement: "The energy, the ingenuity, and the aggressiveness of our manufacturers all warrant the belief that the export trade in American products is capable of vast development, and the efforts of this association are pledged for the furtherance of this cause."<sup>8</sup> In order to achieve this goal the Association formulated and acted upon an eight-point program which we shall consider in detail.

The most obvious and immediate proposal for increasing foreign trade was for the renewal of reciprocity treaties with foreign nations, particularly in Latin America. Early in 1896 the Executive Committee published a circular to be distributed to all members, which contained a reprint of a letter sent to A. J. Hopkins, Chairman of Sub-committee on

<sup>7</sup> Cincinnati Commercial Gazette, January 24, 1895.

<sup>8</sup> National Association of Manufacturers, Circular No. 1, (Philadelphia, 1896), 10. Cited hereafter as Circular No. 1, with the year of publication.

Reciprocity and Commercial Treaties of the Senate Ways and Means Committee. The letter cited many reasons for the negotiation of new treaties. The N.A.M. pointed to the increase in exports while reciprocity treaties had been in effect and the subsequent decline with their abrogation. Feeling that it spoke for business, the N.A.M. declared that businessmen of the nation were in favor of reciprocity. Realizing that there might be some disagreement on the part of protectionists, the publication reminded its readers that "as applied under the Act of 1890, reciprocity was a thoroughly American principle, inasmuch as it provided for the protection of our commercial interests not only at home but abroad."<sup>9</sup> The letter recommended that treaties be established on a non-partisan basis, and pointed out that the practicality of such treaties had been proven by past experience. The N.A.M. also reasoned that trade agreements would be of value in stimulating cordial relations abroad, and warned Senator Hopkins, and at the same time its members, that the opportunity for obtaining a share of the South American trade might not present itself again as other nations were already seizing that market. This aim was thought to have been achieved in some measure by the passage of a new Tariff Law in 1897 providing for the negotiation of reciprocity treaties. By 1900 treaties had been arranged with France and Argentina, and although many members of the Association differed in opinion as to the desirability of these pacts, they were nonetheless gratified by the renewal of this policy by the government. The acquisition of territory by the United States during the war with Spain made negotiations with Cuba, Puerto Rico and the Philippines unnecessary.

Annoyed by what they termed discrimination against American manufacturers and exporters by foreign shippers, the N.A.M. decried the absence of an American merchant marine. Recognizing that commerce would be

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National Association of Manufacturers, Circular No. 3, (Philadelphia, 1896), 2. Cited hereafter as Circular No. 3, with the year of publication.

immeasurably aided by a national maritime service instead of depending on foreign shipping, the N.A.M. repeatedly championed the development of a merchant fleet. Since private capital was unwilling and unable to undertake this venture the organization sought government support for the program. "In the belief that all our maritime commerce should be carried in vessels sailing under the United States flag, the National Association of Manufacturers declares itself in favor of a judicious system of subsidies in order to extend and restore the merchant marine of this country."<sup>10</sup> The N.A.M. was instrumental in forming a committee representing ship owners, builders and manufacturers to seek congressional action. Senator Mark Hanna soon introduced a bill incorporating the features which the N.A.M. had advocated, and by 1900 two bills were before Congress to establish bounties and subsidies for the construction and operation of a maritime service. The extent of the actual influence of the Association in the instigation of this legislation is difficult to determine, but the N.A.M. evaluated its own contribution by stating confidently that it had "been vigorously instrumental in promoting the present advanced condition of this question before Congress and before the people."<sup>11</sup>

Closely related to this program was the development of an Isthmian Canal. The commercial benefits to be derived from such a project and the immensity of the undertaking led the N.A.M. to favor the construction and operation of the canal under the control of the United States Government. Repeated references as to the urgency and necessity for taking action on the Canal are found in the annual reports of President Search. The Hay-Pauncefote Treaty was greeted with enthusiasm by the Association.

Cognizant of the need for a better mutual understanding with prospective customers, the N.A.M. embarked upon an ambitious publicity cam-

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Circular No. 1, 1896, 4.

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National Association of Manufacturers, Circular No. 38, (Philadelphia, 1900), 10. Cited hereafter as Circular No. 38, with the year of publication.

paign that the world's markets should know American products and American manufacturers the needs of the world. This campaign developed on a three-fold basis: the development of expositions and agencies for the display of American products; the organization of tours and commission of special agents to go abroad and study foreign industries and markets; and the ardent advocacy of the reorganization of the consular service of the United States.

By the spring of 1896 the N.A.M. was planning a series of extensive depots in various countries. Negotiations with the governments of Venezuela and Mexico were inaugurated and by 1898 a warehouse had been set up in Caracas. Plans were advanced for warehouses in Hamburg, with an eye on the Baltic trade, and Shanghai. The Shanghai project was completed and in operation shortly after John Hay announced the Open Door Policy. The use of these warehouses was restricted to the members of the Association and only operating charges were levied. But the N.A.M. focused its full attention on the Paris Exposition to be held in 1900. Three years before the opening of the Exposition, the organization pressed Congress to take immediate action upon the invitation tendered the United States by the French government. The N.A.M. viewed the official unconcern with misgiving, and stressed the need for early appropriations to insure a suitable American display. Lack of governmental action led the Association to make its own provisions for the Paris display. Arrangements were completed for the shipping and exhibition of members' products, and when the Congressional appropriation of \$750,000 was finally announced, the N.A.M. requested a larger sum and continued its independent activity.

Conscious of the benefits and greater reliability of eye witness accounts of foreign markets, customs and countries, the N.A.M. began to commission special agents to visit various nations to obtain both specific and general information regarding commercial opportunities. A tour to South America was arranged to promote the establishment of more intimate trade relations with Argentina, Uruguay and Brazil. The participants in

the tour were members of the Association. "Each member of the party will be expected to represent some particular branch of business, the interests of which he will consider throughout the trip, and upon returning each member will be expected to prepare a report embodying the results of his observation and study during the tour."<sup>12</sup> These reports were actually compiled and distributed in book form to all members of the Association. Special agents were sent to Europe, particularly to Germany and Scandinavia, to study methods and procedure in export trade. Reports were sent back, duly published and circulated. In order to facilitate more detailed and systematized knowledge, the N.A.M. established a Bureau of Information in 1896. Members of the Association were informed: "If you desire statistics of the trade of any country or any industry, if you want the names of manufacturers of merchants in any particular line at home or abroad, if you wish to have information about the goods that are sold in any of the world's markets, the Bureau of Information will endeavor to furnish this information."<sup>13</sup>

As the commercial agents sought information for the N.A.M. they often came in contact with United States consuls. The indifference and ignorance of many of the consuls in matters of commerce was censured by many of the agents in their reports. The N.A.M. transformed this criticism into positive action by demanding the reform of the consular service. In a letter to President McKinley the Association pointed to the evils arising from the use of the service for political spoils. In a concrete, five-point program the N.A.M. recommended the following organization: that changes should be held to a minimum and removals made solely on the basis of demonstrated inefficiency; that vacancies be filled by promotions and transfers; that appointments be made on the basis of qualifications, not politics; and lastly, that only American citizens be appointed to the

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National Association of Manufacturers, Circular No. 5, (Philadelphia, 1896), 8.

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National Association of Manufacturers, Circular No. 8, (Philadelphia, 1896), 1.

service. By 1900 a bill embodying some of these revisions was before the House Committee on Foreign Affairs. President Search, being unable to attend the hearings, made a written plea for the above mentioned reforms and heartily endorsed the bill in behalf of the Association.

However, the N.A.M.'s interest was by no means confined to foreign trade, and its attitude towards the internal affairs of the nation was definite and pronounced. The motivation for its policy was once again primarily commercial. Because of the national scope of the Association the proposals made were necessarily formulated on a nation-wide basis. In general they display a conscious trend towards uniformity and consolidation. But we must consider these propositions in detail which when combined with the foregoing international activities will present us with an adequate picture of the life of the Association.

Coupled with the desire for increased exports was the customary expectation to control completely the home market. This was, of course, most easily accomplished by means of a discriminatory, protective tariff. The past tariffs seemed defective to the Association, for "as long as the imports of manufactures and articles of luxury amount in a single year to \$350,000,000 in value, it is obvious that American manufacturers do not enjoy that control of their own home market to which they are justly entitled by every consideration . . . The preservation of this market by every legitimate and honorable means is one of the prime objects of the National Association of Manufacturers."<sup>14</sup> Urging that the tariff be removed from any political considerations, the N.A.M. sought to have the rates determined solely on a commercial basis. It proposed that the rates be made as low as possibly consistent with the fair protection of American industries and the labor they employed. The measure of protection desired was "that which shall equalize our industrial conditions with those exist-

ing in competing countries."<sup>15</sup>

Since the N.A.M. represented, for the most part, large scale manufacturers, its position on internal trade sought standard conditions of commerce throughout the states. Four particular conditions seemed to restrict unduly the transaction of commerce: the practice of many of the individually-owned railroads of charging differential freight rates; the immense diversity of state bankruptcy laws; the application of inter-state corporation taxes; and the absence of any single department in the executive branch of the federal government devoted exclusively to commerce.

Because of the difficulties of differential rates which shippers encountered as they traversed several different lines, Congress was strongly urged "to require the promulgation and enforcement of a national freight classification through the agency of the Inter-State Commerce Commission."<sup>16</sup> The Association's efforts in this matter were finally rewarded by the Cullom Bill (S 1439), introduced in 1900, with the intention of securing a national freight classification. There was some disagreement within the organization upon consideration of this bill, but in general the Association endorsed the legislation.

Diversity of bankruptcy laws in the many states worked a hardship on the interstate creditor, and the N.A.M. was convinced that a uniform law would not only relieve this oppression but would ease the transaction of commerce between states. President Search interpreted the wishes of the Association in the following fashion. "Justice demands that the honest debtor shall have full measure of protection in his financial distress, but the laws of many states -- presumably framed with this end in view -- afford such opportunities for dishonest practices by those who are so inclined that they inflict upon the creditor the very injustice from which

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<sup>15</sup> National Association of Manufacturers, Circular No. 13, (Philadelphia, 1897), 18. Cited hereafter as Circular No. 13, with the year of publication.

<sup>16</sup> Circular No. 1, 1896, 6.

they were designed to protect the honest debtor."<sup>17</sup> In addition to this demand, the N.A.M., having many large corporation heads among its members, regarded the taxing of foreign corporations by various states as interference with inter-state commerce. To this end they maintained that "there can be no objection of course to the proper regulation of a corporation by the state which grants the corporate powers, but the practice of adding additional burdens in each state in which a corporation does business is a serious interference with the operation of any corporate concern whose transactions cover large numbers of states."<sup>18</sup> Since pressure applied to revise such practices seemed to meet with little success, the N.A.M. took more drastic steps, advising its members to combat these state laws. "If your business in another state is inter-state commerce, pay no attention to any demand made by any Secretary of State, attorney, or any other persons for fees or reports; but refer all such communication to the secretary of the Association for investigation and report."<sup>19</sup> The executive head of the Association was empowered to employ such legal counsel as he deemed necessary to handle the matter.

As the basis of the national economy shifted from agriculture to industry, the N.A.M. felt that proper attention should be given this new trend by the federal government. Since agriculture had been recognized by the creation of a separate department in the executive branch of the government, the Association urged that industry be accorded similar recognition. It pointed out that both the Treasury and State Departments were performing duties that were not distinctly their function, and that over-lapping and inefficiency had resulted. It was further emphasized that such a department was common to almost every foreign government. The N.A.M. suggested a further consolidation by transferring not only the

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<sup>17</sup>

Circular No. 13, 1897, 28.

<sup>18</sup>

National Association of Manufacturers, Circular No. 21, (Philadelphia, 1898), 25. Cited hereafter as Circular No. 21, with the year of publication.

<sup>19</sup>

Circular No. 38, 1900, 21.

consular service and various statistical bureaus, but also the Bureaus of Labor, Geology, and Waterways to the proposed department. The general reason for this action can best be summarized by the following statement. "The United States is distinctly a commercial and industrial nation. A branch of the Federal Government whose special function would be to promote the interests of trade seems to be not only appropriate but necessary."<sup>20</sup>

Perhaps the most interesting, if not unusual, preoccupations of the Association was its concern with education. The growing need for skilled labor was evident, but the supplying of this demand was not associated with the public system of education until a fruitful report was made available by a commercial agent, Mr. Charles A. Schieren. Mr. Schieren on a visit to Germany to study commercial and export methods had been greatly impressed by a new system of education inaugurated by that nation. His impressions were incorporated into a report to the Association which was published for the edification of all the members. Schieren attributed Germany's amazing industrial progress to several factors, but he particularly emphasized the commercial and technical training which the German government provided for its youth. The report said in effect, "that nation pays attention to teaching boys how to handle tools and master machinery. In that way they equip the minds of the young men thoroughly, and make them perfect mechanics."<sup>21</sup> He conceded that Germany had insurance and compensation laws, and measures which gave the worker a feeling of greater security, but he stressed the all-important factor that "it secures to the manufacturers cheap, steady, and contented labor, and we as manufacturers know what that means."<sup>22</sup> The N.A.M. did indeed know what it meant and they promptly adopted portions of Mr. Schieren's report and

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<sup>20</sup> National Association of Manufacturers, Circular No. 4, (Philadelphia, 1896), 8.

<sup>21</sup> National Association of Manufacturers, Circular No. 15, (Philadelphia, 1897), 3. Cited hereafter as Circular No. 15, with the year of publication.

<sup>22</sup> Ibid., 4.

began a national campaign for the reform of the present educational system in the United States. Certain members even went so far as to form their own trade schools, the most notable effort being that of Dolan, Search and Arrott, who set up a textile school in Philadelphia. The members were advised to urge their employees to take advantage of what technical training was available. Perhaps the attitude can best be seen in the words of the President, who said in his 'Annual Report:' "It is well to hold fast to the classical and general literary studies. They have their place in all educational systems, but it is unfair and unjust to the great material interests of the land to leave out of account the obvious demands of industry and commerce. There is hardly any work that we can do or any expenditure that we can make that will yield so large a return to our industries as would come from the establishment of educational institutions which would give us skilled hands and trained minds for the conduct of our industries and our commerce."

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Thus at the turn of the century, the Association emerged as a responsible and mature organization. Full of energy and attuned to political opportunities, its confidence was justified. Practically all of its original objectives had been partially or fully realized. Perhaps the goals ahead were not too well-defined, but there was no doubt but what they could be achieved.

#### Americanism and the Young Giant

In considering the Americanism of the N.A.M. we shall seek an explanation of the concept by asking this question. When and how did the organization invoke patriotic sentiments as reason or justification for its advocacy of certain proposals? If we answer this question by examining the various, specific aspects of the N.A.M.'s activities we may be in a position

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Circular No. 21, 1898, 20.

to make some justifiable generalizations as to what Americanism as a whole meant to the Association.

Since the fundamental cause for the organization's existence was the desire for the readjustment and extension of foreign trade it behooves us to search for patriotic propaganda as concerns this subject. The desire for the renewal of Reciprocity Treaties caused the N.A.M. to remind those upon whom she applied pressure that reciprocity was a consistently American principle since it protected our national and international commerce.<sup>24</sup> The N.A.M. appealed to national pride by emphasizing the tremendous strides made by other nations in securing foreign markets to the exclusion of American trade. For the War of 1898 the N.A.M. merely expressed a commercial enthusiasm. President Search declared: "Viewing the matter from a purely commercial standpoint our business interests have been enormously the gainers by the American administration in the islands whatever may be the future disposition of these people and their land."<sup>25</sup> And for the most part, the Association viewed the possibilities of an Isthmian Canal in the light of its commercial benefits. The threat to the security of the nation during the war lent substance to N.A.M.'s argument that the venture should be a purely American enterprise. Aside from these intimations Americanism was decidedly not an issue. Nor was the concept invoked in the proposals for reform of the consular service, except for the pointed recommendation that only American citizens should receive the appointments.

However, one feature of the program of the Association was meeting with real difficulty and opposition -- the national merchant marine. Many Americans regarded a government subsidized merchant marine with marked disapproval. It was argued that the major benefits of the program would be enjoyed by a distinct minority of the citizenry, the exporter, the shipbuilder, and the mariner; while all John Q. Public would obtain would

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See footnote 9.

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National Association of Manufacturers, Circular No. 30, (Philadelphia, 1899), 2. Cited hereafter as Circular No. 30, with the year of publication.

be an increase in taxes. Besides it was a well-known fact that foreign shipping was cheaper, so the proposed unnatural competition was not economically warranted. Such criticism had to be answered if the N.A.M. was to accomplish its purpose. The Association soon realized that the best rebuttal to such arguments was to identify the cause with the 'common interest.' An ardent publicity campaign was begun to educate the government and the people of the patriotic necessity for a merchant marine. Pride and sentiment were cultivated as the N.A.M. said: "The spirit of every true American should be moved by the pitiable showing which our flag makes in the world's commerce."<sup>26</sup> Again the Association called for national action when it declaimed: "It is for the manufacturer, the merchant, the farmer to say how much longer we shall be the leaders of the world in our productive industry and the followers of our weakest rivals in the foreign distribution of the goods we make."<sup>27</sup> The War of 1898 had brought home to the American public that the United States had become a first class naval power. The N.A.M. saw the opportunity to make good use of this rising nationalistic spirit. President Search sounded the tenor of the campaign pronouncing among other things that "the magnificent achievements of our navy during the war with Spain have made every American proud of the genius and skill which created our superb fighting ships. We want now a merchant fleet that shall be as justifiably a cause<sup>28</sup> of national pride as the navy over which our flag so proudly floats."

Concerning the policies to be pursued within the United States, the N.A.M. for the most part advanced its program as a special interest group. The underlying assumption of most of its proposals was in a sense identified with the common interest, but only in an indirect sense. The N.A.M. almost never used the concepts of Americanism in its proposals for reform

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<sup>26</sup> Circular No. 13, 1897, 16.

<sup>27</sup> Circular No. 21, 1898, 9.

<sup>28</sup> Circular No. 30, 1899, 10.

and consolidation with one important exception -- public education.

Since public education was in the hands of state and municipal governments, the Association could not appeal for federal action. The campaign had to be launched on a wide and diverse scale. This was a proposal which necessitated the greatest care in its propagation, for it would directly affect an overwhelming majority of the people in the country. The campaign thus proceeded in general along the following lines. Since the nation was primarily concerned with business, it seemed fitting that our youth should be trained for that function. The N.A.M. emphasized that technical educational methods were used in other countries, which were pictured as industrial rivals. The point was often made by commercial agents such as William Torrens who said: "I was never so impressed with the belief that such technical training is an essential to our method of education, and must be promptly adopted if we mean to uphold our own reputation in this particular or spread our influence abroad."<sup>29</sup>

The idea of advancing American influence internationally was coupled with the practicality and the utility of such training for Americans. The prospect of steady, skilled employment should prove attractive not only to the manufacturer, but to the parents of future American laborers. In viewing the progress made in the textile school in Philadelphia,<sup>30</sup> President Search commented upon the success of the experiment. "We recognize in this school a most powerful factor for producing from the ranks of our youth earnest, industrious, and intelligent citizens, whose influence will be to strengthen the State."<sup>31</sup> The turn of the century was to see a more direct and forthright identification of this proposal with the American ideal.

In general, then, it seems accurate to say that the N.A.M. for the most part did not use the concept of Americanism except to further the

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National Association of Manufacturers, Circular No. 29, (Philadelphia, 1899), 27.

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Pennsylvania School of Industrial Arts.

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National Association of Manufacturers, Circular No. 16, (Philadelphia, 1897), 81.

proposals concerning the merchant marine and public education. The Association quite openly worked and campaigned as a special interest group and though there is little doubt that they felt their cause to be in common with the nation's best interests, they rarely made such a direct analogy. Yet these indirect assumptions of the Association should be analyzed, for in such suppositions may be seen the portents of future actions.

The N.A.M. reasoned that since the nation was obviously a commercial nation, the progress of the country was inextricably bound up with the progress of business. Thus measures assuring the welfare and general furtherance of business increased the well-being of the nation. The proposals concerning foreign trade were designed not only to spread American prestige abroad, but to benefit all by disposing of the surplus resulting from superior productivity. Objectives concerning the national scene were designed to make the economic machine run more efficiently, more smoothly. The methods of business had withstood the tests of utility, and therefore should be extended into other phases of the nation's activities.

We can see a tendency towards a confident assurity that American products were superior and desired above all others by everyone. American manufacturers were constantly reminded by foreign agents of the unequalled value of their products. Concerning the concession in Caracas, the N.A.M. members were told that "the privilege, the high favor with which all things American are regarded in Venezuela, and the large variety of American made goods which are saleable in that country make the conditions exceptionally favorable for the inauguration of such an enterprise." <sup>32</sup> Mexico, under President Diaz, eager for American capital, was also noted. "The people of Mexico recognize the superior worth and adaptability of our manufactures, and they recognize, too, the political

importance of strengthened commercial relations with the United States." <sup>33</sup>

Not only were American products superior to all others, but American methods were looked upon as the best in the world. The 'Yankee Drummer' was beginning to be regarded in a new light. He was no longer just a salesman, a pedler, but a pioneer in the spread and growth of America's commercial influence. At a symposium, "For Methods of Extending Our Foreign Trade," held by the Association, the prominence of American methods are frankly propounded. The N.A.M. was told by her commercial envoys that American advertizing and salesmanship could capture undreamed of markets. The members' self-confidence was further bolstered by notice given their campaign by rival countries. An editorial, "Yankee Drummer Abroad," carried by the London Financial News commented in the following manner upon the activities of the Association. "It is evident that we are on the eve of a vigorous campaign by the American salesman, and there is much good advice given by the American Manufacturers Association to their own countrymen which is worth studying and in some cases following." <sup>34</sup>

Such recognition was by no means confined to other nations. Even more definite encouragement was tendered the organization by officials of the Federal Government. An official of the State Department, Frederic Emory, told the members, "it would be most gratifying if this Association and like trade organizations, would take up the subject, (reform of the consular service) investigate it thoroughly, and recommend such changes as the needs of export trade may demand." <sup>35</sup>

Such eulogizing could have only one effect on the Association. Its efforts and campaigns were pushed forward even more vigorously. The American people should and would be told of the value and superiority

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<sup>33</sup> National Association of Manufacturers, Circular No. 14, (Philadelphia, 1897), 8.

<sup>34</sup> National Association of Manufacturers, Circular No. 18, (Philadelphia, 1897), 4.

<sup>35</sup> Circular No. 15, 1897, 24.

of American business. Thus a movement was inaugurated to create a national superiority complex regarding material things and methods, which we have yet to see dissipated. The corollary to this movement is well illustrated by the remarks of Lieut. Gov. Woodruff of New York in an address to the Fifth Annual Convention. "May we not hope that the day will soon dawn when the words 'United States of America' will become the open sesame throughout all those lands whose pacific conquest we shall someday achieve in a commercial sense."<sup>36</sup>

The second important assumption which should be noted is the right of appeal to the government for aid and intervention. Like many a capitalist, the N.A.M. had come a long way from Adam Smith's doctrine of laissez-faire. The government was not regarded as a mere protector of law, order, and property rights. Indeed, the government now had definite responsibilities to the industries and commerce of the nation. It will be remembered that freight regulation by the I.C.C. was openly advocated by the Association as desirable and necessary. The method of regulation of the railroads as provided by legislation before Congress included the examination of the company affairs by federal agents. Some members of the Association realized that such measures might set a dangerous precedent for the future. Such fears as to the possible extension of compulsory investigation led one of the objectors, Thomas P. Denlin, to say: "I do not think we ought to impose upon the railroad companies any rule we would not want to impose upon ourselves that would compel us to receive men to investigate our affairs as the Cullom Bill does."<sup>37</sup> Not all members were possessed of such foresight, and the majority agreed with Secretary Wilson as he answered the arguments: "The parallel between your corporation and intrusion upon your privacy and that of a public corporation, whose acts belong to the people and the publishing of which is due the public does

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National Association of Manufacturers, Circular No. 39, (Philadelphia, 1900), 194. Cited hereafter as Circular No. 39, with the year of publication.

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Ibid., 88.

not seem to hold."<sup>38</sup> The issue thus resolved itself into the question, when is a corporation private, when public? So far only the railroads were being considered as public corporations. Whether such a concept would always so limit itself was a question for the future and one which the N.A.M. would have to face. But it is evident that the first five years of its life the Association refuted the economic individualism so commonly assigned to American business interests, and openly espoused some government regulation.

As the century closed and the N.A.M. held its Fifth Annual Convention, it listened with pride to the rhetoric of its speakers. Secretaries of War, Navy and of the Treasury honored the convention with their presence. Past achievements and future possibilities were the chief topics of discussion. A new era was dawning, an age of boundless opportunity and higher civilization. The N.A.M. was told in no uncertain terms the role it had played and would play in this all-inclusive progress. Secretary of the Navy, John D. Long, eloquently declared: "For the civilization of our time is largely in your hands. You largely represent the great body of the people. It is you who largely determine the welfare of their homes, the enlargement of their education, the employment of their time, the refinements of their leisure, in short, the national growth."<sup>39</sup>

The Association was fully aware of its destiny as is seen in the address by President Search. What did the future hold for the country? The Association? President Search had the answer and he gave it to the members of the organization. Tracing the development of the nation up to the present year, 1900, he prophesied: "The future before us is full of promise. Unconquered fields of trade await our industries. Vast undertakings invite the capitalist, the banker, and the financier. Steady well-paid employment awaits our wage-earners for many years to come. This young nation is today in the fulness of its vigor. Its virile force crops

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<sup>38</sup> Ibid., 90.

<sup>39</sup> Ibid., 191.

out at every turning, and we will not be discouraged. Our destiny calls us to greater things. With experience will come a fuller knowledge and increased strength. At the drum beat the whole nation should go forward in harmonious step." <sup>40</sup> Who would beat the drum? The answer was all too obvious.

CHAPTER III

1902 — 1910

## New Forces in the Nation's Life

The turn of the century witnessed far more than increased business opportunities. The budding social consciousness and the emotional unrest of American society had been absorbed by the patriotic debauch of the Spanish American War. However, such an outlet was short lived, and the opening years of the twentieth century signalled the renewal of the ceaseless struggle for human rights. The swelling tide of discontent caused anxiety to others than business leaders. Many of the American people were not satisfied with the business contention that an expanded export trade alleviating overproduction was the cure for the ills of the nation. Some began to analyze more critically the fabric and foundation of American society in an effort to meet the consequences of industrialization. But before any change could be realized it was necessary to expose existing institutions. The public had to know. In the vanguard of such efforts were the 'muckrakers.'

Sensational journalism had proven to be the key to increased circulation, and publisher, S. S. McClure, saw the inherent possibilities of the expose. In 1902 Lincoln Steffens' illuminating articles on political corruption in St. Louis appeared, followed shortly by Ida Tarbell's "History of Standard Oil." Other popular magazines began to imitate McClure's. Meanwhile contemporary novelists such as Upton Sinclair, Booth Tarkington, Robert Herrick and Jack London gave force to the muckraking efforts. The movement struck in no uncertain terms at the very core of many American institutions. The impersonality of the machine age and the evils of the machine itself were painted in a new, disquieting hue. The fear that individual economic opportunity was rapidly disappearing before the onslaughts of consolidated capital and the end of free lands found fresh evidence in the muckraking revelations. From the business point of view the criticisms levelled against the trusts were of special significance. But of greater importance was the fact that the

public faith in business leaders had received severe jolts not only from depressions, but from the exposures of business methods. The public-bet-damned attitude did little to enhance public confidence.

The menace of the trust had been seen in the 1880's and was partially engendered by small business forces as they became subject to the pressure of expanding tycoons. The Inter-State Commerce Act and the Sherman Anti-Trust Law were concrete attempts to curb the new economic giants. But by 1900 the process of consolidation had so accelerated that to many it seemed that free enterprise had become a myth. Business interests were faced with the dilemma of choosing between increased government restriction of the colossi, or the alternative policy of natural development which might well eliminate the small, individually owned and operated concerns. On a more popular level, many believed that government control was not only necessary but would prove beneficial.

Coupled with the bigness of business was the reaction of labor. In spite of disasters suffered in the Haymarket Affair and the Pullman Strike, labor continued to combine in a counter-move against the business consolidation. The turn of the century saw two organizations becoming increasingly powerful on the national scene: the militant, syndicalist Industrial Workers of the World, and the relatively conservative American Federation of Labor. Under these two organizations labor's fight for a voice in industry progressed to a point that would have to be reckoned with in the times ahead.

If the National Association of Manufacturers was to continue to play a relevant role in the drama of the nation it would have to meet these new problems. But the organization while under the administration of President Search found it difficult to break old habits and policies in favor of vital questions and new strategy. Commenting on the labor situation Search maintained that "consideration of questions involving the relations between manufacturers and their employees has never been regarded as one of the proper functions of the National Association of

Manufacturers."<sup>1</sup> Search found himself in sympathy with much of the social reform movement of the 1900's, not realizing perhaps the economic significance of such efforts. With the attempts of the American Federation of Labor to secure legislative enactments,<sup>2</sup> Search cautiously noted that since such bills would effect all manufacturers he felt that the matters "seem to come properly within our scope."<sup>3</sup> But his vague declarations were lacking in the leadership necessary for effective action. If the Association was to live it must have a change. New blood must be infused or the N.A.M. was in danger of becoming archaic.

During the first six years of the N.A.M.'s existence Search had nursed it as a child, in a conservative fashion, content to keep it on the sidelines in public controversies. He had done his work well. The N.A.M. was now ready to try its wings, to take sides in the controversial issues of the day. In 1902 under the new leadership of stocky, aggressive David M. Parry, the N.A.M. prepared to assert itself as the spokesman of business. The organization stepped into the ring confident, eager, and powerful.

### Meeting the Challenge

How then would the Association face the new issues which had arisen since its formation? Would the organization continue the dignified, conservative processes of ex-President Search? What new ideologies and methods would have to be employed to carry out the purposes of the Associ-

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<sup>1</sup> National Association of Manufacturers, Circular No. 41, (Philadelphia, 1901), 23.

<sup>2</sup> Anti-injunction Law and Eight-hour Day on Government Contracts.

<sup>3</sup> National Association of Manufacturers, Circular No. 45, (New York, 1902), 23. Cited hereafter as Circular No. 45, with the year of publication.

ation? How would such deviations alter the Association's concept of Americanism? Only by a cursory examination of the activities of the organization and a more detailed analysis of the ideology upon which the programs were based will we be in a position to answer such questions.

The most pressing problem in the minds of the manufacturers was quite evidently the conduct of organized labor. President Parry in the 1903 convention at New Orleans pointed the way for the future when he said: "The wisdom of our former policy is not questioned, but conditions have so changed that a decided stand must now be taken and adhered to."<sup>4</sup> The new "stand" was set forth in forceful, militant language. The effort of labor to seek exemption from injunctions was condemned as a "bill to legalize strikes and boycotts."<sup>5</sup> Legislation for an Eight-Hour Day on Government Contracts was termed "an act to repeal the bill of rights guaranteeing the freedom of the individual."<sup>6</sup> The violence of the picket line and the strife of strikes were denounced as Parry recounted countless atrocity stories. Other union methods such as the boycott, union label, and black-lists were assailed in equally harsh terms. The open shop was urged in the strongest possible manner, while the unfairness and injustice of the closed shop were continually stressed. In short, most of the methods by which labor had begun to make itself effective were violently prescribed.

Though many of the members approved of Parry's vitriolic description of unions, "labor knows but one law, and that is the law of physical force -- the law of the Huns and Vandals, the law of the savage . . . its history is tainted with blood and ruin,"<sup>7</sup> and his recommendation that employers must organize and "set about the task of pulling up, root and

<sup>4</sup> National Association of Manufacturers, Proceedings Eighth Annual Convention, (Indianapolis, 1903), 16. Cited hereafter as Proceedings, with the year of the convention.

<sup>5</sup> Ibid., 15.

<sup>6</sup> Ibid., 15.

<sup>7</sup> Ibid., 17.

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branch, the un-American institution of Trades-Unionism,"<sup>8</sup> the Association never put itself on record as being totally opposed to all labor unions, but only to the illegal practices of unions. "Abstractly unions are sanctioned as legitimate, but concretely they would be ostracized by the manufacturers, since the purpose of American unionism is deemed by them to be socially harmful,"<sup>9</sup> and as such must be destroyed.

That the position stated by Parry was not merely a temporary outburst of feeling can best be seen by examining the N.A.M.'s Declaration of Principles adopted in 1903.<sup>10</sup> And it is significant that these principles have never been substantially altered and remain the Association's basic program towards labor today, though often couched in more conciliatory language. It would not be fair, however, to omit the fact that this program was not received without some opposition. S. M. Jones led the dissenting element when the discussion of the resolutions came up before the convention. "I doubt if these resolutions represent the sentiments of the association. It seems to me that it is something in the nature of a declaration of war."<sup>11</sup> But such temporizing voices were few and the resolutions were enthusiastically adopted.

But there were other issues which confronted the Association. Muckraking had revealed shocking conditions of child labor and food adulteration. The increasing use of machines had been accompanied by a sharp rise in industrial accidents.<sup>12</sup> The social reformers laid the blame at the door of the business leaders, and the accusations were becoming increasingly virulent.

<sup>8</sup> Ibid., 59.

<sup>9</sup> Albion G. Taylor, Labor Policies of the National Association of Manufacturers, 51.

<sup>10</sup> For the Declaration of Principles, see Appendix.

<sup>11</sup> Proceedings, 1903, 171.

<sup>12</sup> H. U. Faulkner, The Quest for Social Justice, (New York, 1931), 26.

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The N.A.M. was in a delicate position on the child labor question. In all probability some members employed children in their plants. However, the Association agreed to remedial action when necessary, but deplored the hysteria surrounding the issue. As President Van Cleave remonstrated: "For much of this child labor the greedy, shiftless, selfish parents are as responsible as are the employers. Rightly conducted and as long as it does not interfere with their proper education, work benefits children as it does adults."<sup>13</sup>

After Upton Sinclair's The Jungle had startled the nation, there was immediate pressure for federal legislation to control food processing. On the whole the N.A.M. favored the enactment of Pure Food and Drug Laws, and generally endorsed the reform view. To protect the food processor, the N.A.M. recommended "harmony between State and National legislation upon food as well as all great questions."<sup>14</sup>

The attempts of the American Federation of Labor to secure federal enactment of Employers' Liability and Workmen's Compensation Laws met with vigorous disapproval on the part of the N.A.M. According to J. A. Emery, general counsel for the Association, such laws were an abridgement of states' rights, and he advocated a voluntary agreement between parties to "escape the inevitable compulsion of drastic and ill-considered legislation born of political expediency."<sup>15</sup> Others were less sympathetic and shared the sentiment expressed by C. W. Post: "There is a growing tendency in labor union circles towards being babied. If a woodworker saws off his finger or has any sort of accident, he wants the employer to pay for it."<sup>16</sup>

<sup>13</sup> National Association of Manufacturers, Proceedings Twelfth Annual Convention, (New York, 1907), 41. Cited hereafter as Proceedings, with the year of the convention.

<sup>14</sup> National Association of Manufacturers, Proceedings Fourteenth Annual Convention, (New York, 1909), 191. Cited hereafter as Proceedings, with the year of the convention.

<sup>15</sup> National Association of Manufacturers, Proceedings Fifteenth Annual Convention, (New York, 1910), 130. Cited hereafter as Proceedings, with the year of the convention.

<sup>16</sup> National Association of Manufacturers, Proceedings Tenth Annual Convention, (New York, 1905), 290. Cited hereafter as Proceedings, with the year of the convention.

But of greater significance to the N.A.M. was the popular uproar against the new business giants. As the Association's labor policies became articulate the membership of the organization steadily climbed.<sup>17</sup> Corporations were represented among the members. Until the accession of Theodore Roosevelt, the Sherman Anti-Trust Law had not been used against the trusts but had been exercised to obtain federal injunctions against labor. When Teddie inaugurated his trust-busting campaign, the N.A.M. naturally became aroused.

While admitting that some trusts had abused their responsibilities the N.A.M. stressed the point that many corporations had dealt fairly with and were beneficial to the country. When the Bureau of Corporations was formed in 1903 in the Federal Government to survey the trust field, the N.A.M. hoped that "it was not the purpose to adopt an inquisitorial attitude."<sup>18</sup> Meanwhile organized labor was labelled "the Great Muscle Trust" by President Parry. Consistently enough, in order to avoid the difficulties and unfairness of diverse corporation laws in the states, one of the Association's committees proposed a national incorporation law by which a firm doing inter-state business would not be subject to foreign state corporation tax and regulation.

The regulation of the railroads continued to be a perplexing problem for the organization. While agreeing that the abuses of the railroads should be corrected, the N.A.M. did not, in its accordance with its principles, want total government control of the railroads. The issue was hotly contested by the members of the Association, no real solution being reached in the period we are considering. The softening of the Hepburn Act by a Supreme Court decision allowing railroad companies to own their own coal mines, though not carry their own coal, was looked upon favorably.

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In 1902 prior to the election of President Parry the organization had approximately 900 members. By 1904 the membership had jumped to slightly more than 3000.

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Proceedings, 1903, 63.

Another reform movement, irrigation and reclamation, was backed by the Association although hardly from altruistic motives. "The stupendous nation-wide losses strike at the very root of the prosperity of every industrial enterprise in the United States no matter where located."<sup>19</sup>

The increased influx of immigrants during the first decade of the new century was of great concern to labor leaders. They made numerous proposals for a national restriction policy and participated in conferences held at the White House. While believing that some mode of selective immigration might be desirable the N.A.M. hoped that "the outcome would be a liberalization of our immigration laws which may supply the lack of work-<sup>20</sup>ers which hampers many of our great industries today."

At this point the N.A.M. felt that the rash of reform movements had gone far enough and passed a resolution stating: "That the National Association of Manufacturers believes that we have had an excess of agitation under the guise of moral crusade, such as child labor, railway reform, and similar movements, which are excellent and desirable in reasonable measure, but not so when pressed to the hazard of vested interests and property. We, therefore, recommend rest and quiet upon such questions, at least until normal business is restored."<sup>21</sup> When 'normalcy' would arrive was a matter of conjecture.

In spite of these new policies the N.A.M. did not forget the original purposes for which the organization had been formed, although the older programs were often relegated to a secondary position. Export trade was still a fundamental concern, and the Association's personal Foreign Department and Freight Bureau continued to expand and aid the members. Tariff bills and reciprocity agreements still occupied the attention of the organization and provoked considerable discussion. Protectionists

<sup>19</sup> Proceedings, 1910, 150.

<sup>20</sup> Proceedings, 1907, 37.

<sup>21</sup> National Association of Manufacturers, Proceedings Thirteenth Annual Convention, (New York, 1908), 316. Cited hereafter as Proceedings, with the year of the convention.

feared a revision of the tariff as "unsettling to business," while less interested parties favored a revision and increased reciprocal trade treaties. The members finally agreed upon the advisability of a permanent tariff commission composed of experts, but emphasized that protection was not to be sacrificed.

The failure of its proposed merchant marine subsidies rankled the Association and more concerted efforts were made to justify the "crying need" for an American fleet. The plea for a revision of the consular service met with greater success and the Association was extremely gratified by Roosevelt's executive order in 1906 which established examinations as a criteria of appointment to the service. The N.A.M. also pressed for an amendment of existing patent laws, seeking further protection for American inventors and manufacturers abroad, and supported a bill which would provide for the establishment of a Federal Court of Patent Appeals.

In 1903 Congress passed a bill authorizing the Department of Commerce and Labor and the Association saw the reward of its earlier efforts. The proposed creation of Postal Savings Banks was opposed on the grounds that "it is a dangerous, untried, and dreaded idea of government going into the banking business in competition with the banks in this country." <sup>22</sup> At the same time the N.A.M., as shippers, advocated the creation of a parcel post system.

In spite of the immense range and diversity of their programs the Association devoted much time to the Search project of commercial and technical education. Expanding their endeavor in this field, the N.A.M. urged a national system of compulsory manual training in all public primary schools. And because the majority of children did not attend high schools, the N.A.M. suggested that a system of public trade schools should be instituted.

But how were such programs to be achieved? The mere passing of resolutions which indicated the attitude of the Association would not in itself produce tangible, concrete results. Although methods of fulfilling desires are secondary to our main problem, means often have a way of transforming ends. Thus it would seem relevant to deal briefly with the procedures employed by the Association in the furtherance of their aims, for therein may be revealed, however implicitly, certain basic concepts of Americanism.

First the Association must have some legal basis for its new purposes. The constitution drawn up in 1895 was obviously inadequate and must be revised. In 1904 the revisions were accomplished and adopted.<sup>23</sup>

The instruments by which the Association had made itself effective during the first five years, i.e., general education or propagandizing and legislative influence or lobbying, were expanded to a degree undreamed of by even the most optimistic of the original members. Realizing that the public had become increasingly important, and as an antidote to muckraking and union publications, the N.A.M. began its own propaganda movement. In 1903 President Parry said: "The chief work of this Association is an educational one -- the molding of public opinion."<sup>24</sup> And the N.A.M. set out to do just that. In 1902 the journal, American Industries, was founded as the official organ of the Association. By the end of the decade the magazine had reached a circulation of some 20,000. Not only were copies sent to England, but in 1909 a Spanish edition was issued. In the same year a series of educational pamphlets on controversial topics were prepared and distributed free of charge. To further the spread of such literature the N.A.M. resolved "that the directors and officers of this Association consider the advisability of placing copies of its principles, year books,

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See Appendix. Note the revisions which change the entire character of the purpose of the Association.

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Proceedings, 1903, 65.

American Industries, and other literature in the public and college libraries throughout the nation." <sup>25</sup> The close of this period also saw the beginning of a nation-wide speaking tour by the officers of the Association.

In its legislative work the N.A.M. rapidly advanced to a degree of lobbying efficiency which was eventually to prove embarrassing. The N.A.M. maintained a permanent office in Washington which carefully examined and checked all proposed legislation to be presented to Congress. Its most effective work was usually done during the committee hearings when members were duly notified by the Washington office and would give testimony on the pending bills. When legislation deemed unfavorable by the N.A.M. was reported to the floor of Congress, Association members would flood the capitol with telegrams and letters. These methods were also decentralized and used in various state governments, although they were not organized on such an efficient or official basis. <sup>26</sup> Other lobbying methods of a more dubious nature would seem to have been employed during this period.

A Colonel Mulhall claimed that as an agent of the Association he had aided in the lobbying activities in Washington and state capitols in which politicians were bribed and persuaded by other means to implement the N.A.M.'s wishes. <sup>27</sup> The Association "has always sought, and often managed to secure, control of the committees of labor and judiciary of both the Senate and the House of Representatives." <sup>28</sup>

The N.A.M.' political interests which had been negligible in its early years, became marked during this period. Labor had already entered

<sup>25</sup> Proceedings, 1910, 297.

<sup>26</sup> See Proceedings, 1909, pp 227-228, in which members tell of their efforts to curb labor legislation in Illinois and Indiana.

<sup>27</sup> Among the men with whom Mulhall and the lobby had dealings were named two ambassadors, ten senators, 29 congressman, and ex-vice President Sherman.

<sup>28</sup> Chicago Tribune, June 29, 1913, 1.

the political arena and the N.A.M. followed in earnest. Labor's blacklists were used by the organization as whitelists. And lists of legislators who were favorable to labor's proposals were often published by the Association. Members were urged to "go into politics"<sup>29</sup> for "we have where we should least expect it the same labor-shy tactics in the men in high places."<sup>30</sup> In the national election of 1908 the N.A.M. urged their labor principles upon both Democratic and Republican conventions. The failure of the Democrats to incorporate such resolutions in their platform allied the N.A.M. with the Republicans who were more susceptible to the N.A.M.'s suggestions. As such they threw their support to Taft. Officially, the N.A.M. refused to become identified with party partisanship, although the more conservative Republicans usually received the Association's support.

When educational and political efforts appeared insufficient, the Association used other, more forceful methods of combating labor unions. The same Colonel Mulhall claimed that he had helped conduct successful strike-breaking campaigns by using labor spies, bribing union officials and enlisting clergymen's support.<sup>31</sup>

However, the most striking feature of the new tactics was the movement towards consolidation of employer interests. In 1903 the Association had sponsored the Citizens Industrial Association, a loose federation of employers for the purpose of extending the labor policies of the N.A.M. In 1907 President Van Cleave called for further action, and asked Association members for a fund of \$500,000 a year for three years "to federate the employing classes of this country into a solid mass, and determine that they will free this country from industrial oppression."<sup>32</sup> The Association granted the request and the National Council for Industrial

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Circular No. 45, 1902, 103.

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Ibid., 107.

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Specific strikes which were broken were United Typo Union, 1905 and 1906; 23,000 shoe makers in St. Louis, 1907; and 10,000 hat makers at Danbury, Connecticut in 1909.

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Proceedings, 1907, 48.

Defense was formed with Van Cleave as chairman. Included in this council were some seventeen powerful employer's groups such as the National Metal Trades Association, National Founders Association, National Association of Cotton Manufacturers, and the United Typothetae of America. The Council was empowered to represent the groups in legislative matters and as Van Cleave said: "The National Association of Manufacturers becomes primarily but not fully the financial representative."<sup>33</sup> James Emery, general counsel for the N.A.M., occupied a similar position in the newly-organized Council. Thus we see a tendency not only for consolidation of employing interests, but also for interlocking control in which officials of the Association played a leading part.

#### A Fighting Americanism

By 1902 the N.A.M. had begun to realize the inadvisability of promoting its program as a special interest group. If the N.A.M. was going to appeal to public opinion and achieve some measure of success, it must do so in a more subtle manner. Thus this ten-year period saw an expansion of almost every aspect of the N.A.M.'s program into a patriotic crusade. Americanism had most decidedly become an issue.

Since the N.A.M.'s labor policy became dominant during the decade it would seem expedient to consider this phase of their activity first. Fighting labor's petition for exemption from injunctions levelled under the Sherman Anti-Trust Law, the N.A.M. quickly raised the standard of patriotism. The organization declared that to exempt labor unions from the law was to enact 'class legislation.' Furthermore such legislation was being sought by "a class that loves unrighteousness,"<sup>34</sup> and if these efforts were successful it would mean laws that were "inimical to American insti-

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<sup>33</sup> Proceedings, 1908, 295.

<sup>34</sup> Ibid., 187.

tutions and American supremacy."<sup>35</sup> The Association endeavored also to enlist unorganized labor's support by stating: "This is an insult to our common democracy . . . and against the true welfare of the republic."<sup>36</sup>

The idea of the eight-hour day was characterized as subversive and un-American. The N.A.M. referred to the legislation limiting working hours which had been passed by the Australian labor government. Obviously too many holidays and too much leisure time was bad for the workingman, and the decline in the birth rate in Australia was cited as a concrete example of the evils of such legislation. Liberal labor concessions promoted the "ideal of self-indulgence and selfishness, which . . . enables the younger workmen and women to devote themselves to the business of pleasure . . . and deliberate childless marriages. The desire to seek pleasure and avoid pain is the root of evil."<sup>37</sup> The falling birth rate in this country had already alarmed many people. Thus a shorter working day endangered the future of the nation.

To obviate the boycott which had been used with telling effect, employers appealed to the courts for restraining injunctions, claiming that labor's methods were unconstitutional since they were an illegal restraint of trade. Trade was a property right guaranteed by the Constitution. When the Buck's Stove and Range Company of St. Louis obtained an injunction against an A. F. of L. boycott, President Van Cleave regarded it as "the most signal victory yet achieved in the efforts made to rid this country of the vicious and un-American practice directed against American industries."<sup>38</sup> This victory was of particular importance to Mr. Van Cleave since he was also president of the Stove Company. Similar rejoicings greeted the decision of the courts in the Danbury Hatters Case.

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<sup>35</sup> Ibid., 190.

<sup>36</sup> National Association of Manufacturers, Pamphlet No. 8, (New York, n.d.), 11.

<sup>37</sup> National Association of Manufacturers, American Industries, (New York, October 15, 1904), supplement, 15. Cited hereafter as American Industries, with the date of publication.

<sup>38</sup> Proceedings, 1908, 114.

President Van Cleave expressed the sympathies of the Association when he declared: "I condemn it (the boycott) in all its forms and ramifications, including the blacklist, which is only the boycott in another form.

Whether used by labor unions to hurt employers, or by employers' associations to hurt the workers, the boycott and blacklist are un-American, immoral, vicious, and have no place in a country like ours."<sup>39</sup> The practice of the union label was regarded in a similar fashion and the public was warned: "The union label is the badge of slavery and you build your own destruction in the use of it."<sup>40</sup>

The controversy of the closed shop is an issue which we have yet to see settled. The N.A.M. based its fight for the open shop not only upon the freedom guaranteed the individual by our laws, but also upon the God-given right to work. General counsel, James Emery, set forth the position of the Association in this manner: "Ours is a nation which rests not merely upon legal rights . . . but above all . . . in the rights God gave to the individual . . . We stand for the right to work, . . . when we protect in the individual that simple elementary right we are not merely protecting the foundation upon which the Republic stands but . . . things which almighty God planted in the individual soul for his advancement, and these are fundamental American things."<sup>41</sup> Other members were more frankly patriotic. "We are Americans! This is America! . . . As American independence was to our forefathers, so the open shop is to the employes today."<sup>42</sup> The open shop was characteristically termed the "American plan."

The violent conduct of many strikes furnished the N.A.M. with lurid evidence to incriminate labor, even though much of the violence was brought

<sup>39</sup> National Association of Manufacturers, Pamphlet No. 10, (New York, n.d.), 12.

<sup>40</sup> National Association of Manufacturers, Proceedings Ninth Annual Convention, (New York, 1904), 84. Cited hereafter as Proceedings, with the year of the convention.

<sup>41</sup> National Association of Manufacturers, Proceedings Eleventh Annual Convention, (New York, 1906), 214-215. Cited hereafter as Proceedings, with the year of the convention.

<sup>42</sup> Proceedings, 1904, 76.

about by the use of strike-breakers and employers' deputies.<sup>43</sup> President Parry asserted that "a strike is insurrection, the leaders and heroes are leaders of revolution,"<sup>44</sup> and the N.A.M. appealed to the nation to combat this revolutionary element. During the Teamsters' strike in Chicago, James Emery declaimed: "I know that if in your presence any man lifted his impious hand against the Flag your ready fist could not fly too quickly to avenge the insult, but what can be said of him who lies bleeding and dead upon the blood-stained streets of Chicago today, and in his person the principles of your country bleed and are outraged."<sup>45</sup> Thus a strike was no longer a battle between the employer and the worker, but became the prelude to the overthrow of sacred American institutions and the ultimate destruction of our country.

In general, then, we can see that the concept of Americanism was used whenever the Association came in conflict with labor. Upon further analysis it is evident that the N.A.M. based its ideology along five general lines: religious, economic, legal, social and individualistic.

In a spirit of righteousness the N.A.M. called upon higher laws, the heritage of God, to aid in its fight. Labor leaders recognizing the role the Protestant church had played in the development of the capitalistic system criticized many of the churchmen for their lack of social consciousness. The N.A.M. sprang to the defense of the clergy, and promptly identified its program as "Righteous Industrial Peace!" Clergymen spoke<sup>46</sup> to the conventions and their speeches were reprinted and circulated.

<sup>43</sup> Evidence to prove that the N.A.M. was directly responsible for such violence is not conclusive, but an interesting feature of their organ, American Industries, is the advertisements run by strike-breaking agencies. The ads were usually headlined by such remarks as:

"WE BREAK STRIKES                      or                      "DO YOU ANTICIPATE TROUBLE?  
The Joy Detective Service"                      Waddell & Maxon - Special Agents"

See American Industries, December 15, 1906 and subsequent issues.

<sup>44</sup> Proceedings, 1903, 35.

<sup>45</sup> Proceedings, 1905, 204.

<sup>46</sup> See "The Open Door" by Rev. S. Parkes Cadman in defense of the open shop, published by the N.A.M. as Pamphlet No. 8, n.d.

The Parable of the Talents was cited as an illustration of Christian ideals in the use of capital. For the most part the arguments ignored the social doctrines which are found in the ethics of Jesus; the Old Testament was usually inveighed in the best Protestant tradition. Thus Americanism became part and parcel of the Protestant ethic. And the crusading forces of the N.A.M. sounded like the militant Hebrew prophets, as they forcefully declared that "the way to establish industrial peace in the country is to establish it . . . to clip off the head of the man who commits a crime."<sup>47</sup>

According to the Association the nation was also governed by another fundamental law. The classical economic doctrine of 'supply and demand.' Labor's attempt to secure higher wages and shorter hours was said to contravene this law, and could lead to nothing but the destruction of the nation's economy. In spite of historical evidence to the contrary, the N.A.M. reminded the American people that it had been only in accord with this maxim that the country had advanced to its present civilized condition. Common interest was invoked as the Association claimed that the public, including the worker, would have to pay the bill if this precept was ignored. *(2) classical economic doctrine*

To the cry of "the Constitution is still constitutional," the N.A.M. appealed to the nation to check labor's efforts to evade the laws and change the structure of our country. In the words of C. E. Hughes: "All that we have and all that we prize is founded upon law, and those who are loyal to American institutions and who are intelligently patriotic will put first in their resolutions unswerving loyalty to the law."<sup>48</sup> The N.A.M. tried to divert the popular outcry against the trusts by calling attention to the labor trust. The Association urged that state and federal authorities investigate and ferret out the great labor monopolies. The actions of these labor trusts were in violation of property rights, rights that

<sup>47</sup> Proceedings, 1907, 241.

<sup>48</sup> Proceedings, 1905, 204.

were guaranteed by the Constitution. The call was sent out to the nation: "The issue is plain. It is a struggle between law and lawlessness . . . Today the American people -- each man, woman, and child of whom is directly interested in our common industrial welfare -- must face the question whether rampant criminal unionism or law and order and common justice, shall prevail."<sup>49</sup> The Constitution and the laws of the nation assumed a divine origin and purpose, and were changeless. As James Emery said: "We are ruled by a determinate, inflexible, written Constitution."<sup>50</sup>

The Association predicted that if labor were successful socialism would supplant the freedom so often fought for by our ancestors. The individualism which had made our country great was in danger. For America then it was freedom or slavery. For some, however, individualism meant slavery, and for these the N.A.M. developed another argument.

The N.A.M. reasoned that the effects of industrialization were "beneficent, civilizing, and uplifting." The Association adopted the Spencerian doctrine of 'survival of the fittest,' admitting that poverty exists and "will continue to exist as long as the productive capacity of mankind is not capable of satisfying all the wants of man."<sup>51</sup> Meanwhile the values of competitive action must be preserved for the advancement of the nation. The N.A.M. offered not only the alluring picture of individual success but the equally satisfying reward of hard work and perseverance. Had not Abraham Lincoln been a poor boy?

These, then, are the N.A.M.'s general dialectics in the name of Americanism. Each of these arguments was irrevocably bound up with American ideals and the nation's destiny. It is significant that the Association was so imbued with patriotic spirit that the few members who fought the Declaration of Principles also invoked the concept. S. M. Jones had a different picture of America when he said: "If we are going to be Ameri-

<sup>49</sup> National Association of Manufacturers, Pamphlet No. 1, (New York, n.d.), printed on back cover.

<sup>50</sup> Proceedings, 1909, 214.

<sup>51</sup> Proceedings, 1903, 29.

cans, if we are going to develop great men in the future, our factories should not be solely the places where dividends are ground out for the idle stockholders."<sup>52</sup> But in view of the overwhelming vote for the adoption of the Declaration of Principles, it is safe to assume that the Association preferred the patriot who was loyal to the "decatalogue, and to the Constitution of the United States, obedient to law, moral and political."<sup>53</sup> The N.A.M. proclaimed itself the 'minute men' of the age, and though it is doubtful if many had ever used a plow, the defense of America seemed justification enough for the title.

But there were other policies of the Association which cannot be ignored. One of the prime factors instrumental in bringing about the formation of the organization was the desire for increased export trade. The N.A.M. continued to advocate such commercial measures it deemed necessary to insure the well-being of the country.

As we have already noted, the failure of the merchant marine subsidy acts continued to aggravate the Association. The campaign to make the country conscious of the necessity for a national merchant fleet was intensified. The N.A.M. saw no reason why the policy of protection (an American policy) applied under the tariff should not be similarly applied in the form of a ship subsidy. According to the Association the question transcended politics, "since it is of national interest, in every direction, a move in the patriotic progress of the American people."<sup>54</sup> When Admiral Dewey's fleet made its world tour it had been coaled by foreign ships. The N.A.M. cooperated with the Navy 'brass-hats' and pointed out the calamities which would befall the fleet and consequently our native land in time of war. Admiral Coghlan appeared before the Association in convention and gave further evidence of our precarious position, also urging the measure as a means of training sailors for the fleet. Thus national defense, certainly a patriotic measure, became the issue. But

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Ibid., 172.

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Proceedings, 1909, 261.

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Circular No. 45, 1902, 105.

the pride of every American was more cleverly cultivated when guest 'Pa' Watson epically prophesied: "We will have the carrying trade of the world, we will have the commerce of the seas, we will have the American flag entering every port and encircling every land, as the harbinger of peace and as the emblem of our country's glory."<sup>55</sup>

Recognizing the commercial benefits to be derived from United States expansion, the N.A.M. greeted the 'Big Stick' policy with enthusiasm. In the eyes of the Association Americanism and commercial imperialism became synonymous. Commerce would carry our ideals and institutions to down-trodden countries and act as a civilizing effect on the world. True, Americanism could not shirk its responsibilities to the less fortunate. Such altruism was somewhat modified by articles such as "How Shall We Exploit the Philippines" and remarks about the commercial annexation of Canada. But the fundamental thesis remained, and commercial aggrandizement was cloaked in a righteous crusade by which America was going to save man from himself.

Somewhat linked to the extension of world trade was the N.A.M.'s attitude towards immigration. The Association urged that all of its members remember the immigrant character of our country. Selective immigration meant those who were physically, mentally and morally unfit should be barred access to the country; but the N.A.M. added that those entertaining subversive, socialistic ideas should also be excluded. In line with the N.A.M.'s conception of socialism, only those persons who refused to become a part of organized labor would be admitted. The immigrant, especially the skilled worker, was to be encouraged, but he must be thoroughly receptive to American principles.

The attack upon the trusts had in a large measure been based upon the fact that monopolies destroyed competition and then milked the public. The N.A.M. refuted this idea, defending the corporations as a natural American development. "Not only do the basic ideas of our government permit the

existence of trusts but also the economic welfare of our people favors their organization.<sup>56</sup> Besides was not America a big country with big ideas? "The irresistible march of human progress, has made us the pioneers in the creation and development and management of the largest industrial organizations ever known with the beneficent result that their products are more cheaply produced and more widely and bountifully distributed than ever before . . . yet without resorting to the dwarfing effects of government paternalism, or the fallacies of socialism."<sup>57</sup> America and Big Business joined hands in the march of progress. Who would obstruct such a coalition? Surely not a patriot.

The means by which such a parade would be furthered also became shrouded in a sanctity hitherto not enjoyed. Federal projects, such as irrigation and reclamation, which aided the commerce and industry of the country were looked upon as not only the right but the responsibility of government. As the Civil War had settled the constitutional question of whether a nation had the power to preserve itself from destruction, so forests became national defenses, and defense was a national obligation. "The same spirit of patriotism that sustained Farragut at New Orleans, Grant before Vicksburg and Sherman in his March to the Sea should now be invoked to protect lands . . . against floods and to preserve every industrial resource."<sup>58</sup> The N.A.M. recommended that reforestation be taught in every school and likened the Forest Service to an army of national defense, "serving the country in time of peace in the best possible way to train them to be soldiers of extraordinary efficiency in time of war."<sup>59</sup> Links of communication must also be augmented and strengthened; such developments were clearly the liability of the government. Besides, "the systematic improvement of our highways would be a great aid to the develop-

<sup>56</sup> Proceedings, 1907, 83.

<sup>57</sup> Proceedings, 1905, 179.

<sup>58</sup> Proceedings, 1909, 118.

<sup>59</sup> Ibid., 121.

(4)  
common  
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ment of commerce and that mobility of people so necessary for the advancement of civilization to higher planes."<sup>60</sup>

However, labor's desire for liability and compensation legislation was just as clearly an infringement upon the rights of the individual. The N.A.M. felt that "any sort of compulsory insurance . . . would be paternalistic, and out of harmony with our institutions, and contrary to the spirit, if not the letter, of the American Constitution."<sup>61</sup> The N.A.M. urged a voluntary agreement between the worker and the employer, man to man, in the best American tradition. The danger of appealing to the Government, stressed by Charles E. Nagel, Secretary of Commerce and Labor, was that "the American citizen in accepting protection yields more than he receives."<sup>62</sup> The outcry against child labor was also deplored for much the same reason. Although admitting that some abuses might be found, the N.A.M. warned the public that "the greatest care should be exercised that the result should not be a stifling of the spirit of industry in the young of America."<sup>63</sup> Many of the members of the Association were living examples of what a hard working boy might achieve in the realms of success.

As a counter proposal to what might well condemn a boy to a life of idleness and eventually crime, the N.A.M. offered a system of industrial and commercial education. Labor unions again became the 'whipping post' as the N.A.M. accused them of restricting the old apprenticeship system. As a result, the American boy could not learn a trade. Juvenile authorities were quoted to prove that our youth were actually committing crimes in order to learn a trade in reform schools. The N.A.M. reasserted that the present public education was totally inadequate, that it fitted but a few for a useful life, and reached only a minority of our children. Under the cry

<sup>60</sup> Proceedings, 1904, 31.

<sup>61</sup> Proceedings, 1910, 86.

<sup>62</sup> Ibid., 213.

<sup>63</sup> Proceedings, 1908, 162.

of "save out children" the N.A.M. called upon every citizen to remedy this crime. Compulsory manual training departments were urged on a national scale. Countering labor's claims that such schools were used as "scab hatcheries," the Association argued that the present system was too expensive for the majority and was thus based upon class restrictions. The solution would be to allow a boy to work part-time in a factory while learning his trade, and do away with class discrimination. The public was reminded of the strides which were being made in other countries, and the spectre of being supplanted as the industrial leader of the world and the resulting chaos was vividly drawn. It was our sacred obligation "to throw the door of industrial opportunity wide open to every American boy by means of free trade schools, so that his superiority in originality, initiative and versatility as compared with the boys of other countries can have an open field for their exercise, and the world's choicest prizes in industrial, social, and intellectual supremacy will be ours." <sup>64</sup> Commercial and technical education had become a patriotic necessity for the boy as well as the nation.

In the preceding pages we have shown how the N.A.M. identified its programs with Americanism. But these identifications for the most part have had a specific, direct basis. Of greater importance are the general assumptions underlying the sum total of these singular concepts of Americanism. In these suppositions the significance of the N.A.M.'s Americanism assumes a more abstract, but more consequential form. The author in no way claims the Association arrived at these assumptions by conscious effort. Suppositions are more likely to be unconscious, but they are nonetheless instructive. *the General Assumption*

As we have seen in the preceding chapter, the N.A.M. had already assumed that American products and business methods were superior to all others. This proposition had an important corollary which came to fru- *as American superior of products business methods*

ition during this period. If our business was the best, logically then we must extend it that others might also enjoy it. Thus the N.A.M. avowed a frank economic imperialism. But not everyone was in favor of such a program, and some justification must be given for it. Thus the Association made the first of its assumptions. "The industrial supremacy of the world is ours by right of our ability to acquire it."<sup>65</sup> Imperialism was now stripped bare of moralistic, righteous excuses. The naked business ethic proved to be the concept that power, strength, or might makes right. Americanism meant domination.

But this did not necessarily mean war in the old sense, with guns, battles, and men pitted against men. This was a newer, more subtle conflict. The battles would be won in the factories and over the counters. And though the victories would be hardly noticeable they would be nonetheless effective. In order to prosecute this course most effectively, peace, in the old sense, was necessary. Thus the N.A.M. backed the proposals to increase the powers of the Hague Tribunal, reserving, of course, our privileges under the Monroe Doctrine.

"But we Americans cannot work effectively for harmony among nations until we get peace at home."<sup>66</sup> Who was responsible for disturbing peace at home? Who prevented increased production? Who disputed the control of industry causing turmoil and strife? There was only one answer -- labor. How then to put an end to these disturbances? To many Americans the answer was compromise. Some of the members had practiced such a solution prior to 1902. But such a method encroached upon and restricted the means by which their individual success or domination was to be fulfilled. Thus the N.A.M. made the second assumption. There must be no compromise. "Labor organizations shall reform themselves and move on under right principles, approved by any self-respecting and reasonable man, or else

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Proceedings, 1908, 90.

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American Industries, May 1, 1907, 9.

shall be stamped out by the forces of law and order."<sup>67</sup> Right principles had been declared by the N.A.M. Labor could not accept these principles. Americanism meant the destruction of American trades-unionism.

How would this be carried out? Eventually by law and order. Who were the enforcers of law and order? The government of the United States. But the government was by, for, and of the people. The N.A.M. made its third assumption. Industry was represented by the Association which stood "for the common good -- the common good of the whole people constituting the nation."<sup>68</sup> Whatever advanced industry, advanced the nation. As government was for the people, so should it be for industry. Americanism meant a government which was the instrument of industry.

But the third assumption would be difficult to realize as long as government was by and of the people. The people must be educated to a true Americanism. Meanwhile "the manufacturing interests of the country want nothing but what the country wants, provided the country wants what is best for it."<sup>69</sup>

<sup>67</sup> Proceedings, 1905, 213.

<sup>68</sup> Proceedings, 1906, 11.

<sup>69</sup> American Industries, August 1, 1905, 8.

CHAPTER IV

1911 -- 1916

### The Shifting Focus

As the first decade of the Twentieth Century neared completion the nation continued to be confronted with vital and consequential issues. The financial panic of 1907, while putting the House of Morgan in an even more commanding position to control the credit facilities of the country, also signalled the beginning of a serious and prolonged business slump, a depression which did little to soothe or pacify the public outcry against the economic titans, which had been stirred up by the muckrakers. Though the muckraking movement had largely dissipated itself, the returns were not yet in, and Progressivism continued to be a significant force in the life of the nation.

Labor strife commanded even more attention as the violent battles with employers was intensified. The use of dynamite and such counter-moves as the Ludlow Massacre in 1914 presaged the need for more subtle weapons. Organized labor meanwhile found a natural ally in the Progressive forces, and began to make legislative gains, in an attempt to balance the scales in its fight with capital. While the militancy of the I.W.W. attracted some of the men in the labor movement, the more conservative, opportunistic A. F. of L. made the greatest gains. To more critical thinkers the political and economic aims of the Socialists under the magnetic leadership of Eugene Debs seemed a more logical solution to economic problems, and the Socialists began to show surprising strength at the polls.

Along a more definitely political front carefully nurtured democratic aims began to bear fruit. Liberal leaders, aided by acute analyses such as An Economic Interpretation of the Constitution of the United States and their own political experience, saw how James Madison's 'successive filtrations' in government had in many cases thwarted the ideal of

<sup>1</sup> Frederick L. Allen, The Lords of Creation, (New York, 1935), 178.

<sup>2</sup> The Clayton Anti-Trust Act (1914), LaFollette Seaman's Act (1915), Federal Trade Commission Act (1914).

democracy. Progressive reforms such as the initiative, referendum, judicial recall, and primaries were designed for more clearly implementing the will of the people.

Aided by the consequences of the 1907 depression Progressives also continued the battle with business, and the concept of some government control in the economic life was put into effect. The 'trust-busting' begun by Roosevelt was maintained by Taft and Wilson, and Trust Laws were given teeth with the additions of Commissions, and a tightening of the existing statutes. For the first time in many years a substantially lowered tariff was passed. Perhaps of even greater importance were the proposals embodying the idea of a tax on individual incomes. Clearly the Progressive movement was encroaching upon a terrain hitherto solely reserved for business.

*government  
supervised  
life*

Progressive efforts had in large measure been tempered by the stalwarts of the Republican Party, backed by business circles. Yet in the election of 1912 the Republicans split over the personalities of Roosevelt and Taft, and Wilson, an even more obvious reformer, became the beneficiary. Conservative business interests were in danger of reform no matter which party they turned towards, and they intensified the battle to maintain their former advantageous position. In this fight any methods seemed to justify the ends, and in 1913 the public was inadvertently given a ring-side view of the techniques of national lobbying.

*national  
power*

Yet all these complex, domestic controversies were soon to be superseded by a greater, more consequential issue, that was beginning in the Balkans. As hostilities began in Europe the industrial might of the belligerents was mobilized for the conflict. But the demands of such titanic destruction were too much for the economic systems of the contestants and they turned to the new world for aid. The sustained slump which had plagued the country soon spiralled into a new boom as the American economy expanded to realize the new markets. Some doubted that a prosperity such as this was compatible with a genuine neutrality. Others,

*WWI  
supervised  
domestic  
economy*

while earnestly desiring peace, could see no way to resolve the dilemma of a prosperity dependent upon war. Meanwhile industrialists, aided by the banking techniques of Morgan, ground out war supplies, not to mention profits, and thus tended to commit the nation to the Allied cause. How to remain neutral and yet continue the prosperous era became a real question which America would have to face.

Yet the war had a marked effect on domestic issues. National 'Preparedness' became the ideal for such organizations as the National Security League, the American Defense Committee, the American Legion, and the American Rights Committee. Would the tolerance towards the influx of immigrants and the use of foreign languages remain, or would the conflict necessitate an Americanization program? Even more important was the fate of the reform movement; would Progressives be able to maintain an interest in the fight for democracy? What would be the results for more radical groups such as the I.W.W., or the Socialists? In short the American people must decide whether patriotism and reform were compatible.

The N.A.M. composed solely of manufacturers had a vital stake in the decisions to be made. Under the militant leadership of Parry and Van Cleave the Association had acquired a formidable stature. The new president John Kirby Jr., promised the organization that his predecessors' policies would be perpetuated and expanded. Such a pledge deserves investigation.

### Keeping the Promise

In spite of the set-backs received at the hands of the courts, organized labor was by no means ready to retire from the field. Violence was countered with violence, and extremists in the labor movement began to recognize the effectiveness of dynamite. The blasting of the Los Angeles Times building and the confession of the MacNamaras, implicating the president of the A.F. of L., provided a rich opportunity for the opponents of labor. The N.A.M. siezed upon and exploited the incident, as Kirby reminded the country that this explosion was a premeditated, sinister plot,

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"a product of accumulated revenge and sinister hatred on the part of criminal labor unionism."<sup>3</sup> The Association urged that laws be enacted restricting the sale of explosives and "that the possession of a bomb, or of a time-clock contrivance . . . which is manifestly not suitable to or intended for any legitimate industrial use, should be made a felony."<sup>4</sup>

The struggle against such labor proposals as the limitation of injunctions, the closed shop, boycotts, the union label, blacklists and the eight-hour day was augmented in every conceivable fashion. In addition to the labor principles passed in 1903 and 1904 the Association added ten more articles which in no way modified their existing code. These articles for the most part condemned the influence of labor in the legislatures, and labor's attempt to restrict the authority of the judiciary.<sup>5</sup> The possibility that government employees might want to organize filled the members with righteous indignation and they resolved "inflexible opposition to the pending attempt to unionize government employees, and that we urge upon the President of the United States, and secretaries of the various departments, Senators and Congressmen, the imperative necessity of instantly preventing, if necessary by legislative action, any further attempt in this direction."<sup>6</sup>

While promulgating their execrations of the aims and actions of labor unions, the Association began to consider more positive and constructive means "to throw off the yoke of tyranny that gripped all business by the throat."<sup>7</sup> In general, the N.A.M. contemplated and in some cases pursued two lines of action: one course advocated the prompt destruction of the

<sup>3</sup> National Association of Manufacturers, Proceedings Sixteenth Annual Convention, (New York, 1911), 80. Cited hereafter as Proceedings, with the year of the convention.

<sup>4</sup> Ibid., 114.

<sup>5</sup> See Appendix.

<sup>6</sup> Proceedings, 1911, 113.

<sup>7</sup> National Association of Manufacturers, Proceedings Seventeenth Annual Convention, (New York, 1912), 315. Cited hereafter as Proceedings, with the year of the convention.

unions by militant opposition; the other, predicated upon employer leadership, counselled what is now termed 'company unionism,' or welfare capitalism.

"He who would be free must himself strike the first blow"<sup>8</sup> were the words of General Harrison Gray Otis<sup>9</sup> to the Association. While the members might not want to indulge in fisticuffs with the workers, President Kirby had this proposal to make: "Let the whole army and navy be brought into action if necessary to squelch the rebellion that springs into existence with every strike, and once protection against lawless defiance of the rights of peaceable citizens is thus assured, labor disputes will become business problems which will be adjusted upon the same principle as all other business questions."<sup>10</sup> Since such a proposal was not always feasible the Association consulted other men who described their methods of beating the unions.<sup>11</sup> Members realized however that these methods had their limitations, and they considered other more subtle weapons.

J.W. Bryce became the protagonist of a new type of unionism that seems to have been inspired by C.W. Post, one of the N.A.M.'s foremost members. Bryce termed the organization the Trades & Workers Association and its preamble was in perfect accord with the N.A.M.'s Declaration of Principles. None of the so-called abuses of labor unionism would exist, and employer and employee would work together in perfect harmony. Bryce asked the Association for aid in establishing this union, and in return he said: "We are

<sup>8</sup> Proceedings, 1911, 265.

<sup>9</sup> General Otis was the owner of the Los Angeles Times, a vigorous foe of the labor unions, and a much feted hero of the Association.

<sup>10</sup> National Association of Manufacturers, Proceedings Eighteenth Annual Convention, (New York, 1913), 71. Cited hereafter as Proceedings, with the year of the convention.

<sup>11</sup> A Grand Rapids furniture manufacturer in describing how his group beat a strike, said: "We imported furniture men, cabinet makers, and machine hands from New York, Philadelphia, Chicago, Shelbyville, Evansville . . . we had 6,600 men at work." Proceedings, 1912, 46.

prepared to organize local branches in each town where members of the N.A.M. may happen to be located, and a reasonable guarantee of peace can be given.<sup>12</sup> The N.A.M., in sympathy with the idea, commended Bryce, but refused to give his organization official backing. President Pope, who had succeeded Kirby, interpreted the approach to the problem in this manner: "It is therefore, the employers' time and opportunity to demonstrate beyond all cavil, that the best friend, the wisest protector is the American employer. That is the real, ideal union."<sup>13</sup> Regardless of the method to be pursued the salient point remained. Organized labor as it existed in the United States must be demolished.

However, nothing had been more harmful to the employers' cause than the revelation of conditions in their own factories and plants. At first the N.A.M. had deplored the efforts to alleviate bad conditions, and maintained that the lurid pictures painted by the 'uplifters' were exaggerated and not representative. But the attempted whitewash proved a failure, and as state after state began to enact laws endeavoring to alleviate industrial horrors, the N.A.M. realized that "unless we get together and settle this matter in an equitable, economic and common-sense manner, it will be settled for us by the demagogue, and agitator and the socialist with a vengeance."<sup>14</sup> In 1914 a Committee for Industrial Betterment was formed within the Association to investigate and recommend policy on specific issues. The Committee dealt with such topics as accident prevention and compensation, fire prevention, and minimum wage, while commissions were sent to other countries to study foreign solutions. Members of the Association were particularly interested in the economical features of the

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Proceedings, 1912, 241. Bryce told the Association that as far as his organization was concerned, "the strike, the lockout, the boycott and the blacklist were uncivilized and we would have none of them," and "both employers and employees could become members of this association." Ibid., 235.

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National Association of Manufacturers, Proceedings Nineteenth Annual Convention, (New York, 1914), 15. Cited hereafter as Proceedings, with the year of the convention.

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Proceedings, 1911, 106.

betterment proposals, for "progressive work along this line is not only a humane duty but it is a good business proposition."<sup>15</sup> Besides these factors the Committee pointed out that these endeavors will "strengthen our position in those cases where we must oppose socialistic or demagogic tendencies."<sup>16</sup>

Other inter-state proposals also occupied much of the organization's time. The N.A.M. favored centralization processes to curb state interference with business, but realized the possibility that such processes might have features that would restrict industrial enterprise. Accordingly the Association fought vigorously all attempts to control the trusts, and proposed that "there be a postponement of trust legislation pending the resumption of normal business conditions."<sup>17</sup> The enactment of legislation creating the Federal Trade Commission in 1914 caused not a little concern in business circles. The N.A.M. took the position that "if the Commission is sympathetic, if it has an understanding of business needs and business difficulties, if it turns an ear to the troubles of the business man . . . it will perform a great and useful function in our public life."<sup>18</sup> "If, however, the Commission, in its investigations of unlawful practices of business, undertakes unwittingly to disturb legitimate business, the Commission's existence will not be justified."<sup>19</sup> According to President Pope's statistics 99% of business was conducted on a legitimate and honorable basis, thus the Commission should only be concerned with the exceptional 1%. In their desire for uniform state legislation the Association members voted to establish a Committee on Uniform State Laws, and considerable headway was made in securing such legislation throughout the states. The N.A.M. backed the Federal Reserve Act as necessary for the

<sup>15</sup> Proceedings, 1913, 111.

<sup>16</sup> Proceedings, 1914, 63.

<sup>17</sup> Ibid., 127.

<sup>18</sup> National Association of Manufacturers, Proceedings Twentieth Annual Convention, (New York, 1915), 169. Cited hereafter as Proceedings, with the year of the convention.

<sup>19</sup> Ibid., 15.

mobilization of all reserves in times of unrest, but opposed attempts to change the bankruptcy laws since the existing statutes were felt to be "the business man's own law."<sup>20</sup> The prospect of a federal income tax was denounced as 'class legislation' and was considered entirely unwarrantable.

Equally disturbing to the Association were the attempts to alter the patent laws. Excesses in patent control had aroused reformers to try to break patent monopolies. James Emery claimed that reforms like the Old-field Bill would cripple industrial expansion and "make a crime of every form of those special inducements by which loyal customers and agents are rewarded for energetic service and upon which the continued success of the small manufacturers producing a standard article depends."<sup>21</sup> When the Department of Commerce and Labor was split into two separate agencies, the N.A.M. urged that a new department of manufacturers be formed in order that industry would have an equal voice in the administration of the nation.

In spite of these varied activities the N.A.M. did not lose sight of the goal set for it by earlier leaders on the question of industrial education. After continued research by a committee set up for that purpose, the Association began to refine its program. Instead of the technical and trade high schools, the N.A.M. backed what it termed the 'continuation school.' Since the majority of children had not the means to attend high school would it not be better, the Association reasoned, to provide the means by which these children might learn a trade and become useful citizens? The way in which this would be done was best stated by H. E. Miles, Chairman of the Committee on Industrial Education. "In God's name, little man, stay at your job. Do not go into high school to learn how to run a lathe, but go into the best factory in town, and while in that factory we will also give you schooling . . . we will give you the balanced judgment

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Proceedings, 1912, 15.

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Proceedings, 1914, 164.

that will help you as you get older and older to fight your battle whatever it is, and fight it upon the basis of justice and understanding."<sup>22</sup>

Schooling in this instance meant five or six hours a week away from work acquiring technical skill at the expense of all the tax-payers, while the manufacturer generously contributed the wages and time consumed in the process of acquiring such skill. This generosity also provided a way in which child labor laws could be circumvented, for as it was pointed out, "we must be careful about legislating young people out of work into idleness, temptation and crime. For many children there is one thing worse than long hours and hard work -- that is no work at all. Evidence is coming to hand from all quarters that some of our recent child labor legislation has destroyed the lives and souls of many children."<sup>23</sup> In addition the continuation school furnished manufacturers with an excellent opportunity to inculcate pupils with the principles of 'righteous industrialism.'

To increase exports had been one of the original causes for the formation of the Association and the present slump saw the organization make a strenuous effort to find new markets abroad. The N.A.M. fought the Underwood Tariff, and organized a Merchant Marine Congress in Washington to demonstrate the plight of our merchant fleet. The Association continued its efforts to secure better training and more efficient techniques in the consular service.

Meanwhile the Foreign Trade Department of the organization sent commissions abroad to investigate trade possibilities. That their work was well done is testified to by Yuan Shih-Kai, President of the newly formed Republic in China. In a letter to the Association, he said: "It is certain that cooperation between the Chinese and the Americans which is thus facilitated, will unfold a new phase in the economic world, not only to

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<sup>22</sup> Proceedings, 1913, 227.

<sup>23</sup> Proceedings, 1912, 175.

the benefit of China and the United States, but also to the advancement of the cause of universal peace."<sup>24</sup>

Yet the most signal achievement of the Association was the establishment of cordial relations with the Russian government. These relations progressed to the point where the Tsar's commercial attache made his headquarters with the Association when in New York, and led the N.A.M. to set up a special Russian Division. "While the Russian Division is not, and was not desired to be an official connection of the Russian Government, it has the prestige of being recognized by that Government as a reliable source of information regarding American business houses and as a center to which Russian officials, Russian business organizations and Russian business men may properly address themselves for the furtherance of commerce between the two countries."<sup>25</sup> The recognition of this Division by the paternalistic Russian government was to be of inestimable value to members of the Association.

The N.A.M.'s official organ, American Industries, carried a yearly survey of world trade conditions. A large map was pictured upon which each country was given a qualitative classification in regard to its demands, and agricultural and political conditions affecting trade opportunities were noted. The real work of the Foreign Trade Department reached fulfillment during the period of neutrality and will be dealt with in a later section.

Of some international significance was the stand taken on immigration by the organization. The N.A.M. fought proposals to restrict immigration on the basis of literacy and in turn argued that the country needed workers not white collar men. The Association urged amendments to the existing Contract Labor Law "to the effect that the question of the necessity of importing such skilled labor in any particular instance may

<sup>24</sup> American Industries, October, 1914, 7-8. The same Yuan Shih-Kai later became the puppet governor of Japanese-controlled Manchukuo, and has only recently been apprehended as a collaborator.

<sup>25</sup> Proceedings, 1914, 24.

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of the Chinese Government*

be determined by the Secretary of Commerce and Labor upon the application of any person interested prior to any action in that direction by such person." <sup>26</sup> As far as the N.A.M. was concerned, a union on strike was unavailable labor.

These then are the major emphases of the Association in the period from 1911 to 1914. This account is by no means definitive or inclusive, and those activities stressed in earlier chapters were never abandoned but merely played a secondary role. The methods by which these aims were to be achieved were no different than those examined in some detail in the preceding chapter, but they received much undesirable publicity through the disclosure of the activities of a former deputy of the Association, Colonel Mulhall.

From 1904 to 1911 Mulhall had been a field agent of the N.A.M. and had been dismissed after a disagreement with his superiors. Mulhall had kept in his possession several thousand letters concerning his work and the Association's orders, and sold the documents to the New York World and the Chicago Tribune. Both papers published selections of the letters and Mulhall's own charges concerning the activities of the N.A.M. on June 29th, 1913. The account ran for several weeks and the furor created by the expose aroused both Houses of Congress to appoint a special investigating committee to determine the accuracy of the attack. Both Congressional Committees were primarily interested in the accusations implicating members of Congress, and thus the investigations ignored the N.A.M.'s strikebreaking activities and concentrated upon their lobbying methods.

Appearing before the Committees, the N.A.M.'s counsel denied that the Association had been guilty of any illegal practices and continually tried to divert the Committee's attention to the operations of the labor trust. For the most part Mulhall's claims were dismissed on insufficient evidence,

but it is interesting to note that none of the correspondence between Mulhall and the officers of the Association was denied by the defense.

Perhaps the best evaluation of the charges is contained in the House Sub-Committee's report which said: "We think it is offensive and outrageous that these associations (the N.A.M. and the N.C.I.D.) should have their paid hirelings about the Capitol buttonholing members of Congress, striving to induce them to remain away from the Chamber when a vote was being taken. We think they went beyond the limits of legitimate effort and that they deserve the severest censure as well as a pointed invitation and suggestion that they completely reform their methods or else remain away in the future."<sup>27</sup> The Committee did not, however, content itself with this criticism, but by analyzing the evidence presented, arrived at the following conclusion: "They (the N.A.M. and the N.C.I.D.) believed he (Mulhall) was doing the things he reported himself to be doing, and employed him because they did believe it. Their mental attitude is thus most forcibly disclosed." And again, "It seems fair and just to say that the N.A.M. and the N.C.I.D. by now assailing Mulhall. . . cannot escape whatever criticism and condemnation may be deserved for his alleged acts as their agent, because, whether he did or did not do the things he reported to them he was doing, they thought he was reporting the truth, and, with few minor exceptions, approved his course unservedly."<sup>28</sup>

This disquieting revelation which the N.A.M. was forced to undergo did not enhance its position with the public. The Mulhall incident seems

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House Report 113, 63rd Congress, (Washington, D.C., December 9, 1913), 25. An individual report filed by Congressman MacDonald was less restrained in its criticism of the N.A.M. "In pursuing their ends the Association made use of any method of corruption found to be effectual. They did not hesitate to use the employes of the Government in the very Capitol itself. And, as is shown by literally hundreds of items in the Mulhall expense accounts, by the purchase of organization labor men to betray their fellows in election campaigns and strike-breaking activities, they instituted a new and complete system of commercialized treachery." Ibid., 71.

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Ibid., 18-19.

to have inspired a softening of the tone of the N.A.M.'s publications, and the virulence of former presidents was replaced by a smoother, more ingratiating manner. But in no case did the N.A.M. modify or compromise any of its avowed aims, and the encouraging words of James Emery bolstered weakened confidences. "Yours is outpost duty . . . Yield nothing in principle until men understand it is the fundamentals of our political and economic institutions you are defending and an aroused and militant citizenship will reinforce your line and honor your splendid effort." <sup>29</sup> Thus the N.A.M. evinced no shame at exposure, no desire to correct the abuses which had been revealed. Instead there was merely chagrin and annoyance that such a disclosure had been made, and a firm resolve not to let such a thing happen again. In the meantime, the public's memory was short, and the shots at Sarajevo and approaching hostilities in Europe diverted attention from embarrassing issues. Such a conflict might also provide for the 'aroused, militant citizenship' which Mr. Emery had mentioned. In fact, a full scale war could be and often had been used to advantage by a well-organized minority. The N.A.M. certainly possessed the qualifications and the experience to utilize this opportunity.

#### A Prosperous Neutrality

When war broke out in the summer of 1914 it did not take the Association long to formulate a policy for its members, as it commented: "In all events there is no cause for undue alarm on the part of American manufacturers at the present time, and it would be their duty as well as opportunity, to take a stronger position in the world's markets should the six great powers of Europe become involved in war." <sup>30</sup> When the great powers did become involved, the N.A.M. became more specific in its recommendations.

<sup>29</sup> Proceedings, 1914, 166-167.

<sup>30</sup> American Industries, August, 1914, 36.

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President Pope reasoned that the "markets of the world heretofore largely supplied and commercially controlled by the nations now at war must be supplied. These markets cannot close or patiently wait for the end of hostilities and the lapse of time necessary for recovery; they must have manufactured goods and supplies. And where can they look for them with certainty of being supplied but to the United States of America."<sup>31</sup> Inasmuch as the Allied navies had bottled up German shipping, the possibility of capturing former German markets was anxiously anticipated. Detailed accounts of types and quantities of German products shipped to various Latin American countries were given in a series of articles in American Industries.<sup>32</sup> The efforts by banking houses in the U. S. to provide for credit extension were applauded by the Association and in December, 1915, the N.A.M. sponsored a particularly fruitful meeting termed the International Trade Conference. Representatives, composed of government officials, bankers, importers and manufacturers, from 34 nations met in New York to create ways and means by which trade could be facilitated. In addition to establishing congenial conditions under which foreign agents could be contacted, proposals and plans for credit facilities were ironed out. Truly this was a golden commercial opportunity for the American businessman. The needs of other nations, particularly Russia, were continually emphasized in articles and bulletins.<sup>33</sup> The disruption of the world's merchant fleets provided excellent reasons for a subsidized national merchant marine. Yet these were not the only things which could be accomplished during the neutral period. There were domestic issues to be decided,

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American Industries, September, 1914, 2.

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It is interesting that all our future allies were well represented at this Conference, while Germany was conspicuous by her absence. The Conference was attended by such great American concerns as Firestone Tire & Rubber, Ford Motor Co., General Electric Co., Goodyear Tire & Rubber Co., United Fruit Co., U.S. Rubber Co., U.S. Steel, Westinghouse Electric, and by representatives of such banks as the National City Bank, New York, and the Guaranty Trust Company.

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See "Russia's Call to American Manufacturers and Exporters," American Industries, September, 1915.

and in these decisions might be found a chance to pay off old scores and realize carefully-tended aspirations.

The new prosperity served to satisfy the American people with conditions in their country. The appetite for reform was supplanted by a craving for material gain, and as 1916 drew to a close, Pope summed up the attitude of the Association by saying: "All clamor for class privilege should stop, and all demands to restrict the free operation of industry should cease."<sup>34</sup> Not only were the 'uplifters' curtailed, but labor unions were placed in an uncomfortable position. Since federal troops had been used more than once to restrict strikes, unions had acquired a healthy distrust for the Armed Forces. As the Association backed 'Preparedness' and 'National Defense,' they also found it a good opportunity to denounce labor. "We commend to the attention of the Congress the activities of the Socialists, trade-unionists, and anarchists who are flooding this country with printed matter defamatory of the army and navy, and thus vitiating the effect of the very ponderous resolutions passed by that body."<sup>35</sup> Articles were published prescribing the Americanization of immigrants, particularly regarding the teaching of English. This much-needed work, the Association believed, "can be done by the manufacturers of the Nation joining hands with the educational forces, and in a statesmanlike manner deal with the problem of the foreigners in the industries of the United States."<sup>36</sup> Here again principles of righteous industrialism might be spread.

The organization's devotion to 'Preparedness' gave it good grounds for a closer tie with the Armed Forces, and the N.A.M. resolved that, "We do hereby express our firm belief in the necessity for a broad patriotic plan of military and naval preparedness by our Government, wholly independent

<sup>34</sup> American Industries, April, 1916, 7.

<sup>35</sup> Ibid., 12.

<sup>36</sup> American Industries, October, 1915, 26.

*Denounce labor*

*closer with Armed forces*

of partisan considerations and based upon the opinion and judgment of trained army and navy experts in this far-reaching and important matter." <sup>37</sup>

The national emergency presented further opportunities to effect a closer, more harmonious working relationship with the Federal Government.

President Pope was authorized to appoint committees to cooperate with other organizations and the Congress "for the purpose of bringing about a more favorable condition to meet the emergencies as they at present exist or may develop." <sup>38</sup> As the emergency became more critical, the N.A.M.

through its president continued to offer its services to the government, and in January, 1916, Pope addressed a letter to President Wilson offering the assistance of the Association in any federal plan which might entail the mobilization of industry. <sup>39</sup> These offers were to be beneficial to the efficiency of the country's united effort, but at the same time enabled the Association to play a large role in the direction of such endeavor.

In order to be in as commanding a position as possible, if and when the government should call for aid, the N.A.M. realized it must be even more representative of industrial interests. To this end, the Association stressed the necessity for organization and federation. 'A campaign to stabilize American Business' was inaugurated. Under the title of 'Industrial Preparedness' the N.A.M. claimed that "American industry needs greater uniformity and standardization." <sup>40</sup> The Association resolved that

<sup>37</sup> National Association of Manufacturers, Proceedings Twenty-First Annual Convention, (New York, 1916), 119. Cited hereafter as Proceedings, with the year of the convention.

<sup>38</sup> Proceedings, 1915, 172.

<sup>39</sup> "I am informed that in the interest of national defense you are undertaking to ascertain how manufacturing could be mobilized, and also other information necessary to the carrying out of your policies. As president of the National Association of Manufacturers, I venture to tender you the services of that Association which is composed entirely of manufacturers of all kinds of products, and I believe that the record of its officers and the services of its staff will be able to assist you materially, which it is our desire to do." American Industries, February, 1916, 8.

<sup>40</sup> American Industries, December, 1915, 14.

"some plan of organization be created, representative of as many local, state and national industrial organizations as possible, which may agree on certain definite principles and may express, at times, the authoritative opinion of associated industry with respect to measures and policies effected by the Government and the Congress of the United States."<sup>41</sup>

Meanwhile, the N.A.M. boasted of its '15,000,000 Family,' including six million workers, nine million dependents and one million stockholders; a family which produced over one-half the entire output of manufactures in the United States; a family which produced "more goods each year than are manufactured by the entire population of any other nation on earth."<sup>42</sup> If such a family could be augmented, what wonders might not be attained, what aims not achieved? And the exigencies of preparation for war necessitated the family union, cooperation and harmony. Clearly the period created difficulties, but times of crisis also produce great opportunities. America, and things American, would prove to be a potent weapon in the accomplishment of the manufacturers' goals.

#### Americanism and Reform

Since the manufacturers saw the greatest threat to their security in the ranks of organized labor, the N.A.M. increased its patriotic exhortations against the unions. For the most part the Americanism which was displayed in these efforts differed little from the concept as analyzed in the preceding chapter. Each particular program that labor organizations sponsored was labeled un-American, and the general attacks against unionism became even more virulent.

The American Federation of Labor was accused of being "engaged in an open warfare against Jesus Christ and his cause."<sup>43</sup> There seemed to be no

<sup>41</sup> Proceedings, 1916, 215.

<sup>42</sup> American Industries, May, 1915, 43.

<sup>43</sup> Proceedings, 1911, 86.

doubt in the collective minds of the members of the Association that America was a Christian nation. The I.W.W. incurred even greater condemnation and the N.A.M. resolved to "direct the attention of all citizens who do believe in God, in Flag, and Country to the monstrous claims of this organization, and we bespeak in the name of authority, law and order, for prompt and effective repression of outrages perpetrated and threatened by this organization and its fanatical leaders."<sup>44</sup> Yet mere reproach, such as "we call ourselves free Americans, and yet you men submit to the worst kind of tyranny by allowing your working men to be controlled by outside walking delegates . . . I call it un-American,"<sup>45</sup> was not enough, and the Association began to crystallize its alternatives for the nation's workers in terms of American ideals. Outright opposition and violent reprisals had already been sanctioned as the only course to save the nation. But the newer method of employer leadership and company unionism was still to be identified with the American way of life.

The N.A.M. argued that the public, especially the workers, "have not been told that an employer with brains enough to create a business, which gives them an opportunity to work, is the best friend they have."<sup>46</sup> Thus labor should look to their leaders and captains for guidance and authority. By so acknowledging their employers, workers would aid in the realization of the highest American ideals. It was smugly agreed by members that "there is no class of people that excels manufacturers as a class in patriotism, good citizenship, in desire and ability to do good."<sup>47</sup> The reason for the N.A.M.'s refusal to back Bryce's Trades and Workers Association, with its company union ideal, became increasingly clear as one committee chairman said: "I would like to see our organization the recognized

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<sup>44</sup> Proceedings, 1913, 194.

<sup>45</sup> Proceedings, 1912, 20.

<sup>46</sup> Ibid., 38.

<sup>47</sup> Proceedings, 1914, 59.

standard bearer of righteous American industrialism, its banner as patriotic as the Stars and Stripes, its work as everlasting as the elements, and its efforts as well understood as the Constitution." <sup>48</sup> The Bryce association while having many worthwhile features was still too individualistic and too widely dispersed to be controlled effectively. Harmony, cooperation and the resulting patriotism could only be achieved by a national body powerful enough to enforce the N.A.M.'s ideal throughout the nation. In the meantime the class of super-patriots, the manufacturers, turned their attention to laying the foundation for the new America.

The N.A.M. first recognized that leaders in American economic life must educate their future followers as to their function in the mechanism of the country. The N.A.M. divided the American children into three classes: the abstract-minded and imaginative children, 'the concrete, or hand-minded children,' and 'the great intermediate class.' Each class must be dealt with according to its needs. Present schools were felt to be designed only for the first type of child; the other two classes had been neglected. Therefore schools must be reorganized "with the sole view of utmost efficiency; efficiency in every direction to the last degree, and for the last child." <sup>49</sup> By teaching American youth the great value of <sup>50</sup> daily toil, manufacturers were certain they would be bringing happiness to future generations and platitudinized: "Joy in work comes in efficiency in work . . . This right of every American child to happiness is not new, it is guaranteed in the Constitution." <sup>51</sup> This type of schooling, in addition to eliminating the wastes of existing educational systems, would enable American manufacturers to meet the competition of other nations in the race

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<sup>48</sup> Ibid., 59.

<sup>49</sup> Proceedings, 1912, 151.

<sup>50</sup> "Is there not a lesson for us in the recollection that when God made Adam he immediately set him to work." Ibid., 153.

<sup>51</sup> Ibid., 154.

for commercial supremacy. The N.A.M. hopefully prophesied that "there will soon be hundreds of thousands of American children whose every instinct of work and play and kindliness, fortunately developed in these schools, will lead them towards lives of intelligent and happy work in the occupations, high and low, and help all America to a new and better appreciation of the Godliness, the obligations and opportunities of intelligent work."<sup>52</sup> This plan had to be carried out on a national scale. The N.A.M. warned the country that it could not "prosper nor be socially sound with only individual states or communities giving proper education."<sup>53</sup> Thus the Federal Government was urged to assume its responsibility to the nation by giving aid to the new educational process.

On the surface the battle with reform was heightened as the N.A.M. met the new proposals as it had met previous ones, in the spirit of highest patriotism. Patent reforms were called "an assault upon a fundamental institution underlying our industries and no less American than those other institutions."<sup>54</sup> The Federal Trade Commission Act was arraigned on the grounds that "the greatest obstacle that we can have, the greatest injury to American character, the greatest deterrent to the perpetuation of those things which have made this nation successful and a leader in business and in the world's civilization, is to make men dependent on something else than themselves."<sup>55</sup> The Association denounced the Clayton Anti-Trust Act as an injury to the American rights of liberty and property. In similar fashion, the N.A.M. branded the efforts to compensate for loss of tariff revenues by an income tax as a proposition repugnant to American ideals and democratic forces and principles, and revived the 'Spirit of '76' by reminding the country that "direct taxation has always been abhorred by the

<sup>52</sup> Proceedings, 1915, 86.

<sup>53</sup> American Industries, April, 1912, 22.

<sup>54</sup> Proceedings, 1913, 213.

<sup>55</sup> Proceedings, 1915, 171-172.

American people."<sup>56</sup> Besides the proposed income tax would apply only to a certain class, and the N.A.M. issued an appeal to the nation to "Americanize the Income Tax."<sup>57</sup> The prospect of minimum wage legislation evoked a corresponding argument. "No one of common sense has ever suggested the proposition that an American legislature could take any kind of property from one citizen who owns it and give it to another who does not."<sup>58</sup>

But perhaps no single progressive activity alarmed the Association more than the efforts to reconstitute our political structure on a more democratic basis. In opposition to these reforms the N.A.M. displayed an astute understanding of early American history. President Kirby declaimed: "The Fathers wisely devised the Constitution to be a check not only against the despotism of the King, but also against the tyranny of the mob, of which they had full knowledge and just as much fear, and also to protect the people against their own fallacies. Today the Constitution is in need of protection against these evils as never before in our history. The fears of the Fathers have been realized and their wisdom vindicated."<sup>59</sup> The crisis had been precipitated by four proposals: the initiative, the referendum, judicial recall, and the primaries. The N.A.M. specifically condemned each reform under the guise of patriotism. To those who urged the initiative and referendum, the N.A.M. protested that they "prefer the unripe judgment of the multitude to that of the judge and the law. In other words they would substitute mob rule for orderly constituted law."<sup>60</sup> Congressman J. W. Fordney, who voted against the Clayton Act, voiced the Association's opinion, maintaining that the "recall of judges and the decisions of judges, is a deadly blow struck at the very foundation of our

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<sup>56</sup> American Industries, May, 1913, 20.

<sup>57</sup> American Industries, April, 1913, 13.

<sup>58</sup> Proceedings, 1915, 129-130.

<sup>59</sup> American Industries, March, 1912, 40.

<sup>60</sup> Proceedings, 1912, 83.

good government."<sup>61</sup> President Kirby remonstrated that those who believed in the direct election of United States Senators were "excluded from believing in the primary functions of the United States Senate, as designed by the framers of the Constitution, because that Senate was never intended to be a direct popular body."<sup>62</sup> In resisting the proposed reforms the N.A.M. harkened again and again to the real purpose and intent of the Constitution. Federalists such as Alexander Hamilton, John Jay and Gouverneur Morris had no more ardent disciples than men like John Kirby, who said: "Do you not see that this Utopian dream bears straight on to a direct democracy . . . that its mode of execution, its scope of operation, is so diametrically in opposition to the precepts of popular representation that it at once becomes not evolutionary but revolutionary."<sup>63</sup> The Constitution, that great and permanent document, the bulwark against democracy, had to be preserved. Surely no one could deny that the Federalists were great and true Americans, so too were the modern 'minute men' who struggled to maintain the work of the Fathers. Democracy, the "tyranny of the mob," was inimical to Americanism, and was to be avoided at all costs.<sup>64</sup> However, Americanism did not seem to be a powerful enough weapon to defeat the reformers until the war in Europe gave impetus to a more militant patriotism.

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61 Ibid., 325.

62 Ibid., 76.

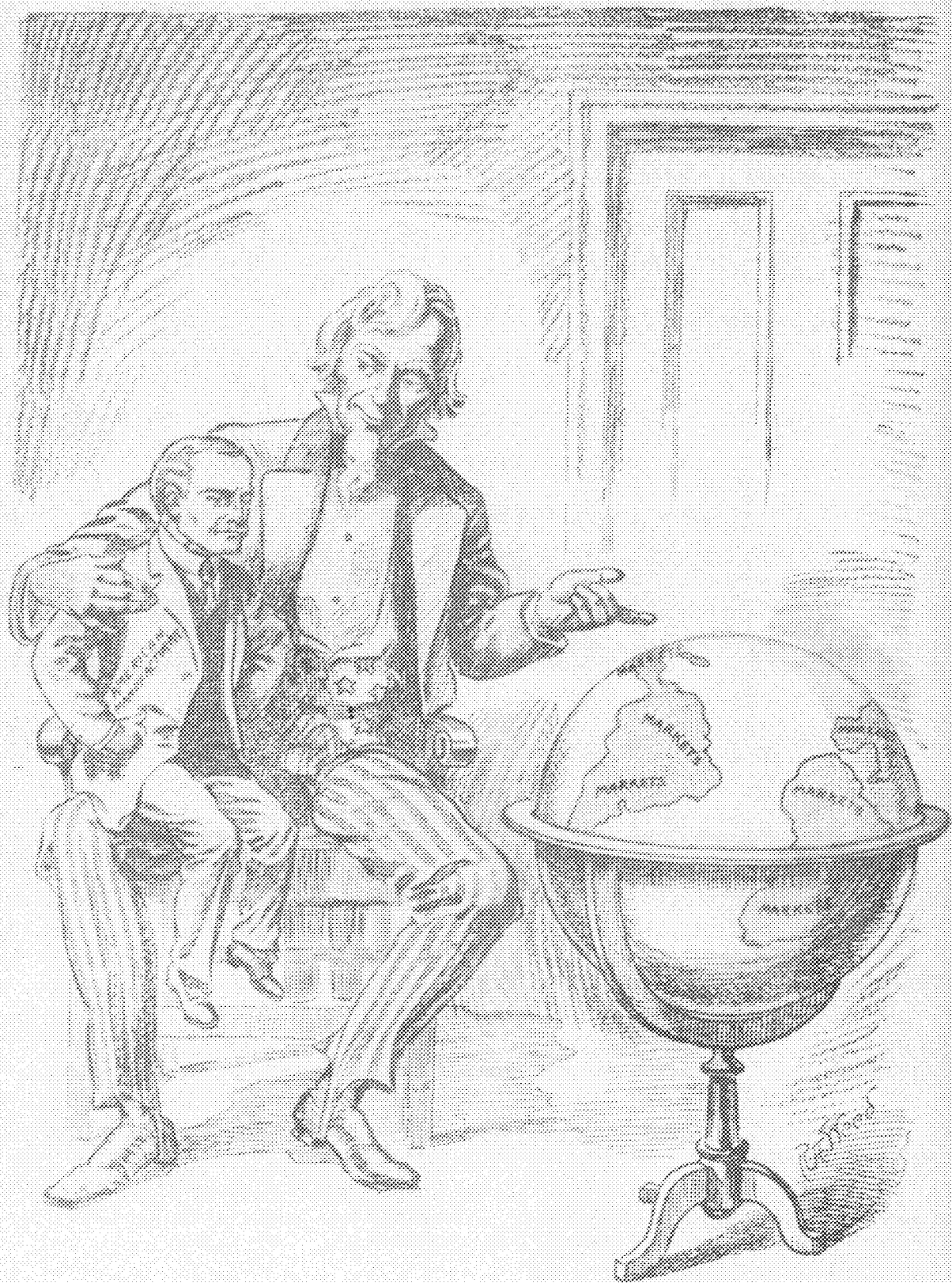
63 Ibid., 77.

64 For an interesting commentary on what the tyranny of the mob would mean for the nation, see The Scarlet Empire, (run serially in American Industries, 1913) by D. M. Parry, ex-president of the N.A.M. Parry described the horrors perpetrated by the mob in the lost continent of Atlantis in a particularly lurid manner. Life was so horrible for the inhabitants that suicide or narcotics were the only alternatives open to the nation. Atlantis, characteristically, chose narcotics.



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American Industries, September, 1914.

## Patriotic Profits

To the call of 'National Opportunity and Duty,' President Pope urged that the American manufacturer heed the new European demand for products. "In the love of country, repeat and continually repeat, not to yourselves but to the world: 'Made in the United States of America' until all the world has known the slogan; then continue to repeat it that the world shall not forget."<sup>65</sup> And there would be slight chance for the world to forget American products for as President Pope resolved: "we shall be called upon to sell and deliver our products upon a scale and magnitude heretofore unmeasured . . . 'Made in America' should not be merely a patriotic expression of commercial pride. It should mean quality, courtesy and honorable methods . . . a new era of great opportunity is before us . . . following the injunction of George Washington, we have steered clear of 'entangling alliances!' Let us ever apprehend the grave meaning of the world relations that are taking place before us, and let our commercial honor reflect our national honor and our trade become sovereign amid the nations of the world."<sup>66</sup> Thus it became pure, patriotic Americanism to provide the materials of war to the belligerents, and to procure the markets which had hitherto been supplied by the contestants. And though the toll of human lives would be heavy, and was regretted, even this factor of war provided the practical advantage of supplying the machines to the belligerents to replace lost man-power.<sup>67</sup>

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<sup>65</sup> American Industries, September, 1914, 2.

<sup>66</sup> Proceedings, 1915, 9.

<sup>67</sup> This attitude is well portrayed by such words as "the drain upon human life in the awful war will tell terribly upon the farming class of Russia; and when the war is ended, there will be a greater opportunity than there has ever been before for our American manufacturer to make their farming machinery, tools, and implements of all kinds, to take the place of human hands." American Industries, September, 1915, 29.

In order to facilitate this trade, credit would have to be extended, and a means to carry the goods had to be found. The bankers, led by Morgan had provided the credit which enabled the foreign purchasers to place their orders. The banker soon began to be called the man who had worked out the "financial salvation of the country," and did so "at a tremendous risk to himself and to his institution. He did it with courage. He did it with pure patriotism."<sup>68</sup> In order to further ease business transactions, the N.A.M. advocated the establishment of American Foreign Banks to "have American interests represented and protected in every country of the world."<sup>69</sup> Yet these banks would not alone yield the desired commercial supremacy. America must carry her own products to the world.

The national merchant marine became even more necessary as the ships of the belligerents were restricted to the needs of war. As the Federal Government took steps to meet this demand by instituting a government owned and operated fleet the N.A.M. called on the Congress "not to make matters worse by establishing a line of Government-owned ships. Out and out socialism has no place in our national life."<sup>70</sup> The La Follette Seaman's Act unleashed a storm of criticism, one official claiming it "had the effect of a flotilla of hostile submarines diverted against our own merchant marine."<sup>71</sup> Every patriotic citizen, the N.A.M. contended, was deeply mortified by the absence of our flag from the high seas. Though the merchant marine should be subsidized by the nation, the flag must remain the symbol of private enterprise, in the best American tradition.

Turning from the foreign enterprises to national controversies the N.A.M. made good use of the concept Americanism. Many Americans believed

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American Industries, November, 1914, 31.

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Proceedings, 1916, 14.

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American Industries, September, 1914, 15.

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National Association of Manufacturers, Proceedings International Trade Conference, (New York, 1916), 10.

that national defense, or preparedness, was unwise and not necessary, and would lead to active participation in the war. The N.A.M. told the nation in blunt fashion that "the question to be determined by the people of the United States is whether we shall prepare for victory or prepare for defeat. If we are willing to surrender our commercial rights abroad, our colonial possessions, and eventually part of our national territory, for this has been the fate of non-militant peoples since time began, disarmament is logical. If however, we shall push the development of our trade to the far places of the world, protect our citizens in their civil rights abroad, and assume our rightful place in the concert of nations, we must maintain such military forces as our experts deem adequate for the national protection."<sup>72</sup> The question so stated could obviously be answered in only one way by a true American, and once the citizen committed himself to national defense, the Association guided him to the next step. Coupled with the preparedness of the armed forces was an important corollary -- 'Industrial Preparedness.'

To ready industry, business men wanted a free hand to be allowed to exercise their ability and position. The hostility to business had to be erased. "If we are to maintain our supremacy as a nation unfair attacks upon our industrial and business systems must be sternly and patriotically repelled."<sup>73</sup> In other words opposition to the business interests endangered the security of the nation.

The N.A.M. warned the country that to deny national defense was to side with the labor unions and socialists who "delight in heaping calumny upon the young men who patriotically sacrifice their time, without pay and too frequently without honor, to uphold the dignity and laws of the state and nation."<sup>74</sup> The alternative to national defense and the building up of

<sup>72</sup> American Industries, March, 1915, 8.

<sup>73</sup> American Industries, December, 1915, 12.

<sup>74</sup> American Industries, January, 1915, 8.

the armed forces was riot and anarchy. The aims of the socialists and laborites would destroy our nation. Labor's opposition to scientific speed-ups in governmental arsenals brought criticism not only from the 'brass hats' but from the N.A.M., who labeled such tactics as destructive to the nation's welfare. Obviously, labor unions were a deterrent to the nation's security preparations.

Yet the neutrality period witnessed another event, perhaps the most significant in American economic life, the acceleration of the trend towards consolidation of business interests. Organization was termed the next step in the progress of man as he passed beyond the savage, stone and competitive ages. The time-honored American doctrine of 'competition' was exchanged for a new concept, 'cooperation.' In promulgating this new theory, the N.A.M. looked abroad for examples of the benefits of organization and found that "the principles of commercial association has reached its highest perfection in Germany. Business in Germany can speak with authority, and its authority is recognized by the Imperial Government . . . If some vehicle or medium, typifying the solidarity of industrial public opinion, could be founded upon the highest planes of patriotism . . . it could almost revolutionize even our wonderful development."<sup>75</sup>

In the troubled times ahead American industry would need great uniformity and standardization to enable it to advance the nation to greater heights. The N.A.M., with its twenty years of growth and experience, was to be the guiding force behind the new business consolidation. And this was to be accomplished in the spirit of altruistic Americanism. 'Industrial Preparedness' was synonymous with industrial patriotism. President Pope continued the analogy by reminding the country: "The American Flag is the most beautiful emblem of any nation in the world . . . Its appeal is 'Liberty, security, happiness for all.' Would that some ensign of American industry could be devised bespeaking justice, equity and prosperity to

every man, woman and child -- a symbol proclaiming to the whole world that industrial patriotism and national patriotism are one and the same."<sup>76</sup>

CHAPTER V

1917 -- 1924

On April 2, 1917 President Woodrow Wilson delivered his memorable address to Congress asking for a declaration of war. Shortly afterwards the United States entered the world conflict as a belligerent. The full import of this action for the country can hardly be enumerated with any cogency in a few pages, but some of the more fundamental implications should be emphasized.

Now that America had committed herself to the fight, the cardinal question facing the nation was how to win the war. World conflicts had not been unknown in the history of man, but the machines, created by man to serve him, had ushered in new, complex techniques of destruction. Modern warfare had become far more than battlefield slaughter; it was to develop into a contest between economic systems and resources. Thus the final outcome of this World War rested upon American industry and agriculture, and production was the solution by which the nation sought victory.

Obviously the Federal Government was the only agency capable of directing a united war effort. Undertaking so vast an enterprise, the government found itself becoming the greatest business organization in the country, an organization which was compelled to employ industrial leaders to direct its war-time functions: e.g., Food Administration, Chairman, Herbert Hoover, a mining industrialist; Fuel Administration, Chairman, Harry A. Garfield, Director of the Cleveland Trust Co.; War Trade Board, Chairman, Vance McCormick, International Harvester Co.; and War Industries Board, Chairman, Bernard Baruch, Wall Street stock-broker.

But as prices rose and profits increased, organized labor, in an effort to maintain its voice in the direction of the nation's affairs, quickly took action. Although workers were an ever-important cog in the wheels of production, they found themselves being deprived of their one, effective weapon against exploitation -- the strike. Those leaders who refused to give up this weapon in spite of the national emergency often found

1. The  
nature  
of the  
war

2. The  
role of  
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3. Labor's  
position

themselves in jail. Strikes soon came to be considered treason, and more conservative leaders such as Gompers pledged labor's support to the war effort on the condition that the government would prevent employers from taking advantage of the situation. In order to counteract the predominance of business interests in the administration, a few union leaders gained positions of responsibility within the government.

Domestically, the war also meant the abrupt termination of the social, political and economic aims of the Progressives. Men such as LaFollette were discredited because of their opposition to the country's entry into the war, and others who questioned the enactment of extreme measures for national defense were labeled pro-German. Besides, conservatives argued with what seemed logic to the country, this was no time to propose or attempt 'new-fangled' theories that might hinder production.

The administration recognized that only by a militant, aroused, devoted public could the war be pursued with the utmost efficiency. The Committee on Public Information, headed by George Creel, unofficial though nonetheless effective civic groups, and an over-zealous justice department idealized the war to the nation, and former tolerance to dissenting opinions and beliefs fast disappeared from the American scene. Carefully guided public opinion often failed to distinguish between pro-Germanism and radicalism, and the most harmless deviations from orthodox Anglo-Saxon customs were condemned. America, while supposedly fighting for her ideals abroad, was in danger of losing them at home.

In its zeal for victory the nation did not comprehend the fact that wars and international strife do not cease with an armistice. November, 1918 found Americans, in spite of Creel's publicity, ill prepared to gain the peace. While it is true that Wilson's plan for international government might have been accepted by the country except for his breakdown and the confusion of the issues by conservative politicians, the desire for the good old days and the sublime inanities of Harding and 'normalcy' were the

choice of a substantial majority in 1920.

As Harding and readjustment occupied the national spotlight, a considerable change was taking place on the American stage. During the war business had found that a re-marriage with government was not without its advantages. Industrial titans, turning to peace-time pursuits, were by no means anxious to divorce their regained spouse, and the government reciprocated affectionately by interpreting trust laws via the 'rule of reason,' arranging more kindly methods of taxation and collection, elevating the tariff to a more favorable level, and becoming a national trade 'drummer' through the Department of Commerce.

Business found the wedlock even more convenient in dealing with its arch-rival, labor. Federal injunctions were again issued during strikes and restrictive yellow-dog contracts were used with telling effect. Counter espionage techniques developed during the war could be and were employed to maintain an open shop, while the 'public interest' was gravely invoked against strikers by patriotic officials such as a tight-lipped, self-righteous little man in Boston named Calvin Coolidge.

Perhaps of even greater significance was the fact that "the emotions of group loyalty and of hatred expanded during the war-time, and then suddenly denied their intended expression, found a perverted release in the persecution not only of supposed radicals, but also of other elements which to the dominant American group -- the white Protestants -- seemed alien or un-American."<sup>1</sup> Thus the pre-war public indignation against business excesses swerved to new themes. Though the transfer may not have been inspired by conservative business circles, there can be little doubt that they were not averse to helping the public find a new scapegoat.

Public attitudes towards business did a rather complete about face. "Instead of regarding big business as an evil colossus to be controlled by the public for the public good if it could not be broken up, prevailing

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<sup>1</sup> Frederick L. Allen, Only Yesterday, (New York, 1946), 80.

opinion in the nineteen-twenties accepted the view that the government should leave business alone,<sup>2</sup> or at least do everything in its power to aid business which would in turn benefit the country. Industrial leaders were eulogized as no other group in America, and the philosophical justification for business activities was vested with a transcendent morality and ethics. Nowhere is the new attitude more clearly illustrated than in Bruce Barton's classic on salesmanship, The Man Nobody Knows, in which Jesus of Nazareth and his disciples were portrayed as the founders of modern business. The period of progressive reform was over and as the post-war prosperity boomed on its way, the nation looked to business men to lead America to a newer, greater era in which poverty would be eradicated and the country would spiral to undreamed of heights of material well-being.

Throughout the war into the 'twenties,' business men and their organizations preached the new creed. Kiwanians, Rotarians, Lions, Boosters, Chambermen of Commerce and Trade-Associators joined in the effort to convince the public that they knew what was best for it. Certainly no organization was better fitted or more eager to promote the crusade than the N.A.M., and its work and the development of its policy in these crucial times will be of inestimable value in determining its Americanism.

#### All Out For War

When war was declared, the N.A.M., unlike the rest of the nation, was fully prepared to meet the emergency.<sup>3</sup> Almost before the Association could offer its services to the government, governmental officials had approached the organization. Secretary of Commerce, W. C. Redfield, pledged the government's cooperation with manufacturers, and hinted of future amity

<sup>2</sup> Merle E. Curti, The Growth of American Thought, (New York, 1943), 692.

<sup>3</sup> See Chapter IV, pp. 67 and 68.

by saying that the war was "doing away with the hideous suspicion that has too long existed between them."<sup>4</sup>

The N.A.M. quickly responded to the pleasant task of 'cooperation' with the government and opened a Washington office. Like other business groups, the Association had its share of 'dollar a year' men, and was assured of a sympathetic understanding by friends who served in various war-time capacities. And in this new spirit of friendliness the N.A.M. promptly recommended new procedures for the better management of the national effort.

First and foremost, the N.A.M. called for a nationwide mobilization of existing organizations and resources. The Association advocated "a thorough and complete organization -- not only of business industry, but also an organization of government along business lines."<sup>5</sup> Not only would the government have to be reorganized, but "if the American Government is to perform its task and make its contribution, it has got to think of American industry with a pretty keen conformity of regulation to fact."<sup>6</sup>

More specifically the N.A.M. urged the Council of National Defense to issue a statement advising that conditions in the present economic system be stabilized for the remainder of the emergency. The Association particularly stressed the inevitable effect of 'restrictive legislation' upon production. "The exigencies of the war have brought our country face to face with the apparent uneconomic provisions of the Sherman Anti-Trust Law and the Clayton Act," and it was recommended that "Congress make a thorough investigation of the working of said acts and of the Trade Commission Act with respect to their economic effect upon this country; and that such necessary legislation be enacted as will meet the changing conditions of

<sup>4</sup> National Association of Manufacturers, Proceedings Twenty-Second Annual Convention, (New York, 1917), 231. Cited hereafter as Proceedings, with the year of the convention.

<sup>5</sup> Ibid., 189.

<sup>6</sup> National Association of Manufacturers, Proceedings Twenty-Third Annual Convention, (New York, 1918), 298. Cited hereafter as Proceedings, with the year of the convention.

the business world."<sup>7</sup> In short, prosecution of corporations should cease. Meanwhile, members were told of the benefits to be enjoyed by their individual concerns if they organized them as 'Common Law Companies.'<sup>8</sup> Such a company was not subject to inspection by the government, could conduct business in any state, have a limited liability, need make no reports to Federal, State, or County officials, and lastly was not subject to corporation taxes, a matter of particular interest to the Association.

Speaking for the government, Secretary of Commerce Redfield had said: "We recognize that a manufacturer must make a profit. We recognize that he ought to make perhaps an excess profit. We argue only that he should not make an wholly abnormal profit."<sup>9</sup> In October, 1917 Congress passed the War Revenue Tax, which had among its provisions an article providing for taxation of excess profits. The N.A.M. vigorously dissented from such a proposal, claiming that the tax was indefensible in time of peace and "may bring a national calamity in time of war." The retroactive features in the new measure were termed "a misnomer and an injustice." But urged the N.A.M., "if an excess profits tax shall be deemed essential, it shall be predicated upon a comparison of a selected normal period which shall give due consideration to the individual risk of the enterprise and the customary return upon the investment under such conditions."<sup>10</sup> Predications such as these could be used to good advantage by profit-minded men.

Meanwhile, the organization gave wholehearted support to the National Bond drives. The N.A.M. requested that "all manufacturers and employers in our country purchase bonds of the so-called 'Liberty Loan' and that they also urge upon their employes to participate in this patriotic investment,

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<sup>7</sup> Proceedings, 1918, 107.

<sup>8</sup> A Common Law Company is legally termed a Common Law Trust, in which a group form a partnership and hold stock for which they issue trust certificates. Such Trusts were soon considered corporations 'in fact' by state and federal courts. The idea seems to have originated in Massachusetts.

<sup>9</sup> Proceedings, 1917, 229.

<sup>10</sup> Ibid., 196-197.

and when feasible, that they assist their employees to so subscribe." <sup>11</sup> The Association furnished its own corps of speakers for Bond rallies and invested in several thousand dollars worth of bonds itself.

But the attempt to regulate prices was not so enthusiastically received. Perhaps Congressman "Pa" Watson best interpreted the feelings of the members by warning: "It would inevitably lessen production and decrease the output of all our industrial activities. Capital demands certainty before it will largely invest. What manufacturer will put thousands of dollars of his money into a factory if he believes that one man can <sup>12</sup> arbitrarily reduce the price that he is to receive for his product."

For the most part the Association backed the various agencies directing the war effort, though the restriction of non-essential production was greeted with some reservations. The N.A.M. felt that such production had an indirectly beneficial effect on the war effort. Lastly, the N.A.M. saw an excellent opportunity to resolve its age old conflict with organized labor. Here, too, the government as it directed war production could be an invaluable ally.

The Association quickly took the initiative as war was declared and appealed to the government for immediate action along a broad front. The Association asked the Council of National Defense to urge state legislatures and Congress to delegate to their Governors and the President the power to "suspend or modify restrictions contained in their labor laws when such suspension or modification shall be requested by the Council of <sup>13</sup> National Defense." The N.A.M. particularly disliked provisions in Federal legislation which made the eight-hour day mandatory in government plants. When labor leaders attempted to secure enactments which would make the eight-hour day standard in any plant working on government contracts, the

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Labor  
issue  
appeal  
to Govt

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<sup>11</sup> Ibid., 182.

<sup>12</sup> Ibid., 260.

<sup>13</sup> Ibid., 186.

Association unleashed a storm of protest. Spokesmen of the organization asked: "Can the Government of the United States . . . disestablish existing organizations, unsettle the systems and methods existing in the great bodies of industries in the United States, and engage in experiments at an hour when the failure of an experiment is a national disaster."<sup>14</sup> Obviously the government could not afford such an innovation. Laws to restrict the use of bonus systems and scientific speed-up through piecework were denounced as 'anti-efficiency legislation.' And in general the Association supported the attempts of the War Labor Board to preserve industrial peace.

However, the organization did not rest its efforts upon mere appeals to the government. An Industrial Conservation movement, which had been initiated in 1916, was rapidly expanded with our entry into the war. This movement was in many respects a continuation of the Industrial Betterment idea and Bryce's company unionism.<sup>15</sup> In order to insure peaceful labor relations the conservationists embarked on an extensive propaganda campaign. Speakers barnstormed 17 states, and movies, company newspapers, posters, newssheets, educational matter on pay envelopes, and canned articles for the press were all used to spread the new gospel. Civic organizations, trade bodies, women's clubs and public schools were another media through which information was channeled for public consumption.

In general, Industrial Conservation had several aims. The first phase of the movement was to instill in the minds of labor and the public the fact that the ruthless capitalists of the '90's were no more, and that every employer was deeply concerned about the welfare of his workers. The core of the Conservationist philosophy was aptly phrased in the following homily: "We have got to eliminate 'the big boss' and we have got

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Ibid., 146.

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See Chapter IV, p. 58.

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p. 146

a number of  
capitalists  
were no  
more

to put in his place 'the big brother.'<sup>16</sup> Within this fraternal framework the organization then dealt with specific questions regarding the workers' welfare.

Special Conservation committees were created within the Association to study new welfare proposals. Reform attempts at compulsory health insurance and old-age pensions were considered unnecessary and an unjust interference with individual rights. The Association instead stressed the alternative of thrift and personal responsibility. Profit sharing ventures, inaugurated by some industries, were dismissed as not being really wanted by workers themselves. As for minimum wages and hours of labor, the N.A.M. continued to propound the evils of restriction. For the over-worked laborer, conservationists reasoned, not "How many hours per day must we labor? But, how much labor can we put into the hours?"<sup>17</sup>

The evils of the closed shop were continually reviewed and a constant refrain was that the war was being won by the open shop. Conservationists and the Association also made a startling discovery regarding the women of the nation. "The mist of ages is clearing from our eyes. Sex has no more to do with mechanics than with eating."<sup>18</sup> Employers were urged to train women for their shops. Besides replacing many of the technicians who had been drafted, women would provide a new supply of labor with which to beat strikes.<sup>19</sup>

Realizing that these activities might not be considered the highest altruism by some of its critics, the N.A.M. pointed out that the movement had a sound economic basis. Enlightened management now realized that it

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<sup>16</sup> Proceedings, 1918, 246.

<sup>17</sup> Proceedings, 1917, 18.

<sup>18</sup> Proceedings, 1918, 54.

<sup>19</sup> See the remarks of ex-president John Kirby, Jr., as he cited an example of how the Recording and Computing Machines Co., of Dayton, Ohio, when faced with a strike, hired and trained women to do the job. Proceedings, 1918, 58.

was good business; in short: "There is no desire on the part of intelligent employers of labor to over work their help, any more than there is a desire to over work a horse, and no man who manages horses, or has an intelligent desire to manage men will do it on any other basis than on efficiency and proper care of his employees."<sup>20</sup>

However, such seeds would fall on barren ground as long as there were men in the factories who refused to acknowledge the leadership and guidance of their employers. The work of German espionage agents furnished conservationists an excellent pretext for circumventing the work of union organizers. "Industry faces a grave problem in the unfriendly employee, alien or disloyal citizen."<sup>21</sup> Thus the N.A.M. backed the ambitious plans of Americanization by which the immigrant and alien would be assimilated. At the same time those who were disloyal could easily be ferreted out and eradicated. For those interned aliens in the country the Association proposed that legislation be passed forcing them to labor under military control.

Thus, a second phase of Industrial Conservation can be seen in the desire for a new relationship between employer and employee. The remarkable efficiency, and the absence of discord, in the armed forces was looked upon with envy by members of the Association, which soon found an outlet in the effort to impress workers with the principle of authority. The military procedure of exacting obedience from lower levels to ascending higher levels could be extremely useful in labor-management relations. Conservation posters were designed to impress workers with their function in the 'industrial army.' 'Factory and trench service are equally important' was an oft-repeated phrase. Posters proclaimed that "every loyal worker is a soldier in a uniform of overalls. Every loyal employer is an officer in our industrial army," or "Success in the war depends on coopera-

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Ibid., 19.

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American Industries, July, 1918, 14.

tion and good feeling between the captains and privates in our volunteer,<sup>22</sup> wage-paid American industrial army now stationed at Fort Factory." It should be remembered that the principles of military control are authoritarian, with unquestioning submission on the part of enlisted personnel to their officers. Though this goal might be difficult to achieve, the ideal was nonetheless attractive. Meanwhile, the Association turned to the source which provided new recruits for the ranks — young America.

The absence of skilled technicians for war-time industries furnished the N.A.M. with an additional justification for its schemes of industrial education. The experience of industry throughout the world had shown that "whether for war or for peace, the supreme demand of this century is for specialized intelligence."<sup>23</sup> The creation of a Federal Board of Vocational Education, on which employers were to be well represented, by Congress was regarded as a real step in the furtherance of technical training. Members of the Association were urged to take part in the local direction of public education. But for the most part vocational education was shelved, not discarded, during the war.

The reliance of the Allies upon American industry for goods turned almost the whole nation's attention to export trade. Never in our history had such a tremendous volume of goods been sent to be consumed abroad. Though most of the nation was motivated to export in order to win the war, the N.A.M. never forgot the importance of foreign markets in the drive for 'commercial supremacy.' The Association welcomed the revolution in Russia in the hope that a solid, stable government would be formed "based upon democratic principles of law, justice and equal opportunity to all, regardless of race, creed or nationality." The reason for such optimism was frankly stated by the Association: "There is no other country in the

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Industrial Conservation Posters, American Industries, May, 1918, 26-27.

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Proceedings, 1917, 70.

world which offers so great a market as Russia for American products."

When the Bolsheviks seized control, the N.A.M. looked upon the seizure as a purely temporary one and awaited the establishment of a more friendly government. The Association continued to devote its attention to trade possibilities in South America, and particularly vacated German markets. And to aid in the advertisement of American products, the Association asked Congress to establish a national trade mark.

But no war-time activity was more gratifying to members of the Association than the creation of an American merchant marine. While the ships were now used solely for war-time purposes, the Association agreed with President Pope as he said, "The end of the war will, I am confident, find America's merchant marine in the proud position it occupied before our Civil War, and it is quite probable that under our flag will then be ranged the world's greatest fleet of merchant ships." <sup>25</sup> Matters such as the tariff, foreign credit, and the consular service would all be solved in due time and the Association looked to the future era of peace with real enthusiasm. "Broad-minded business men are shaping our new national policy; and as a result we will have the right cooperation between business and the Government to meet the post-bellum trade competition." <sup>26</sup> The N.A.M. did not have long to wait. Eighteen months after the United States had declared war, the armistice was signed, and readjustment became a reality.

#### Readjustment to Normalcy

Of major concern to business in the return to peaceful occupations was their relationship with the government. In resolving the problem the N.A.M. adopted what may seem on the surface a paradoxical program of

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American Industries, May, 1917, 11.

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Proceedings, 1918, 142.

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American Industries, October, 1917, 15.

a continued and increasing spirit of cooperation and at the same time a constant demand for a 'hands off' policy on the part of the government. But upon further analysis it can be clearly seen that this pluralism is not contradictory in that both seemingly divergent attitudes merely supplement one another.

War-time cooperation had proven extremely beneficial to business and "in the judgement of the members of this Association, unselfish patriotic devotion to the public service should be esteemed no less highly in time of peace than in war; that business men of capacity, of experience and of broad vision should be urged, so far as circumstances may permit to give of their time and of their ability to the public welfare in administrative or legislative capacity."<sup>27</sup> The N.A.M. saw no reason why the functions of the 'dollar-a-year-man' should not continue. In this they were encouraged by the Department of Commerce. Secretary Redfield had recommended that "every one of the great business associations of the country should have its committee in active touch with the Department of Commerce."<sup>28</sup> Prior to the national election of 1920 the Association had drawn up a 'Platform for Industry' which stressed among other things the necessity for real cooperation between the two forces. Both major parties were approached in order to secure the adoption of as many planks as possible. In reporting the success of these efforts, General Counsel Emery made it quite clear to fellow members that the Republican Party had reacted far more favorably to the platform than the Democrats. And as the election returns came in, the President of the Association happily prophesied that "the business interests of the nation have every reason to believe that they will receive a fuller and more proper measure of legitimate encouragement and cooperation at the hands of the Government than they have for some years past."<sup>29</sup>

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American Industries, June, 1919, 17.

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Ibid., 23.

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American Industries, January, 1921, 23.

With the advent of the Harding administration the Association's newly elected President, John E. Edgerton, called on newly appointed Secretary of Commerce, Herbert Hoover. Secretary Hoover asked for assistance in reorganizing his department, and President Edgerton obligingly appointed a committee from the Association to render all possible aid.<sup>30</sup>

Shortly afterwards Secretary Hoover appeared as guest speaker before the Association, and told members that the reorganization suggested by their committee had been proposed to Congress, passed and was now in effect. In addition he outlined what he believed to be the functions of his department. It should be 'non-regulatory but cooperative,' the funnel between business and the government. It should act as a helpful advisor to business as to economic processes and phenomena.<sup>31</sup> Hoover also suggested that "there should be enacted a minor extension of the Clayton Act, to the effect that Inter-State Trade Associations should be permitted to file with some appropriate governmental authority the plan of their operations and the functions that they propose to carry on; that upon ap-

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According to President Edgerton the conversation went something like this: "He (Hoover) was wanting to know what the N.A.M. might do in assisting him to reach the end for which he was striving. After some discussion I suggested I might appoint a committee of our membership that would cooperate with him, a committee that would help him to study the problems in his department and to make such suggestions from the standpoint of manufacturers as might be helpful to him in the development of his program. He was pleased with that suggestion and immediately thereafter I appointed a committee of our members." National Association of Manufacturers, Proceedings Twenty-Seventh Annual Convention, (New York, 1922), 101-102. Cited hereafter as Proceedings, with the year of the convention.

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Secretary Hoover claimed that the Department "should be the center point through which industry and commerce may carry out those relationships with the government that make for advancement not only in the actual process of business and industry, but in the whole gamut of contacts of the trade with the government . . . it should be a competent interpreter of economic processes and economic phenomena back to the trade, not only in relationships abroad but to events in our domestic commerce." Ibid., 239.

proval of such of these functions as do not apparently contravene the restraint of trade act, the associations may proceed with their operations."<sup>32</sup>

Such pronouncements spurred the Association on in its efforts to consolidate and organize all industry into a coherent and consistent force. Through a war-time agency, the National Industrial Conference Board,<sup>33</sup> which the N.A.M. had sponsored and which was a continuation of the N.C.I.D., the N.A.M. persevered in its plan to federate national trade associations. President Edgerton assured members that by this plan "wasteful duplications and tragic conflicts and neutralizations of effort may be eliminated. Of course, the N.A.M. is the logical medium through which such a desirable unanimity<sup>34</sup> of expression and action may be more easily secured." The Association had good reason to assume that a new era of 'community of interest' and 'business leadership' was already upon the nation.

But how was the N.A.M. to reconcile this 'era of good feeling' with the 'hands-off' attitude previously mentioned. During the war the Federal Government had in large measure assumed control of the transportation, communication, fuels and food industries of the United States to insure maximum efficiency and output. In so doing the Government had also annexed the power that went with such control, and power in the hands of elected representatives in Congress such as LaFollette or Norris could very easily be dangerous to all industry. Thus the N.A.M. demanded the return of these industries to private ownership.

The N.A.M. urged that the railroads be returned to their owners, "who are the investing public," and favored "their private ownership and operation under government regulation." But this was not the only pronouncement of the organization regarding the railroads, for members also asked for

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<sup>32</sup> Ibid., 241-242.

<sup>33</sup> See Chapter III, pp. 38-39, and Chapter IV, p. 64.

<sup>34</sup> Proceedings, 1922, 112.

"permissive consolidation of existing railway systems under such conditions as will promote economies of operation, efficiency in management, and maintain competitive rivalry in service."<sup>35</sup> This two-fold aim of private control with government sanctioned 'price leadership,' designed to destroy price competition and substitute that of service, was a general attitude which the Association entertained concerning other industries which might be classed as public utilities. The passage of the Esch Cummins Act in 1920 was approved by the Association which well realized the difficulties of assessing the capital value of railroad properties. And in accordance with its desire for price leadership and maintenance, the Association backed the Stephens-Ashurst Bill which would have allowed the wholesalers to fix the retail price of their goods, subject to review by the Federal Trade Commission.<sup>36</sup>

Yet the Association realized that nothing could be more helpful than to have a real revision of anti-trust laws. Thus, while the N.A.M. urged adequate protection for all interests, it suggested that Congress "should test voluntary restraints of trade not by the fact of their existence, but by their injurious effect upon the public interest, and provide for an administrative tribunal requiring qualifications of exact knowledge and experience to consider complaints and administer the operations of business combinations."<sup>37</sup> "Exact knowledge and experience" that only a business man would have.

Another activity of the organization was the effort to revise tax laws. The N.A.M. requested an immediate repeal of the excess profits tax as

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<sup>35</sup> National Association of Manufacturers, Proceedings Twenty-Fifth Annual Convention, (New York, 1920), 235. Cited hereafter as Proceedings, with the year of the convention.

<sup>36</sup> This aim for permissive price leadership and fixing was not realized until the passage of the National Industrial Relations Act of 1933, with its codes of 'fair competition.'

<sup>37</sup> Resolution passed by the Twenty-Fourth Annual Convention, 1919. American Industries, June, 1919, 15.

stifling to those forces which had made our country great. In place of this source of revenue the Association proposed a national sales tax of 1% on the sale of all wares, goods and merchandise, a tax which could be easily passed on to the consumer. The proposal to make tax returns public filled members with consternation, and as Secretary of Commerce Hoover pointed out, "such practices would imperil the security of the smaller business. We believe it would threaten the disclosure of trade secrets, lay the foundation of new industrial frictions, afford novel opportunities for private and public slander and blackmail and continually tempt tax evasion and concealment."<sup>38</sup>

The question of the necessity for making some provision for the payment of war debts led the Association to counsel "the refunding of our war indebtedness into long term securities, and the postponement of the sinking fund payments until industry has an opportunity to recover from the strain of war conditions."<sup>39</sup> The establishment of a Bureau of the Budget in 1921 was hailed as a 'sound, business way of doing things.'

Essentially then, the combination 'hands-off' and 'cooperative' attitudes can be resolved by recognizing the end for which the Association was striving. The end was control, control of the economic life. If the Government would cooperate, it was an extremely useful tool in the attainment of this end, but non-interference would be demanded as long as the Government was perversely unwieldy. But there was one implement which was becoming and had always been increasingly incompilant; in fact, to some it seemed that this force might usurp the N.A.M.'s coveted position. That force was organized labor.

The N.A.M. saw that the readjustment period would be an opportune time to reverse the growth of unions and return to happier days when labor

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National Association of Manufacturers, Proceedings Twenty-Ninth Annual Convention, (New York, 1924), 215. Cited hereafter as Proceedings, with the year of the convention.

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Proceedings, 1920, 235.

was a more tractable instrument. First the Association declared that "we see no further occasion for continuance of a body similar to the National War Labor Board, save in a modified form and with legal authority for the adjustment of disputes threatening the interruption of public utilities, operating interstate transportation and communication." <sup>40</sup> Thus, employers could settle their disputes without the publicity of a national arbitration conducted by public officials. But changing price levels and the absence of the compelling features of war had led to a rash of strikes. Particularly relevant in the reconversion process were the work stoppages in coal, steel and railroad industries. The N.A.M. stressed the necessity for thrift and production if price levels were to come down. Adopting a moral tone, the Association stated: "Willful extravagance is conducive to social unrest. Extravagance is largely responsible for the high cost of living." <sup>41</sup> But labor, disregarding morals, continued to demand decent wages, and thus the President of the Association counter-proposed an 'Industrial Armistice' to the President of the United States until such time as reconversion had been completed. During this armistice employers would agree not to reduce wages while workers would agree not to interrupt production. However, the truce was not forthcoming, and as transportation strikes continued, the N.A.M. turned to the government demanding that restraining injunctions once more be issued by Federal Courts in spite of the Clayton Act. To further break the power of the unions, the Association asked that they be made subject to statutory responsibility for their actions. "The public interest requires that the possession and exercise of power through combination shall be accompanied by corresponding responsibility." <sup>42</sup>

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<sup>40</sup> American Industries, June, 1919, 16.

<sup>41</sup> Proceedings, 1920, 55.

<sup>42</sup> Ibid., 233.

Paralleling its anti-labor action, the Association maintained its 'Industrial Conservation' drive. Welfare proposals such as group and health insurance, employee-management councils, profit-sharing were discussed, although for the most part the undertaking of any such projects, it was stressed, would be determined by local and individual circumstances facing the manufacturer. More important was the unabated drive for the open shop.

Continued emphasis was placed upon the urgency and necessity for employer leadership. "Men cannot fill orders, obey directions, accept supervision, without psychologically establishing in the mind the recognition of leadership. They look for suggestions, he who follows from him who leads."<sup>43</sup> President Edgerton urged members to explain the facts of industry to their employees, to guide and counsel their workers. "We cannot escape recognition of our superior responsibilities and obligations."<sup>44</sup> In this way the agitator would be circumvented, and workers would not be misled by demagogic radicals.

In actuality, the radical, Bolshevist, or Communist gave the N.A.M. an excellent opportunity to advocate militant methods in employers' relations with employees. The 'Red Scare' which swept the United States during the post-war period was used to good advantage by impregnating the public with the idea that Bolshevism and Communism were no different than the preachments of American labor leaders for the last 20 years. Ex-president Kirby reminded listeners that although some believed that "Reds have gotten in and impregnated the organization (A. F. of L.) with Bolshevism and I.W.W.ism . . . there have never been anything but Reds at the head of that organization."<sup>45</sup> Members had no doubt read with interest an article

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<sup>43</sup> American Industries, June, 1919, 29-30.

<sup>44</sup> Proceedings, 1922, 118.

<sup>45</sup> Proceedings, 1920, 51.

in American Industries by W. A. Pinkerton, who proposed that a Federal Secret Service be established to deal with the Bolsheviks.<sup>46</sup> Obviously the same procedure would be useful in handling factory personnel. Though the Association did not espouse such methods publicly, the benefits of detectives in industry were made known to the members through their trade organ and advertisements recounted the merits of 'Industrial Specialists.'<sup>47</sup> And it was easy to confuse Bolsheviks, Communists, Socialists, and the Syndicalists with labor organizers, or even an outspoken worker. Thus the N.A.M. worked towards its end, using a dualistic method of kindly interest in and leadership of labor's welfare and a police-like weeding out of the trouble-makers.

The war had also emphasized the tremendous productive capacity of the United States, a capacity which seemed far greater than her ability to consume. The conflict had dislocated the over-seas markets of other industrial nations, and in many cases these markets had been captured by the United States. Industries of some rival nations had been decimated

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Mr. Pinkerton said: "The tremendous growth of Bolshevism in Europe today, as an outgrowth of the war, has its immediate warning in this country, which we should heed and take advantage of, and the Federal Government should build a secret service organization sufficient to, at all times, be fully informed of the purposes and proceedings of anti-government organizations." American Industries, July, 1919, 31.

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See the full page ad run by the W. J. Burns' International Detective Agency in which the employer is urged to consider the possibility of a "Burns Industrial Specialist quietly working in your plant has not only the training and intelligence to give you a most intimate acquaintance with your employees, but to reveal also in a comprehensive daily report any other factor tending to impede the daily progress toward the desired goal." Among the items which a Burns man is trained to investigate are "disloyal Propaganda instituted by the Professional Agitator, Collusion between the Employees and Outside Criminals, Carelessness and Indifference." American Industries, February, 1922, 3.

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See also the article, "The Detective in Modern Industry," by the same W. J. Burns, at that time Chief of the United States Secret Service, in American Industries, September, 1921, pp. 7-9.

by the titanic destruction, while the financial structure of almost every nation tottered on the brink of collapse. Whereas, with her industry and man-power intact, her financial position reversed from a debtor to a creditor nation, America seemed about to achieve the 'commercial supremacy' so long desired by her business men.

Since foreign trade depended in no small way upon facilities for credit, the N.A.M. favored "a definite and liberal policy toward our Allies in the Great War, with respect to the payment of their indebtedness to us, to the end that there may be a prompt re-establishment of foreign exchange and trade conditions on a sound basis."<sup>48</sup> In order that American traders would not be dependent on foreign banks, the Association insisted that "the time is ripe for the vigorous establishment of American banking abroad."<sup>49</sup> In 1921 the Association sponsored another International Trade Conference so that American exporters might better understand the needs of foreign nations.<sup>50</sup> At the meeting foreign representatives stressed the necessity of being able to sell their products to the United States in order to maintain a stable financial position and be able to buy American goods. In short, America could not merely sell goods, she must also buy them, and a high protective tariff would be ruinous to all interests.

A special committee was set up by the Association to evaluate the proposals made at the conference. In acknowledging the tariff question the committee told members that the debtor nations' request for a low tariff was not necessary, for "if dissected under a strictly commercial light it is seen to be fallacious."<sup>51</sup> In what way the request was "fallacious" was

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<sup>48</sup> Proceedings, 1920, 237.

<sup>49</sup> American Industries, June, 1919, 15.

<sup>50</sup> The N.A.M. had invited all the diplomatic and consular representatives accredited to the United States. Over 40 countries sent some sort of representative to take part in the proceedings.

<sup>51</sup> Proceedings, 1922, 56.

not explained. Thus the N.A.M. in common with others demanded the repeal of the Underwood Tariff. The Association held a Tariff Convention in Washington in 1922, and were gratified by the Fordney-McCumber Tariff passed the same year.

Intrenched behind a protective tariff, and with Americans investing abroad, the N.A.M. turned its attention to the final link upon which commercial expansion rested. War-time needs had created a gigantic merchant fleet and the N.A.M. had already predicted its reconversion to a peacetime merchant marine. In 1920 and 1921 the Shipping Board began to make gifts of thousands of tons of American ships to private owners, and it seemed as though a native merchant marine would become a reality. In spite of such generosity, it soon became evident that the private owners would be unable to hold their own against foreign competition. For this inability the N.A.M. blamed the La Follette Seamen's Act, and asked that it be repealed. Meanwhile, members heartily agreed that a government subsidy was essential and should be enacted.

But what of the more important issues in the period under consideration? Obviously, the decisions concerning the League of Nations, Prohibition, Disarmament, Women's Suffrage, Immigration and the Returning Veterans were to have momentous weight in the years to come. In an historical perspective it would seem that these subjects were of such significance that they would necessarily command the attention and consideration of the Association.

Thus it is important to note that the N.A.M. maintained a complete silence in regard to the League of Nations. Since the Association generally supported Harding in 1920, because of his outspoken sympathy to business interests, it may be inferred that the N.A.M. approved of Harding's straddling of the League issue, though such an inference can not be based upon any evidence. As far as Women's Suffrage is concerned, the Association was conspicuous for its discreet silence, while Prohibition elicited a similar lack of response.

Though the Association was not particularly vocal concerning disarmament proposals, the Washington Conference did at least evoke an expression of approval. "American Industry will welcome practicable limitations of armaments as one step in the reduction of business-stifling taxes."<sup>52</sup> For returning veterans the Association advocated measures providing for their re-employment and rehabilitation. But politicians, anxious to capture the sympathies of veterans and their families, not to mention their votes, were willing to issue a cash bonus for the nation's heroes. The N.A.M. steadfastly opposed this suggestion and argued that "the general and indiscriminate distribution of a cash bonus is not justifiable."<sup>53</sup> Veterans might also serve to combat the spread of Bolshevism. As one Association member put it: "We believe that when the boys come marching home they will have something most definite and important to say to the Bolsheviks in the United States."<sup>54</sup> Again it must be remembered how simple it was to confuse labor leaders with Bolsheviks.

During the 'twenties' the nation reversed one of its oldest traditions, that of being a haven to the persecuted of the world. In 1921 Congress passed the Emergency Quota Act which began a policy of definite restriction. The Association condemned this legislation, claiming that it was equivalent to creating "a prohibitive labor tariff wall, so that while our Government leaders are proclaiming our ideals of Democracy, an autocracy of labor may be quietly built up within our domain."<sup>55</sup> The need for a constant flow of labor was repeatedly emphasized, and literacy qualifications for entry were ridiculed by pointed reminders such as: "The entire complement of the Soviet

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<sup>52</sup> American Industries, September, 1921, 23.

<sup>53</sup> Proceedings, 1920, 238.

<sup>54</sup> American Industries, December, 1918, 11.

<sup>55</sup> American Industries, February, 1919, 7.

ark which sailed from New York a few months ago consisted of literary people."<sup>56</sup> A docile, pliable, illiterate working force would be of inestimable value in destroying an ambitious labor union.

#### A Militant Americanism

Loyalty to the national state is never more intense than when the destiny of the nation is being decided in the physical combat of war. Individuals and organizations assiduously swear allegiance to their country's flag, and any activity of significance is judged in the light of its patriotic implications. The nineteen months of American participation in World War I was a period of concentrated patriotic endeavor.

Under these circumstances it would indeed be surprising if the N.A.M. failed to make the utmost use of concepts of Americanism.

What justification did the nation have for plunging into the world conflict? The Wilsonian slogan 'making the world safe for democracy' had appealed to the idealistic imagination of the American people. The question before us is, what, to the Association, seemed the cause for which the war was being fought?

"Why then do we fight? Because this same Imperial German Government has forced war upon us; has ruthlessly destroyed the lives and property of our citizens; has incited the lawless elements of our population to riot and disorder; has plotted against our Government and the peace and prosperity of our people . . . we take our stand to maintain -- as far as it rests with human power -- our high ideals of liberty and democracy, not only for ourselves but for all the world."<sup>57</sup> Generally speaking, then, the N.A.M.'s conviction was that "the liberties which our fathers secured by the Revolution and maintained in the Civil War are now threatened by the foreign autocrat. We are determined to make the world safe for democracy."<sup>58</sup>

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Proceedings, 1920, 171.

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American Industries, May, 1917, 9.

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Proceedings, 1918, 21.

Thus it would seem that the Association had accepted Wilson's declarations as to the motive for the war.

But this was not the entire case; although many Americans fought for a vague, ill-defined ideal, the N.A.M. was extremely careful to define its concept of democracy. Democracy did not mean "all men are born equal<sup>59</sup> physically or mentally, or in heart capacity or in spiritual power." Or, in another sense, "we have never fooled ourselves into believing that all men were created equal, except before the throne of God and in the eyes of the law; and we have demonstrated that you cannot have social equality and preserve human liberty."<sup>60</sup> The assumption then, by many, that equalitarianism is the essence of democracy was accordingly modified. The equality of American democracy lay in the belief that "we are all, equally necessary<sup>61</sup> to the harmonious and efficient working of society." At this point the analogy of society to a human body, with its arms, legs, trunk, and head all performing their various functions, is used, and intra-organic cooperation becomes the real spirit of democracy.<sup>62</sup> The question immediately arises, cooperation on whose terms? By using the analogy of the corporate body, the answer is obvious -- the control comes from the head and the brain of the

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59 Ibid., 269.

60 Ibid., 305.

61 Ibid., 259.

62 See the particularly illuminating discussion of the social organism of the medieval church by R. H. Tawney, in *Religion and the Rise of Capitalism*, (New York, 1926), pp. 15-36. According to church conceptions "Society, like the human body, is an organism composed of different members. Each member has its own function, prayer, or defense, or merchandise, or tilling the soil. Each member must receive the means suited to his station, and must claim no more. Within classes there must be social equality; if one takes into his hand the living of two, his neighbor will go short. Between classes there must be inequality; for otherwise a class cannot perform its function, or -- a strange thought to us -- enjoy its rights," 23. Perhaps it will help the reader if he will think of Uncle Sam as the body, representing America, with the various classes in our society making up the parts of his body. The desire of each class is to reside in the head or the brain of our national figure. By using the N.A.M.'s analogy, employers and business men would obviously reside in this favored position.

body. To expect the legs or arms to direct the head would seem ridiculous. And in this body naturally the head will be composed of only the fittest and the most intelligent.

Thus the N.A.M. could with the rest of America idealize the world conflict as a fight to preserve and spread democracy. And by specifying exactly what democracy meant to them the Association was in an extraordinarily favorable position to lead America to its own goal. Having examined in some detail the reasons by which the Association vindicated the nation's status as a belligerent, it is of extreme importance to keep this justification continually before us as we examine other manifestations of Americanism.

After the Declaration of War was passed, the N.A.M. immediately took its stand. "The day has come when our loyalty and patriotism will no longer be judged by high sounding phrases and oratorical utterances; action, concerted, vigorous action, is now the standard of measurement of Americanism. Industry has made America and industry must save it . . . Let the captains of industry write heroism in our history in this great conflict, and let industry serve America as she has never been served before."<sup>63</sup> And to the people of the country President Pope presented this simple credo. Let "each American citizen be a patriot . . . it is the duty of each and every one of us, of men, women, and minors, who have reached the age where they can realize, or partially realize, the importance of the work before us, that each and every one can help."<sup>64</sup> The N.A.M. had volunteered the services of American industry and its leaders for victory. Presenting this offering to the nation, the Association at the same time clarified the ensuing responsibility for its members: "The manufacturer must perfect every process. This means co-ordination, co-operation and intelligent direction."<sup>65</sup>

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<sup>63</sup> American Industries, April, 1917, 9.

<sup>64</sup> Proceedings, 1917, 117-118.

<sup>65</sup> Ibid., 110, (*italics mine*).

However, as we have pointed out, the Federal Government had quite properly assumed control of the national effort. Even before the war the Association had anticipated this new condition of government in business,<sup>66</sup> in a wholly realistic fashion. Government in turn remembered the organization's overtures during the neutrality period.<sup>67</sup> Thus, with the nation plunged into war, the Association was particularly glad to welcome the appeal of Government spokesman, Commerce Secretary Redfield. "Let us avoid rocking the boat. That is the American way to put it. But there is a better way to put it, to all who are associated in industry, and that is the French way, noblesse oblige. The possession of power, the possession of knowledge, the possession of opportunity and authority puts upon you and me a sacred obligation to our country now to be careful that nothing disturbs the even steady flow of industry which you and I, by patience and the absence of pride . . . can maintain and keep going . . . That is our sacrifice that we have got to make for this country now."<sup>68</sup> The Association was perfectly willing to keep the boat "steady" with the help of the government and in turn the government was expected not to move in a fashion that would threaten to capsize the craft.

The N.A.M. felt that in its taxation policy the government had become definitely unseaworthy. The excess profits tax was termed a "proposition that strikes at the sources of American energy, perserverance and foresight,<sup>69</sup> . . . it constitutes a discriminatory tax upon incentive and initiative." However, General Counsel Emery was not so softspoken. "Let us frankly acknowledge that we have embarked in time of war upon a national policy of

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Several months before the war, members were asked this question in their trade organ: "If politics invades the sphere of business, why should not business invade the sphere of politics? If government is minded to control all industry, why should not industry, which is the nation's life, control the government?" American Industries, February, 1917, 15.

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See Chapter IV, p. 68.

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Proceedings, 1917, 237.

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American Industries, February, 1917, 7.



### SEASONABLE STYLES

Uncle Sam (To shipbuilder, munitions worker and miner) — How would you like such a suit as I've got these other boys?

American Industries, November, 1917.

Nov 1917



### SEASONABLE STYLES

Uncle Sam (To shipbuilder, munitions worker and miner)—How would you like such a suit as I've given these other boys?

American Industries, November, 1917.

Nov 1917

discouraging corporate investment, and at the same time recognize that it is upon business done in corporate form that this nation leans in this hour for the munitions with which to supply her soldiers, for the ships with which to carry food to her allies, and for every last single thing to be produced by American genius and backed by American capital for the successful conduct of the great struggle.<sup>70</sup> Similar patriotic reasoning could be and was invoked when other attempts were made by the government to control industry. It was singularly easy to transpose the harmful effects of restriction on industry to a harmful effect on the war effort. Members enthusiastically agreed that "anything that handicaps the business men at this time or that hampers investment is inimical to the best interests of the country."<sup>71</sup> America would suffer if the business man was hampered in any way.

Thus the mobilization of resources and man-power had been met in the spirit of highest patriotism by business men as they rushed to the Capitol and enlisted in the Government's Service. The draft laws had provided for the call and selection of those men who would carry the flag forward on the battlefield. Yet there were still millions to be accounted for -- sweating steel-jacks, blackened coal miners, weary stevedores, grimy rail-rovers -- American laborers. What role would this gigantic, all-important force play in the war-time drama?

The Association was alert to remind the nation that "a breakdown in the supply of munitions may be an irreparable disaster. A strike would do more to cause ultimate defeat than a lost battle."<sup>72</sup> But the leaders of labor had not yet realized the force of an aroused, patriotic public, and industrial strife continued to disturb the nation during the early months of the war. The N.A.M. sensing the public drift took an even firmer stand. "It must be evident even to fatuous labor leaders that the Government will

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70 Proceedings, 1917, 153.

71 Ibid., 263

72 American Industries, April, 1917, 15.

not exempt a man from military service only to have him stand idly in the market place bargaining for petty gain while American men are killed on the battlefield. The Government has given labor a fair chance. The Government gave Germany a fair chance."<sup>73</sup>

However, even the government was not yet ready to treat strikers as enemy soldiers, and labor's attempts to secure an eight-hour day met with increasing favor. The N.A.M. railed at the injustice of this proposal. "How can you possibly say to the manufacturers of the United States, 'You must produce under terms of limited profit because this is a national necessity,' and at the same time turn to the workers of the United States and say, 'We give to you, by the conditions of public war and a wartime emergency, a profit we deny to the manufacturer.' This is not a time for sacrifice for some but for all."<sup>74</sup> But, the N.A.M. admonished fellow Americans that there were even more fundamental values at stake. "What of the hours of labor? What is the length of a day's work when the fate of our nation depends on our efforts?"<sup>75</sup>

The molly-coddling of labor by the government might still be circumvented by a direct appeal to the workers themselves and the general public. Industrial Conservation became an American crusade for victory. Labor leaders had condemned the early stages of the movement as an attempt to institute scientific, inhuman procedures similar to those practiced in German industry. The N.A.M. rejoined that "we base industrial conservation upon a one hundred per cent Americanism. We claim that it is and should be of distinctively American origin and type. There is nothing about it to suggest the dull, so-called efficiency of the German system."<sup>76</sup> Having established the conservation movement as American, the Association proceeded

<sup>73</sup> American Industries, November, 1917, 7.

<sup>74</sup> Proceedings, 1917, 147.

<sup>75</sup> Ibid., 38.

<sup>76</sup> Proceedings, 1918, 275.

to implicate those who opposed the program. "Industrial peace is needed to win this war for democracy. Agitators are breeders of treason and this community has no room for them."<sup>77</sup> These same agitators were pictured for the public as receiving decorations from the Kaiser.

Meanwhile employers were reminded "of their superior intelligence and commanding position," and were urged "to take a leading part in helping to improve the intelligence, thrift, and character of their employees."<sup>78</sup> And in their wisdom, employers would make the decisions for the employees in the best American tradition. The compulsory health insurance program was un-American, and un-democratic, because "it legislates for a limited class -- those receiving not over \$1200 per annum and manual laborers. Why this classification in a democracy? Why this class legislation? Does it not tend to create a separately and distinctly lower class . . . There is something un-American in seeing a part of our citizens blocked off by law and told in effect that they are a class designated by legislation as incapable of taking care of themselves."<sup>79</sup> Old age pensions would have a "disintegrating effect on the family . . . It would strike at one of the forces that have made the self-respecting, self-supporting American family."<sup>80</sup> In place of such proposals the N.A.M. glorified the wonders of efficiency and scientific management. The American people especially those who had sons or brothers in the Service were peculiarly susceptible to arguments which compared them to those in uniform. "If these men (army) who are subjugated to all sorts of physical discomfort in addition to risking their lives in the war, are to be trained under efficiency methods

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- 77 Industrial Conservation Poster, American Industries, November, 1917, 14.  
 78 Proceedings, 1917, 63.  
 79 American Industries, February, 1917, 13.  
 80 Proceedings, 1917, 51.

what is it that keeps us from training other men and carrying out these methods in our industrial life?"<sup>81</sup> Thus the 'stay-at-homes' prone to rationalize the inequalities of sacrifice being made by men in the armed forces and civilians, pictured themselves as having donned a uniform of production. The N.A.M. exploited this rationalization and depicted the whole nation as an armed camp.

"Every man, woman, and child must now play his part and help win the victory. All lines of business supplying necessities will be greatly accelerated.<sup>82</sup> Discipline must enter where anarchy has ruled before." The N.A.M. easily sanctioned the new military relationship in industry in terms of national sacrifice. "You cannot place the American boy in the trenches for one dollar a day to face bullets, and allow the foreigner and some Americans too, to profiteer in labor . . . the American boy wants to feel you are behind him. He wants to know that he is going to get a square deal, and he wants to know that you are not going to allow the foreigner to stay at home and corral the whole labor situation, and rob his family of the necessities of life by demanding nine or ten dollars a day for his labor which is worth only two or three dollars."<sup>83</sup> Strikes and the demands for higher wages could be eradicated by sustaining the discipline so necessary in the army. "Every war factory is a part of the trenches. The captains of industry wear soldier's straps invisible but of the same significance as those upon the officers who lead our boys in France. The demand upon the industrial army is the same."<sup>84</sup> Soldiers who disobeyed their officers were convicted of treason or desertion; "bribed patriots" (labor profiteers) should be regarded in the same light.

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<sup>81</sup> Proceedings, 1918, 18.

<sup>82</sup> Proceedings, 1917, 38.

<sup>83</sup> Proceedings, 1918, 256.

<sup>84</sup> American Industries, October, 1918, 21.

The raw recruit, the immigrant and the American child, who was entering the Industrial Army daily should be indoctrinated and trained for his new role as an industrial warrior. Thus the Americanization programs were augmented to meet the emergency. The country must "Americanize and assimilate the immigrants who are already here. Hyphenated Americans are under a suspicion that will make it difficult for them to do their best work, however well disposed."<sup>85</sup> In the same way, the nation was urged to 'Let young America help' and industrial education became even more necessary for the successful prosecution of the war. Child labor laws were preposterous in this hour of national distress.

Lastly, though the nation's attention was concentrated upon winning the war, the Association never neglected the trade rivalries which would be resumed with the Armistice. Those members who continued their export trade were told to stick with it. "In the way that the French soldier is sticking to his job, and the way our brothers over there now are going to stick to their job until this war is won."<sup>86</sup> Commercial expansion was nowhere more clearly justified in the interest of America than in a full page advertisement run in American Industries, head-lined, "Prepare Against German Commercial Frightfulness." The ad indicated the need for action during the war to prepare for the post-war commercial conflict. "While we are crushing the military power of political Germany, there is grave danger of our overlooking the opportunity of preventing the resumption of that Teutonic commercial frightfulness which built up the industrial structure without which the armies of the Central Powers would today be helpless. German trade methods before the outbreak of the Great War were so ruthless that they alone should have barred her from the ranks of decent commerce. She broke most of the formulated laws of commercial competition and exchange. She will do so again if she is allowed to. The only way to pre-

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Proceedings, 1917, 39.

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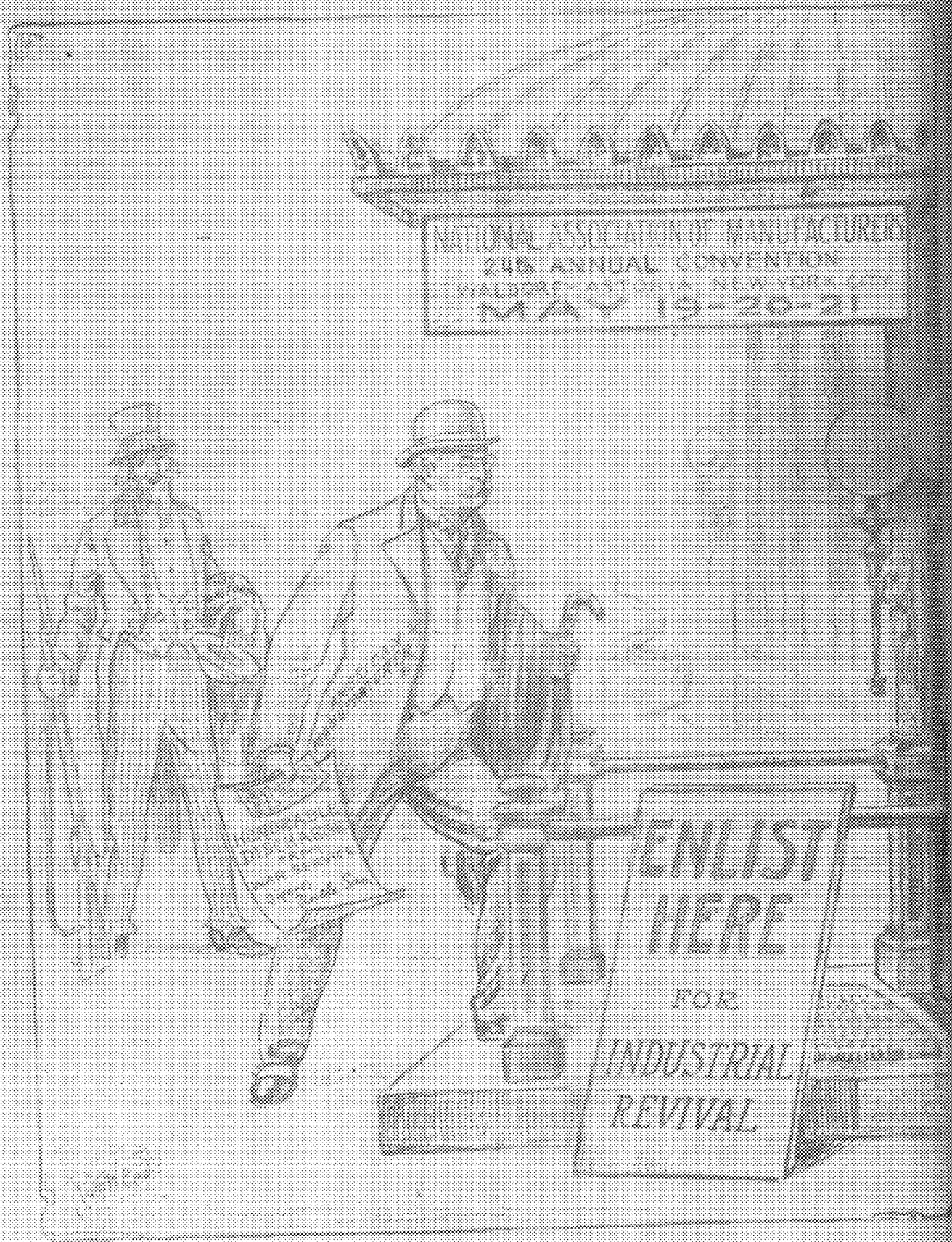
Proceedings, 1918, 148.



RECRUITING TIME

May 1919

American Industries, May, 1919.



RECRUITING TIME!

May 1919

American Industries, May, 1919.

vent this is by so entrenching ourselves in foreign markets that the commercial shrapnel and poisonous gases of the German trade cannot dislodge us." <sup>87</sup> Wilson's plea for peace without victory had little meaning for the Association. Germany was not only to be defeated in war, but conquered in peace and destroyed as an industrial rival. And when peace came, the ties which bound America to her Allies would be broken, and they, too, would be commercial enemies. Perhaps the absence of any explanation as to why foreign demands for a low tariff were "fallacious" is a little clearer in the light of the foregoing.

### Americanized Readjustment

Almost before the nation could realize that it had occurred, the Armistice was signed, and America was faced with the difficult task of reconversion. The inspired patriotism so carefully cultivated during the war would now have to find other outlets. As a "glorious peace began to seem a reality and not a dream, the nation went on thinking with the mind of a people at war. They had learned during the preceding nineteen months to strike down the thing they hated; not to argue or hesitate, but to strike." <sup>88</sup>

A strong, tightly knit minority, knowing exactly what it wanted, would be in an excellent position to direct the forces wielding the blows. But first the public had to be convinced of the ability of the organization which was to direct their readjustment.

The N.A.M. had cautioned America, "In time of war prepare for peace. As a nation we long refused to take seriously the appeals for military preparedness. As a nation and as individual business men or citizens, in the present period of war, it may be we will neglect to take steps for peace preparedness. The best counsel of experienced business men who have demonstrated their patriotism and unselfishness in many ways should be

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American Industries, May, 1918, 2.

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Frederick L. Allen, Only Yesterday, 34.

availed of in the work of readjustment."<sup>89</sup> Once the aroused public would recognize the selfless, able leadership of the business man, it could be guided to the N.A.M.'s goals for America.

The 'cooperative' relationship with the Federal Government needed no rationale in the name of Americanism, for such action was merely a continuation of war-time policies, and was deemed necessary for readjustment. But the 'hands off' attitude assumed another guise, and the N.A.M. quickly reverted to the familiar practice of labelling government interference as un-American. "Government ownership and operation of private business in whatever form is repugnant to the spirit and tradition of our institutions and to our form of government."<sup>90</sup> Thus government operation of transportation and communication facilities was impugned, and when the Railroad Brotherhoods seconded the Plumb Plan, continuing government control, the Association reacted violently. "It is the first step through the gateway of state socialism to the operation of transportation and industry under a soviet control."<sup>91</sup> Americans had been carefully nurtured to abhor socialist or soviet doctrines.

In the same vein the taxation program of the government was subject to strong criticism. The excess profits tax was peculiarly vulnerable to patriotic logic. "No system of taxation can be in the public interest that does not undertake to spread the burden of public support in due proportion over all classes of citizenship."<sup>92</sup> The N.A.M. protested that proposals to make tax returns public were totally inconsistent with American liberties and deprived "the individual of that constitutionally guaranteed privacy which government may justly invade only to the extent necessary to

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<sup>89</sup> American Industries, November, 1918, 7.

<sup>90</sup> American Industries, January, 1919, 12.

<sup>91</sup> American Industries, September, 1919, 9.

<sup>92</sup> American Industries, June, 1919, 16.

protect itself from fraud and error."<sup>93</sup>

However, as the exigencies of war waned, labor no longer felt responsible to the men in service, and began to reassert its right to strike. As prices rose and labor fought to maintain its standard of living, the nation was paralyzed by a series of stoppages. With basic industries embroiled in strife, the Association called on the public to take action. "We have heard much in recent months about making the world safe for democracy. Now is the time for all Americans to act and MAKE AMERICA SAFE FOR AMERICANS."<sup>94</sup> Strikes, it was argued, were making America an unsafe place to live, and as the coal strike dragged on, the Association informed business men: "Your plant has been closed by the United Mine Workers of America. That union has locked out your men, and this should be clearly understood by every citizen injured by this gigantic conspiracy."<sup>95</sup> Any strike began to be considered as a conspiracy in restraint of trade, and the Association sought to have unions controlled by making them subject to statutory responsibility, pleading in the name of the country. "The strike is not the exercise of any legitimate right guaranteed to the individual under American democracy. It is a conspiracy on the part of a small minority to throw the whole social organism into jeopardy and thus by terrorism and threats against the innocent, force society to meet its arbitrary demands. It is legalized barbarism and has no place under any system of civilization . . . it is the theory of the exercise of irresponsible power over society by a small minority. It was against this theory of government as represented by George III that our fathers fought in the American Revolution."<sup>96</sup>

However, if the strike was to be outlawed, employees would be deprived of a weapon with which to keep pace with living costs. President Edgerton

93 Proceedings, 1924, 215.

94 American Industries, December, 1919, 7. (Capitals, their's)

95 American Industries, January, 1920, 7.

96 Proceedings, 1920, 333-334.

explained that "during this war standards of living were set up that cannot and should not in many instances be maintained. Some of the low got a taste of high life and are mad with an appetite for its continuance."<sup>97</sup>

The N.A.M. urged the public and especially the workers to increase production and restore normal price levels. Attempts to increase wages and lower hours would only create industrial chaos. "We urge and call upon the people of the United States, and our factory workers especially, to refute and discourage the un-American and dangerously 'make work' doctrine, which if pursued to any extent will result in complete industrial demoralization."<sup>98</sup>

In this determined drive to beat the unions no program figured more prominently than the Open Shop. The public was flooded with literature and speeches condemning the closed shop.<sup>99</sup> Examples were cited of English servicemen who were prevented from entering a trade until the closed shop union had been paid a subsidy, and the Association warned that "nation wide success of the closed shop would bring about just such conditions in the United States. It would be a disgrace to the memories of the men who have given their lives for American freedom to see an American public official begging the leaders of a labor organization to let unemployed workers earn their living."<sup>100</sup> The Open Shop, on the other hand, was just 'plain every day American freedom.'

But the N.A.M. did not confine its patriotic exhortations to these

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Proceedings, 1922, 117.

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American Industries, August, 1919, 7.

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An Open Shop Encyclopedia was created and sent to colleges and universities for use in debates or such other matters in which the question arose. In this book all possible arguments were elaborated, even texts of debates were provided for the benefit of the weary student. The patriotic motive was by no means ignored, and national heroes were widely quoted by the N.A.M. One of the debates listed characterized the closed shop as "a despotic and selfish monopoly which destroys the rights of the employee and non-unionist and jeopardizes the prosperity and even the life of the American public." National Association of Manufacturers, Open Shop Encyclopedia, (New York, 1921), 240.

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Ibid., 191.

levels. The war had produced the industrial army and the patriotic militarized relationship between the employers and the workers. As the manufacturers suffered the aches and pains of readjustment, they proposed a continuance of the military order. In soliciting the public's approval for such action, the Association made excellent use of the current 'Red Hysteria.' The nation was told how the Communists infiltrate into the unions, seize control, and call strikes, threatening our national industries. "Our soldiers and sailors have been brought face to face with that spirit of Americanism which unselfish sacrifice and military discipline alone seems to inculcate . . . the man who has been taught that organizations and discipline are something intended and proven to be for the common good, is hardly the type of citizen who will condone, aid, abet or excuse those who would preach disorder and chaos as the proper way of solving any problem. It is not too much to say that in the crucible of war we have made more good and true Americans than the naturalization courts or civic forums have turned out in twenty years."<sup>101</sup> Military discipline became real Americanism, as opposed to riot and disorder, which Bolsheviks, Communists, Socialists, and labor leaders desired and fomented.

As far as the Association was concerned: "We have reached that point when nationally we need a far-seeing, organizing industrial general to bawl out: 'As you were!' And the Ship of State will sail along smoothly on the course laid down for it in the Constitution."<sup>102</sup> To create this military system it was also necessary to have harmony, cooperation among the staff officers -- the employers. In line with its federation plans for industry, the Association prompted employers that "if our nation is to be re-established on the right bases, and if we are to get back to the Constitution, from which we have drifted so far, we must as one of the

<sup>101</sup> American Industries, December, 1918, 11.

<sup>102</sup> American Industries, November, 1920, 24.

leading elements of the country, get together and keep step all the way down the line."<sup>103</sup> Though the Association did not specifically name the officer who would count cadence for industry, a picture in American Industries of a group of members greeting Admiral Coontz in the Brooklyn Navy Yard is particularly suggestive. The caption for the photograph reads: "Admiral R. E. Coontz, the ranking officer of the United States Navy, greeting John E. Edgerton, the ranking officer of organized industry."<sup>104</sup> Though the attitude of militarization might seem strangely at variance with Americanism, it can be seen that heroes in uniform were not without patriotic functions. Disciplined, obedient organization became the highest Americanism.

The newcomer to industry, the immigrant and the child, the potential from which industry supplemented its ranks, were also a part of a program carefully prepared and reconciled to Americanism. The Americanization programs were justified by appeals to past experience. "If the world war has taught us anything it has taught us the danger of having in our midst un-Americanized aliens and even of un-Americanized Americans."<sup>105</sup> Restrictions on immigration were in turn totally adverse to the best interests of the country. "America needs common-labor men for its fields and factories, for its mines and its hundreds of other circles of common labor. Through facing death in the great war the American youth and man sees life with larger vision; he sees the true standard of his own value higher than in other years . . . so men and women must be found to perform the more elemental work."<sup>106</sup> And in their turn, the children of the nation were invited to devote their childhood to learning the important

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Proceedings, 1920, 295.

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American Industries, June, 1922, 5.

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American Industries, June, 1919, 9.

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Proceedings, 1920, 181-182.

things of life in a 'continuation school,' so that America would continue to prosper. "What is going to become of industrial America if all the children have high school educations? Where are they going to? . . . The factory is where the school should be just as Mr. Ford has it, and not outside the factory. In that way we will get results and get something that will be a benefit to industrial America."<sup>107</sup>

Having thus arranged the domestic scene to some satisfaction, the N.A.M. reverted to the original purpose of the organization -- increased foreign trade. War-torn Europe was a great potential market which the United States could now enter. But public support of the rehabilitation of Europe was very necessary before manufactured goods could be sold abroad. "A part of the task before us, is therefore, to show the American people that the restoration of Europe is a matter of great importance to ourselves, and that such restoration is possible only in so far as we greatly restrict our own consumption and make available to Europe a large part of our savings."<sup>108</sup> Americans were encouraged to lend their money abroad in order that manufacturers might sell their goods. But not only was America urged to invest abroad but she was also to take her industry abroad. Magazine articles described undeveloped countries crying for "Americans to come here (Balkans) and acquire some of these coal, iron and other mines; install American machinery; manufacture from these ores the agricultural and other machinery, supplies and materials needed by 14,000,000 people."<sup>109</sup> The dawn of a new commercial expansion was just beginning and the N.A.M. had limitless faith in the future.

And no two factors gave more substantial basis for this optimism than the newly created merchant marine and the revised tariff. The N.A.M. urged that our merchant fleet be a distinctively American project, "privately

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<sup>107</sup> Ibid., 104.

<sup>108</sup> Proceedings, 1920, 7.

<sup>109</sup> American Industries, September, 1920, 33.

owned and operated, built in American yards, of American material, by American labor, manned, officered, and owned by Americans, and sailing the seas without handicap under the national flag.<sup>110</sup> However, the merchant marine continued to find it difficult to operate against foreign competition, and again asked for subsidies from the government. Answering the protests against the ship subsidy, the Association accused those who opposed the measure of saying: "We don't want American ships to carry any material part of the commerce of this country -- that we don't want to enlarge the markets for American products or give increased employment to American labor."<sup>111</sup> As the immediate benefits of the new tariff were felt the Association in a patriotic spirit recounted the good news that German toy exports to America had been stopped. To the public were introduced American toy manufacturers, "fully capable of supplying the new demand," and the N.A.M. welcomed "the transformation from a German to an American Santa Claus."<sup>112</sup>

And this commercial aggrandizement should be of great pride to the nation, for in Europe "America has become a house-hold word, and everything speedy and efficient or simple could not have been anything but American." By this expansion, the Association avowed, "we have even put civilization to work and are turning her westward march in an eastward direction." In point of fact, American products, American methods and American industry was working towards "the Americanization of Europe."<sup>113</sup>

But all this careful planning and effort could be undone by one force which the Association had yet to control completely -- the people. The formula for this control was political, and thus the N.A.M. concentrated

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Proceedings, 1920, 237.

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Proceedings, 1922, 98.

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American Industries, December, 1922, 29.

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American Industries, March, 1922, 39-40.

on this problem, the last, and perhaps the most elusive, step to final success.

Regardless of its reasons for supporting Harding in 1920, the Association made the issue one of pure Americanism. "The paramount issue this year is the American flag, not internationalism under an international flag, but Americanism under the American flag."<sup>114</sup> As Business and Harding triumphed, the Association looked for some dam against which the desire for popular control might be contained. Bolshevism had become the whipping post for many unattractive features to Americans, and it could also serve as a diversion for democracy. One Association member asserted: "Bolshevism is only extreme democracy."<sup>115</sup> But President Edgerton provided members with more specific analysis. "By means of the direct primary and other devices it (the people) has almost transformed the legislative department of our government into a mere sounding board to catch and throw back the babel voices of the mob. If it can now emasculate the judiciary by the injection of spurious democracy, the last citadel of our liberties will be reduced to smoking ruins, and the way will be prepared for the triumphal entry of the soviet king waiting just outside the gates."<sup>116</sup>

However, democracy had but recently been a flag-waving symbol for making the world safe. How, then, would people be made to realize its essentially un-American characteristic? James Emery provided the answer. "If there was one thing your fathers and mine strove to protect this country against it was democracy, because democracy is government by mere numbers while the experience of years has proven that representative government is the more desirable, and that means that the country, the laws and acts of the country are transmitted through the minds of chosen members, and not through the minds of the people as a whole. We have always be-

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Proceedings, 1920, 336.

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American Industries, June, 1919, 39.

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Proceedings, 1924, 114.

lieved that the form of government and kind of institutions we wanted to establish demanded an aristocracy of intelligence, character and courage, accompanied by a democracy of opportunity and justice."<sup>117</sup>

The reader has only to remember the analogy used by the N.A.M. in comparing society to the corporate body to find the above statement especially revealing. Again, taking Uncle Sam as the body or social organism, representing America, the Association posed the question of what would happen if the hands, feet or trunk of this body began to control the entire organism, exacting obedience from the head. The ensuing chaos was strikingly phrased by President Edgerton: "This spirit of unsportsmanlike contest for the plaudits of the crowd has been and is now the prolific breeder of all sorts of vicious legislation . . . Its damnable, un-American, un-Christian products may be seen in the plethora of legislation proposed and sometimes enacted in the selfish interest of some bloc, section,<sup>118</sup> or class."

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American Industries, October, 1919, 18.

118

Proceedings, 1924, 113.

## CHAPTER VI

### Conclusion

In the preceding chapters we have shown how the concept of Americanism was utilized by the National Association of Manufacturers as it faced the complex challenges of industrialism in the United States. However, in view of the chronological structure of this thesis it may be helpful to combine the component parts of the evidence which have already been presented; and in such a synthesis we may find the Association's complete conception of Americanism.

The author feels that to recount the explicit, specific manifestations of Americanism will serve no useful purpose, for these are merely surface tendencies. Instead the synthesis will be accomplished by consolidating the implicit, underlying beliefs of the organization. For these basic assumptions are the core, the center, from which the N.A.M.'s Americanism emanates.

First, the progress and civilization of the United States was solely dependent upon and corresponded to the efficiency and well-being of industry. In short, America, its people, institutions, hopes and aspirations were equated with American industry.

Second, because American industry was superior to that of all other nations, it would inevitably expand. As our industry was the best it became a moral "duty and opportunity" to extend it throughout the world. Thus, American industry, or America, as the pacific commercial victor should dominate on an international scale.

Third, since the nation's welfare depended upon smooth industrial functioning, anything which disturbed the mechanism of industry was harmful to the needs of America, hence un-American. The most obvious offender in this category was the existing American labor movement. Thus, labor unions guided by independent leaders must be demolished, or their leadership altered to conform to the pattern of industry.

Fourth, in order to maintain the health of industry, and thus America, government should decide its policies and administer its laws in the light of their effect upon industry. In this way government would be aiding not

only business but the whole nation.

Lastly, inasmuch as 'the business of America was business,' business men, because of their proven superiority and knowledge of business, should be the principal directors and controllers of the nation's economy and its life. As the N.A.M. was the peak business association, and regarded itself as the spokesman of business, this actually meant that the N.A.M. was to control America.

The first assumption noted, that American industry and America were one and the same, is excellently illustrated by the Association's plans for vocational education. Since industry's primary demand was for skilled, docile labor, the children of the country were to be trained for this role. In the division of children into specific, well-defined classes can be seen their future division as adults. And this class structure was to be arranged 'in a business like way,' on efficient, industrial lines. Thus, each individual, each class would have its particular function to perform in operating America, an America that was a gigantic machine.

Again, the belief that America was to dominate the world's markets finds striking examples in the Association's stand on the tariff, banking and export trade. The principle of complete protection was a cardinal point which the Association saw no reason to surrender. In company with the government, the Association urged American bankers and investors to go abroad and facilitate the transactions of commerce. Finally, American business men were aided in capturing new markets and exploiting undeveloped regions. These non-industrial areas were to become subservient to American industry, while other industrialized nations were to be conquered in commercial battle.

In spite of oft-repeated phrases which abstractly sanction labor unions, the Association committed itself to the extermination of the American labor movement. Here the N.A.M.'s dualistic approach of 'welfare capitalism' and militant suppression affords us a comprehensible picture. As long as unions accept and recognize employer leadership and attitudes

they are permissible within the industrial framework. If, however, unions attempt to challenge employer authority they must be eradicated, and a militaristic relationship imposed until such time as they become more amenable. No matter which tactic is employed, the net result is the same, a dependent, helpless, 'cooperative' working force.

The assumption that government's chief task was to assist industry is amply buttressed when one recalls the active cooperation between industry and government during the first World War. Even more obvious, are the patriotic eulogies tendered the 'dollar a year' men, who put governmental cooperation with industry on a 'sound, business-like basis.' After the war the N.A.M. urged close relationship with the Department of Commerce and its most pliable Secretary, Herbert Hoover. Though the Association insisted that government should not compete with profitable private concerns, the N.A.M. was equally insistent that projects such as the merchant marine were the responsibility of the government. Finally, since government rests upon a demand for a compelling agency, the Association constantly relied upon it as the enforcer of law and order; especially when enforcement could correct a labor mal-functioning in the American machine.

In conclusion is the belief that the 'captains of industry' are the proper directors of the whole American process. The nation, if she is to prosper, must be directed by the best, most far-seeing minds, an aristocracy of brains and intelligence. This business aristocracy had passed the selective, refining tests of competitive industry. This supposition is even more discernible when we recall the Association's bitter fight against democratic forces.' Proposals like the initiative, referendum, recall and direct election of senators are unreservedly condemned. Democracy itself is pictured as an anarchistic, riotous mob rule.

Thus, democracy becomes un-American. Those Americans who couple Americanism with democracy may well ponder the words of the Congressional Investigating Committee regarding the Association. "The correspondence

between the officials and the employees of the Association laid before your committee and placed in evidence, shows it to have been an organization having purposes and aspirations along industrial, commercial, political, educational, legislative, and other lines so vast and far-reaching as to excite at once admiration and fear -- admiration for the genius which conceived them and fear for the ultimate effects which these ambitions might have in a government such as ours.<sup>1</sup> There is no reason to suppose that the National Association of Manufacturers has altered its purposes and aspirations.

Essentially, the question facing Americans today is: "Will democratic political power absorb and use economic resources, bigness and all, to serve its own ends, or will big economic power take over state power?"<sup>2</sup> The answer to this question must be formulated soon. The N.A.M.'s goals for America, its Americanism, provide one answer. Americans who believe in democracy must rise to meet this challenge, or become extinct.

<sup>1</sup> House Report No. 113, 5.

<sup>2</sup> From the Foreword by Robert S. Lynd in Robert A. Brady's Business as a System of Power, (New York, 1943), xiii.

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## APPENDIX

Appendix

1. T. H. Martin's open letter to the manufacturers of the nation.
2. The Constitution of the National Association of Manufacturers.
3. Revisions to the Constitution of the National Association of Manufacturers.
4. The Declaration of Principles of the National Association of Manufacturers.
5. Additions to the Declaration of Principles of the National Association of Manufacturers.

1. T. H. Martin's open letter to the manufacturers of the nation,  
(American Industries, June, 1913, 33).

#### Manufacturers Must Organize

To properly undertake the development of trade relations with Mexico and South America our manufacturers should organize for the work. Whether international expositions are to be held or other plans adopted, this organization is essential and necessary. The individual influence and the strength of the members of such an organization would then become co-operative, and could be centered with powerful force, for the passage of favorable reciprocal treaties, suitable tariff laws, and for the establishment of more perfect transportation facilities. The envoy of such an organization could present his credentials to the governments of our sister republics with the assurance of prompt recognition. The agent of this association of manufacturers sent to do any special duty would have a backing that would command attention and success. Such an organization could gather information for its members that individuals would be unable to get on account of expense, and, more than this, a permanent organization of manufacturers would prevent a halt in the movement for trade extension. For instance if an exposition is held in the City of Mexico, its completion would find the manufacturers still in active organization, and the work of holding other expositions in South America, or doing whatever seemed best at that time, for the interest of international trade, could be conducted by the same organization, whose officers would have the benefit of experience gained in the past. In view of the foregoing, Dixie now suggests that a National Association of Manufacturers be organized, and in order that this association may be advantageously organized and its objects have a thorough discussion, we propose a convention of all interested manufacturers. As to where and when the manufacturers should meet we have no suggestion to offer further than to say that the meeting place should be in some city as convenient as possible to the men who will compose the convention, and its date should be as early as possible.

2. The Constitution of the National Association of Manufacturers, adopted January 24, 1895, (The Tradesman, Chattanooga, Tenn., February 1, 1895, 69).

Resolved that the National Association of Manufacturers adopts the following general statement of principles as the basis of its organization:

1. To the largest possible extent our home market should be retained and supplied by our own producers, and our foreign trade relations should be extended in every direction and manner not inconsistent therewith.

2. The principle of reciprocity should be embodied in national legislation, in accordance with the requirements of equity, so that reciprocal trade relations between the United States and foreign countries may be developed and extended as far as practicable.

3. Believing that ships sailing under the flag of the United States should carry our entire maritime commerce, and in view of the injury thereto by subsidized foreign shipping, we declare in favor of a judicious system of subsidies in order to the complete restoration and extension of our merchant marine.

4. The Nicaragua Canal being essential to the commerce of the United States, and of national importance, we favor its construction and operation under the control of the federal government.

5. Our natural and artificial waterways should be improved and extended by the federal government. To the full needs of commerce connecting the Great Lakes with the rivers of the Mississippi Valley and the Atlantic Seaboard.

Article I. On membership - Said Association shall consist of all national, state and local associations, clubs, societies and other organizations of manufacturers in the United States, and associate members as shall from time to time be admitted thereto by a vote of 3/4 of the executive committee of said association.

Article II. Officers - The officers of said association shall be a president, and one vice president from each state and territory in the United States, a treasurer and a secretary, each of whom shall be elected annually as hereinafter provided.

Article III. - Said association shall meet in convention annually. The delegates to said convention shall consist of five delegates from each state and territory and an additional delegate from each state and territory for every \$50,000,000 of manufactured products of each state and territory as appears in the last federal census. Said delegates apportioned as aforesaid, should be selected by the vice president of each state from nominations made to him by the organizations in his state, members of this association. And his certificate shall be the credential for each delegate from his state. Each national association of specific industry, a member hereof, reporting not less than 60% of the product of each specific industry, as shown by the last federal census, shall be entitled to one delegate to be selected by such association. Each convention shall designate the time and the place of the next convention. Said convention, at its annual session, shall elect all the officers of the said association and transact such other business as it may determine in furtherance of the objects of the association.

## 2. (cont.)

Article IV. Executive Committee - The executive committee of said association shall have its headquarters at Cincinnati in the state of Ohio. It shall consist of the president, treasurer and the secretary, and the vice presidents from the twelve states producing the largest output of manufactured goods, according to the last federal census. Said executive committee shall arrange for holding the conventions, and shall, by the secretary, preserve all the records of the association, and shall exercise all powers necessary to promote the purposes of the organization. It shall also fill all vacancies in the offices of the association.

Article V. Dues - Each association, society, club organization and associate member, on becoming a member of this association shall contribute \$50, and the like sum annually so long as it shall continue a member thereof; but the amount of such dues may be changed at any annual convention by a majority vote thereof.

Article VI. Amendments - This constitution may be amended at any annual convention by a majority vote of said convention.

### 3. Revisions to the Constitution of the National Association of Manufacturers, (Proceedings, New York, 1904, 220).

Articles affecting membership, election of officers, dues and amendments have been omitted as they remained substantially as had been drawn up in 1895. Other revisions are as follows:

#### Article II: Objects

Section I: The objects of this Association shall be:

1. The promotion of the industrial interests of the United States. This Association aims to give support and encouragement to policies and undertakings that will assist the industrial development of the country and increase the wealth-producing power of its people.

2. The fostering of domestic and foreign commerce as one of the means for the promotion of the nation's industries. The position of the Association in regard to commerce was well stated in the principles adopted at the first meeting of the Association in Cincinnati on January 22, 1895, as follows:

"To the largest possible extent our home market should be retained and supplied by our own producers, and our foreign trade relations should be extended in every direction and manner consistent therewith."

3. The maintenance of individualism. The social and material welfare of all classes of the people is dependent upon the full exercise of individual freedom consistent with the equal rights of all and upon the perpetuation of the principle of personal ownership which furnishes the necessary incentive to individual effort and best promotes the conservation of capital, the great assistant of labor.

4. To better the relations between employer and employe consistent with fair dealing and with the fundamental principles of individual liberty and ownership in property guaranteed by the Constitution of the United States. This Association is opposed to discrimination in the employment of men by reason of membership or non-membership in any civil, political, religious, or fraternal organization. It is opposed to boycotts, black lists and all interferences with the constitutional rights of employer or employe. It is opposed to restriction of individual output, to limitation of the number of apprentices, and to all means and policies that tend to reduce the efficiency of the individual and the productive capacity of the nation.

5. To establish bureaus of international trade, publicity, organization and legislation to further the purposes of the Association. This Association seeks to accomplish its ends through public education and is opposed to all illegitimate methods in securing or preventing legislation at the hands of the lawmaking powers.

#### Article V: Conventions

Section 4: The constituency of any convention shall be the duly enrolled and qualified members of the Association. Five per cent of the membership shall constitute a quorum, and in the transaction of business a majority vote of those present shall decide, except when otherwise provided herein. A firm or corporation that is a member of the Association

## 3. (cont.)

may send its duly authorized representative to the convention, but the use of proxies shall not be permitted.

An addendum to the Constitution is as follows:

Whereas, the organization of the employing interests of the country should be furthered in every practical way, to the end that there should be the least wastage of effort and duplication of work while securing the fullest co-operation of all employers in the maintenance of industrial freedom; therefore be it

Resolved, That the Executive Committee of this Association is instructed and authorized to confer at the earliest practicable date with the authorized representatives of the Citizens' Industrial Association of America for the purpose of forming a closer union than that which now exists between this Association and the Citizens' Industrial Association and to submit to the vote of the membership of this Association by letter ballot such changes in the constitution of this Association as may be deemed advisable as the result of any understanding that may be reached by the committees of the two organizations.

4. The Declaration of Principles of the National Association of Manufacturers, (Proceedings, 1904, 173).

1. Fair dealing is the fundamental and basic principle on which relations between employees and employers should rest.

2. The National Association of Manufacturers is not opposed to organizations of labor as such, but it is unalterably opposed to boycotts, black-lists and other illegal acts of interference with the personal liberty of employer or employee.

3. No person should be refused employment or in any way discriminated against on account of membership or non-membership in any labor organization, and there should be no discriminating against or interference with any employee who is not a member of a labor organization by members of such organization.

4. With due regard to contracts, it is the right of the employee to leave his employment whenever he sees fit, and it is the right of the employer to discharge any employee when he sees fit.

5. Employers must be free to employ their work people at wages mutually satisfactory, without interference or dictation on the part of individuals or organizations not directly parties to such contracts.

6. Employers must be unmolested and unhampered in the management of their business, in determining the amount and quality of their product, and in the use of any methods or systems of pay which are just and equitable.

7. In the interest of employees and employers of the country, no limitation should be placed upon the opportunities of any person to learn any trade to which he or she may be adapted.

8. The National Association of Manufacturers disapproves absolutely of strikes and lock-outs, and favors an equitable adjustment of all differences between employers and employees by any amicable method that will preserve the rights of both parties.

9. Employees have a right to contract for their services in a collective capacity, but any contract that contains a stipulation that employment should be denied to men not parties to the contract is an invasion of the constitutional rights of the American workman, is against public policy and is in violation of the conspiracy laws. This Association declares its unalterable antagonism to the closed shop and insists that the doors of no industry be closed against American workman because of their membership or non-membership in any labor organization.

10. The National Association of Manufacturers pledges itself to oppose any and all legislation not in accord with the foregoing declaration.

5. Additions to the Declaration of Principles of the National Association of Manufacturers, (Proceedings, 1913, 195)

1. We hold that the inherent powers of our courts of equity shall not be abridged in the issuance of injunctions in labor disputes.
2. We hold that the power vested in our courts to punish for contempt of court should not be abridged by granting of jury trial for contempt.
3. We protest against class legislation, whether enacted by State Legislatures or by Congress, and we assert that all forms of class legislation are un-American and detrimental to our common good.
4. We pledge our loyalty to our Judiciary, upon the maintenance of which, unswerved by passing clamor, rests the perpetuation of our laws, our institutions and our society.
5. We favor the further enactment of equitable, beneficial and simplified working mens' compensation legislation.
6. We denounce the subserviency of representatives of the whole people to the dictation of any class in the matter of legislation.
7. We affirm, in the light of proven facts, that any compromise, toleration or identification with the leaders of criminal unionism will stultify our liberties and weaken respect for our laws and their just enforcement.
8. We affirm our approval of the enactment of wise and just laws necessary to improve conditions of labor.
9. We affirm that our tested, self-controlled, representative democracy is adequate, under our constitutional guarantees, to effectuate the real needs and purposes of our national life.
10. We pledge ourselves towards the accomplishment of the spirit and purpose of the foregoing.

Approved Arthur E. Bestor Jr.

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