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## ARTICLE VII.

## THE STEEL STRIKE.

BY PROFESSOR ERNEST LUDLOW BOGART, PH.D.

## I. THE HISTORY.

THE summer of 1901 was marked by rather more than the usual number of labor disputes, but the strike of the employes of the United States Steel Corporation so far overshadowed the others that they were concluded with scarcely a notice from the general public. And the steel strike deserved the attention it received, not merely on account of the magnitude of the interests involved,—for it was against the largest aggregation of capital ever brought under a unified control,—but because of the principles and issues at stake. At no time was the question of wages raised. The strike was called solely for a “principle.” Earlier in the history of trades-unionism, strikes were usually inaugurated, either for the purpose of securing higher wages, shorter hours, or improvements in the general conditions of work. As the unions have grown in numbers and power, and as the earlier demands have been more or less completely met, the tendency has been for the unions to demand an increasing voice in the control and management of the business itself. This has found expression in the prohibition of machinery, limiting the amount of work and the output, appointing the foreman, forbidding employment of non-union or discharge of union men, and in various other ways more or less defensible.

In England this policy of the trades-unions seems to

have proceeded farthest,<sup>1</sup> but within the last few years the United States too has seen an extension of this policy, which has been enforced more than once by means of the strike. The demand of the Amalgamated Association of Iron, Steel, and Tin Workers, whose refusal by the United States Steel Corporation led to the so-called steel strike, was essentially a demand for recognition in the management of the steel business. The consideration of this demand, with all that it implies and involves, suggests some interesting thoughts which may be briefly developed. Before drawing any conclusions, however, about the tendencies of American trades-unionism as illustrated by the steel strike, a brief preliminary sketch of the strike itself and of the two parties thereto will be in order.

The United States Steel Corporation was organized on February 23, 1901, in New Jersey, with an authorized capital of \$1,100,000,000, one-half of which was in seven per cent cumulative preferred stock, and the other half in common stock. The Steel Corporation, more generally known as the Steel Trust, was formed by the union of nine companies, some of which represented previous consolidations, and which covered almost every department of the steel industry. The avowed object of the consolidation was to do away with disastrous competition, and to economize in production. One of the greatest economies effected lay in the centralization of management, but this was secured without sacrificing the autonomy of the constituent companies. In his testimony before the Industrial Commission, Mr. Schwab, the president of the corporation, testified on this point as follows:—

“In making up the working force of the organization, I was careful to put in no controlling officers, no directing officers, my idea being to make the organization of each subsidiary company as strong within itself as

<sup>1</sup>For a vigorous arraignment of trades-unions' methods and results, see an article by Benjamin Taylor, “How Trade-Unionism Affects British Industries,” *No. Amer. Rev.*, Aug., 1901, p. 190.

possible, and to throw the whole responsibility for the results and the manufacture upon the subsidiary organizations. . . . The United States Steel Corporation will endeavor to make themselves largely a clearing-house of information from which the presidents of the subsidiary companies can get the information they desire with reference to the other companies, and from that be able to define the best methods they should pursue."

Such matters as the fixing of a wage-scale, the employment or discharge of laborers, and similar details were left entirely with the subsidiary companies to arrange. So far, therefore, as the relations of the steel companies to their employes were concerned, no change was introduced or intended by their incorporation in the United States Steel Corporation.<sup>1</sup>

The history of the Amalgamated Association of Iron, Steel, and Tin Workers can be traced back to 1858.<sup>2</sup> In that year the puddlers and boilers in the iron mills of Pittsburgh organized under the name of the United Sons of Vulcan. For several years it remained virtually a secret society, but in 1865 it arranged for the first sliding scale of wages, based on the selling price of iron, and reorganized as a national organization. Meanwhile the heaters and roll-hands in the mills had formed a separate union, and in 1876 the two associations amalgamated, and formed the order of the Amalgamated Association of Iron and Steel

<sup>1</sup>The following table shows the constituent companies of the Steel Corporation, with their capitalization, and number of men employed:—

Name.	Capital.	Employes.
American Bridge Company . . . . .	\$67,500,000	10,000
American Sheet Steel Company . . . . .		28,000
American Steel Hoop Company . . . . .	33,000,000	24,000
American Steel and Wire Company . . . . .	90,000,000	36,000
American Tin Plate Company . . . . .	46,325,000	25,000
Carnegie Company . . . . .	160,000,000	50,000
Federal Steel Company . . . . .	99,745,200	21,000
National Steel Company . . . . .	59,000,000	20,000
National Tube Company . . . . .	80,000,000	25,000

The Shelby Steel Tube Company was added later.

<sup>2</sup>Age of Steel, August 17, 1901, p. 28. See also Collier's Weekly, July 18, 1901, art., "Strikes and the Amalgamated Association," by T. J. Shaffer.

Workers. The tin workers were added later, after the development of that industry. Since 1876 annual wage-scales have been signed by the employers with the association, running from July to July. These scales were, however, not signed for all the plants, but only for those in which the men were organized into unions. In a number of the plants the union did not exist, either because the managers of the plants had determined, as at Homestead and the Carnegie works generally, after conflicts with the Amalgamated, to run them as non-union plants, or because the union had not been able to induce the men to join. In April, 1901, the Amalgamated Association had 160 active lodges and 13,893 members.<sup>1</sup>

The annual convention of the Amalgamated Association for 1901 was held in May at Milwaukee, and at this the question of the annual scale came up for discussion. It was decided to ask no changes in the wages, except a ten per cent advance for the iron workers. The most important question which was discussed by the convention was as to the stand the association should take to the new steel trust. Heretofore it had been customary to submit the new scale to each manufacturer individually, and later to the company, and, if an agreement could not be reached, to strike work in the mills affected. Now the association decided to demand that the mills under the control of the United States Steel Corporation should be considered a unit for the purposes of signing the scale, and that work would not be commenced in any one mill until the scale had been signed for all. In 1899 the constitution had been amended by adding the following section: "Should one mill in a combine or trust have a difficulty, all mills in said combine or trust shall cease work until such grievance is settled."<sup>2</sup> It was now determined to enforce this clause.

<sup>1</sup>Journal of the Twenty-sixth Annual Session of the A. A. of I. S. and T. W. <sup>2</sup>Const., art. xvii. sect. 23.

On June 25, conferences were held between representatives of the Amalgamated Association and officials of the American Tin Plate Company, the American Steel Hoop Company, and the American Sheet Steel Company. An agreement was reached with the first-named company, and a new wage-scale signed by which the workers received a seven per cent advance, the scale to go into effect July 1.<sup>1</sup> With the Sheet Steel and the Steel Hoop companies no agreement was reached, as they refused to accede to the Association's demand that they should sign the scale for all their mills. Accordingly, on July 29, Mr. T. J. Shaffer, President of the Amalgamated Association, ordered the union men in the employ of the Sheet Steel Company to strike on July 1 if the scale were not signed by that time.<sup>2</sup> On the next day he issued a similar order to the men employed by the Steel Hoop Company.

The Sheet Steel Company owned twenty-eight mills, of which five had been non-union for many years; these were the Apollo, Dewees Wood, Wellsville, Scottdale, and Kirkpatrick. After the organization of the American Sheet Steel Company, lodges had been formed by the Amalgamated Association in all of these except Wellsville, which, however, included a part only of the skilled laborers. By his demand that the scale be signed for all the mills alike, Mr. Shaffer asked that the non-union mills be treated as union. Mr. Persifor F. Smith, for the company, agreed to sign for all the mills which had previously been accepted as union, except two, which he claimed—and later developments proved the claim correct—had abandoned the organization; these were Saltsburg and Old Meadow. Similarly, of the fourteen mills of the American Steel Hoop

<sup>1</sup> American Manufacturer and Iron World, July 6, 1901, p. 29.

<sup>2</sup> The strike went into effect on July 1, but was not noticeable, as the mills were closed down for repairs till July 15. At that time, however, the order was renewed, and the tin workers were also called out.

Company, five had for years been non-union: Painters, Lindsay and McCutcheon, Clark, Monessen, and Portage mills. Accordingly the company refused to sign for these, when Mr. Shaffer demanded that all the mills be treated as a unit. In the case of the American Tin Plate Company, it had been possible to agree upon the scale because all the mills there were union except one, Monessen, and for that a special scale had been signed. The issue raised was whether the change from individual to collective bargaining could be required under penalty of a strike for all the mills of the company.<sup>1</sup> It is clearly a matter of policy whether the method of contract shall be changed from individual to collective bargaining, and it certainly cannot be arbitrarily enforced by one party to the bargain. The later developments of the strike showed that by a more patient policy of waiting, the Amalgamated Association might in a few years have gained its point without a strike. In describing the conference held on July 27 between officials representing the two parties, Mr. Samuel Gompers, President of the American Federation of Labor, gave the following testimony on this point:—

“During the conference Mr. Morgan stated to Messrs. Shaffer and Williams that he was not hostile to organized labor; that he looked upon it with favor, that is, he preferred the well-organized and administered trade-union as being the medium through which to arrange questions of wages and other conditions of employment, rather than the chaotic and unreliable results when workmen acted as individuals. He asked the Amalgamated Association not to attempt to drive him further than it was possible for him to go, and gave his assurance that in course of time, perhaps in two years, the company would be ready to sign for all its constituent plants.”<sup>2</sup>

The issue, as stated by the two opposing parties, was not at first sight perfectly clear. The union men claimed that they were striking for the right to organize. By the offi-

<sup>1</sup> Talcott Williams, “The Steel Strike,” *Review of Reviews*, Sept., 1901, p. 333.

<sup>2</sup> “The Steel Strike,” in *American Federationist*, Oct., 1901, p. 428.

cial of the Steel Corporation, the union demand was held to mean dictation as to the method of wage-bargaining, irrespective of the company's wishes. The general understanding of the situation was that the Amalgamated Association desired the help of the Steel Corporation to "coercively unionize" the non-union mills,<sup>1</sup> and the company assumed throughout the strike the attitude of protector to the non-union men. The following statements from the two sides will at least give an idea of their claims. In an open letter, Mr. Shaffer stated his case thus:—

"The position of the Amalgamated Association has been persistently misrepresented ever since the beginning of the present trouble. We do not ask the assistance of the manufacturers in unionizing the plants now being operated non-union. All we ask is simply this: That the three companies, the Sheet Steel, Tin Plate, and Steel Hoop, sign the scale for all mills, whether non-union or union, thus preventing discrimination in favor of the non-union plants during dull times, and that all agreements now in force between the companies and the men, binding the latter not to join any labor organization, be canceled by the companies.

"In other words, we ask only to be let alone in the matter of organization. There is scarcely a union mill in the country in which there are not non-union workmen. About the only exceptions are the tin plate plants. We have never been arrogant in insisting that men join our organization or leave the union mills. The statement that we wish the companies to bind themselves to employ union men is a deliberate falsehood. We do not ask even recognition of the union or the organization in the non-union mills further than the signing of the scale.

"The only thing we insist is that the men be released from the oppressive contracts now binding them to belong to no labor organization, and be allowed to join our association without being discharged, which has been the rule heretofore in the non-union plants of the American Sheet Steel Company."

The position of the steel officials was summarized in a brief statement by Mr. Warner Arms, Second Vice-President of the Tin Plate Company:—

"The three companies concerned," he said, "are willing to pay the same wages and make the earnings of the men uniform for the same class of work in all mills. They cannot, however, make themselves par-

<sup>1</sup>Cf. an article by George Gunton, "A Candid View of the Steel Strike," in Gunton's Magazine, Aug., 1901.



ties to an agreement to unionize all the plants. Such action would be equivalent to forcing all employes to join the unions whether they wanted to or not.

"In many of the non-union mills there are men who are opposed to the unions, and it would not be fair to them to force them into such organizations. On this account it would be impossible for us to sign the amalgamated scale for mills in which the association did not have members."

As there are apparent contradictions involved in these statements, a further explanation is necessary. In some of the non-union mills, as the Carnegie mills, the men were required, as a condition of employment, to sign a contract that they would not become members of a union. In the union mills, on the other hand, membership in the union was generally required for all skilled workers. There was a third class of mills, known as "open" mills, in which the matter of the recognition of the union was in abeyance, and here union and non-union men worked side by side. Moreover, to have signed the union scale for all the mills would have worked an injustice to the men in some of the non-union mills, who were already earning more than the union wages. At the Apollo mills the company was paying ten per cent over the union scale, with extra bonuses; and the same was true of Monessen.

Before the arrival of the date on which the strike would go into effect, an attempt was made by Mr. Shaffer to secure an agreement, and from July 11 to July 13 a conference was held at Pittsburg between officials of the Amalgamated Association and of the three employing corporations involved. In the discussion over the signing of the scale in June twelve mills had been in dispute. The companies now agreed to cede four of these to the union and sign the scale for them. The union demanded all, and when this was refused sent out an order to all union employes in the mills of the Sheet Steel Company, Steel Hoop Company, and Tin Plate Company, to strike on July

15. About 20,000 men responded to the order, thereby throwing out of employment 30,000 unskilled non-union men. All the sheet mills were closed down except four—the Apollo mills at Vandegrift and Apollo, the Scottdale, and the Kirkpatrick mills. Of the Steel Hoop mills only that at Portage remained open, and of the Tin Plate that at Monessen.

By this action the contract signed only two weeks previously with the American Tin Plate Company was broken. This was distinctly an act of bad faith, discrediting the fundamental policy of the association, which had been inaugurated twenty-five years before. It also seriously impaired the strength of the demand which the union was endeavoring to force upon the steel companies. What assurance had they that future contracts would not be as ruthlessly broken? Mr. Shaffer later tried to excuse this act, in his general strike order of August 6, but the excuse then urged only put the matter in a worse light.

During the next week there were no important developments in the strike on either side. Owing to the extremely hot weather, the men were not averse to taking a vacation, and were even advised by Mr. Shaffer to regard this as a holiday, for "the summer is not the time to work." While it is difficult to gauge accurately the significance of all occurrences, the events of the first week were in the strikers' favor. Some attempts at arbitration were made, but unsuccessfully. Mr. Joseph Bishop, of the Ohio State Board of Arbitration, offered his services as a mediator, and later the attempt was made by the strikers to secure the services or influence of Senator Hanna in effecting a settlement. Apparently incensed at his failure to do this, Mr. Shaffer declared that he would hold the administration responsible for the actions of the Steel Trust. Finally, however, through the mediation of Mr. G. B. M. Harvey, a conference was arranged for between President Shaffer and

Secretary Williams of the Amalgamated Association and representatives of the Steel Corporation. This was the first admission by Mr. Morgan or Mr. Schwab that the matter would be considered by the officials of the Steel Corporation as such; they had hitherto insisted that it was a matter concerning only the constituent companies and to be decided by them.

The conference was held in New York on July 27, when the following terms of settlement were offered by the Steel Corporation:—

"Conditions under which we are willing to advise a settlement of the labor difficulties:—

"Tin Plate Company.—Should proceed under the contract signed with the Amalgamated Association of July 1, 1901.

"American Steel Hoop Company.—Committee should sign the scale for all the mills owned by the American Steel Hoop Company that were signed for last year.

"American Sheet Steel Company.—Should sign the scale for all the mills of this company that were signed for last year, except the Old Meadow mill and the Saltsburg mills."

These terms were not quite so favorable as those which had been offered by the corporation on July 11, and which had been rejected by Mr. Shaffer, for some of the mills that had not been signed for in 1900 had since become union. However, Mr. Shaffer and Mr. Williams expressed themselves as satisfied with the arrangement, and the following agreement was signed by the conferees:—

"We shall advise the officials of the operating companies of the United States Steel Corporation to arrange a settlement with the Amalgamated Association on lines laid down as follows: . . .

[Signed]

" J. P. MORGAN.

" C. M. SCHWAB.

" E. H. GARY."

"This proposition is entirely satisfactory to us. It has our cordial endorsement. We shall do everything that lies in our power to secure its ratification by the executive board of the Amalgamated Association.

[Signed]

" T. J. SHAFFER, President.

" JOHN WILLIAMS, Secretary."<sup>1</sup>

<sup>1</sup> Mr. Shaffer afterwards publicly denied having signed such an agreement, and he certainly seems not to have carried out his promise contained

Armed with these proposals, Mr. Shaffer and Mr. Williams returned to Pittsburg, and submitted the matter to the executive board of the Amalgamated Association for decision. The board refused to accept the terms offered by the corporation. Some of the reasons for their refusal were said to be their unwillingness to permit the men who worked as "strike-breakers" to retain the positions which the union men had left; the belief that these terms were only temporizing, and, if accepted, would leave the battle to be fought out again; and finally the point of opening union mills to non-union workmen. The question of what constitutes a union mill was one of the points involved in the dispute. The Amalgamated Association have held that a mill is union as soon as they have obtained a foothold in it. On the other hand, the steel men claimed that a mill was not union until at least a majority of the skilled workmen joined the Amalgamated Association.

Having decided to refuse the terms offered them, the whole executive board went on to New York on August 3 to endeavor to secure better terms of settlement from Mr. Morgan. The board now submitted the following proposal:—

"We, the members of the executive board of the Amalgamated Association, hereby present the following proposition as a reply to that received from the United States Steel Corporation:—

"Sheet Mills.—All mills signed for last year, with the exception of Saltsburg and Scottdale, and with the addition of McKeesport and Wellsville.

"Hoop Mills.—All mills now known to be organized—namely, Youngstown, Girard, Greenville, Pomeroy, Warren, Lindsay and McCutcheon, Clark, Bar Mill, Monessen, Mingo, 12-inch and 9-inch, and hoop mills of the Cleveland Rolling Mill Company.

"Tin Mills.—All mills except Monessen.

therein. The existence of the document has, however, been attested to by several persons who have seen it. These facts throw considerable light on Mr. Shaffer's strike policy, and his fitness for the position of labor leader.

"Note: All other matters of detail to be left for settlement by conference."

While this proposition was an abandonment of the union's previous extreme position that the scale should be signed for all the mills, it demanded that five more mills be granted them than had been ceded under the corporation's last offer. These were the McKeesport and Wellsville sheet mills, and the Lindsay and McCutcheon, Clark, and Monessen steel hoop mills. As the steel officials refused to consider this proposal, and as their offer had already been rejected by the executive board of the union, the conference adjourned again without having reached a settlement. There was great surprise and disappointment over the action of the union when it was learned that they had rejected the corporation's terms. The reason has since been made clear, and seems to have been nothing less than the hope that a general sympathetic strike would be called to aid the steel strikers. After leaving New York, the executive board proceeded to Washington for the purpose of a conference with President Gompers and Secretary Morrison, of the American Federation of Labor. What they wished is best stated in Mr. Gompers's own words:—

"The sum total of what Mr. Shaffer wanted was: He asked that I call a meeting of the executive officers of all the national and international unions of the country, for the purpose of considering ways and means to help the steel strike, the same, he said, as was called in 1897, in Wheeling, W. Va., to aid the United Mine Workers of America in their contest in the bituminous coal regions. This, I stated to him, I would not do, and gave him my reasons, which I repeat now. . . . I felt confident that the executive officers of the trade-unions of America ought not, and would not, violate or break their contracts or agreements with their employers throughout the country. Hence there would not, and ought not to be a wide-spread sympathetic strike. If such a conference could not do that, the only thing left for it to do would be to pass resolutions of sympathy, and declare its moral and financial support. So far as these were concerned, I assured Mr. Shaffer they could and would be had, if he simply made formal application for such support."<sup>1</sup>

<sup>1</sup>Samuel Gompers, "The Steel Strike," in *American Federationist*,

Owing to the failure of the conferences, and to the increasing restiveness of the union men, Mr. Shaffer finally issued a general strike order on August 6. This was sent to all the lodges in the mills of the National Steel Company, the Federal Steel Company, and the National Tube Company, these being the only constituent companies of the Steel Corporation in which the union had obtained a foothold, in addition to the companies already affected. Following is the text of the strike order:—

**BRETHREN:** The officials of the United States Steel Corporation have refused to recognize as union men those who are now striving for the right to organize. The Executive Board has authorized me to issue a call upon all Amalgamated and other union men in name and heart to join the movement to fight for labor's rights.

"We must fight or give up forever our personal liberties. You will be told that you have signed contracts, but you never agreed to surrender those contracts to the United States Steel Corporation. Its officers think you were sold to them, just as the mills were, contracts and all. Remember, before you agreed to any contract you took an obligation to the Amalgamated Association. It now calls on you to help in this hour of need.

"Unless the trouble is settled on or before Saturday, August 10, 1901, the mills will close when the last turn is made on that day. Brethren, this is the call to preserve our organization. We trust you and need you. Come and help us and may right come to a just cause.

"Fraternally yours,

T. J. SHAFFER."

In further explanation of that part of the order referring to contracts, Mr. Shaffer stated that the men had "no scale that can hold them from their obligations to the Amalgamated Association. They have no scale that can be transferred to another company. Our people signed scales with certain companies. Those companies transferred their scales to the United States Steel Corporation. That they have no right to do."

The response to the strike order was not as general as had been anticipated, only about 7,000 or 8,000 union men

Oct., 1901, p. 429. This article is an answer to criticisms which Mr. Shaffer had made, and is a sharp arraignment of Mr. Shaffer's policy.

going on strike in addition to those already out. The total number of union men out on strike was now about 25,000; in addition to these some 50,000 non-union men, chiefly unskilled laborers, were rendered idle. A severe blow was given to the movement by the refusal of the employees of the Federal Steel Company at South Chicago, Joliet, and Bay View, Milwaukee, to obey the strike order. Assistant Secretary Tighe of the Amalgamated Association was immediately sent to remonstrate with the offending lodges, and succeeded in persuading the men at Joliet and Bay View to obey the strike order. On their refusal to reconsider their original resolution, the steel workers at South Chicago were expelled from the union by order of Mr. Shaffer. The reasons given by these men for their refusal to obey constituted a severe criticism of Mr. Shaffer's policy. They stated that they had no grievances against their employers, and that they were unwilling to break contracts which had another year to run. A month later there was a split in the Bay View lodge over the question of returning to work. Mr. J. D. Hickey, ex-Vice-President of the Amalgamated Association, in a report to his fellow-members on the conduct of the strike, after a personal investigation charged that the attitude of the Steel Corporation toward organized labor had been misrepresented to them in order to make them strike, that the strike had been mismanaged and lost, and that great injury had been done to their association. Accordingly a minority of the men refused to longer obey the strike order and returned to work under their old contracts. On September 13, before the strike was ended, the Joliet men voted unanimously to return to work.

During the next month the efforts of the Amalgamated Association were directed toward closing the mills which had previously been non-union. They were successful in closing the Dewees Wood and Wellsville plants of the

Sheet Steel Company, and the Clark, Painters, Lindsay-McCutcheon, and Monessen mills of the Steel Hoop Company. In the Carnegie mills, which they had hoped to be able to seriously cripple, only a couple of hundred men responded to the general strike call. On the other hand, the steel companies succeeded in opening nine plants with non-union men—and with union men from other plants, according to Mr. Shaffer.<sup>1</sup> These were the Cambridge, Chester, Hyde Park, Old Meadow, and Saltsburg mills of the Sheet Steel Company; the Monessen mill of the Steel Hoop Company; and the Crescent, Irondale, and Star mills of the Tin Plate Company. Later the sheet steel mills at Wellsville and Canal Dover, and the tin plate mills at Demmler were also opened as non-union mills. Considerable excitement was caused by the announcement on August 9 that the Dewees Wood plant of the Sheet Steel Company at McKeesport would be dismantled and removed to Monessen. The Dewees Wood mill, employing 900 to 1,200 men, had been aggressively non-union for a number of years, and the struggle had been fiercer over this mill than any other in dispute. McKeesport, where most of the mills of the National Tube Company were also situated, became one of the most important strike centers. Some 12,000 men were out of work there, and the sympathies of the mayor and local officials were avowedly on the side of the strikers,—so much so that the steel companies claimed they could not get fair play. The strike was settled before the threat was carried into execution. A counter-move was advocated by the attorney of the Amalgamated Association, namely, that the union men should withdraw their savings from the savings-banks, and thus prevent the banks from loaning this capital to the Steel Corporation.

<sup>1</sup> See his circular of September 21, in which he says: "Hundreds who dared not sleep at home, went to other places, seeming to think that their treachery would not be known."



It is hardly necessary to say that the advice was not acted upon. On the whole, the strike was remarkably free from violence. The strike leaders throughout counseled temperance, moderation, and peaceful methods.<sup>1</sup>

Efforts were not lacking during this time to secure a peaceful settlement of the dispute. Simon Burns, Master Workman of the Knights of Labor, submitted a plan of arbitration, according to which the matter was to be submitted to an arbitration board of three men, the decision of the majority to be accepted as final; all books, papers, etc., to be open to the arbitrators, and testimony to be taken under oath. This plan was rejected by the Steel Corporation. The next attempt to secure a settlement was made by the National Civic Federation. On September 4 a conference was held with representatives of the Steel Corporation by members of the Federation: these were Mr. John Mitchell, President of the United Mine Workers of America; Mr. F. P. Sargent, Grand Chief of the Brotherhood of Locomotive Engineers; Mr. Henry White, Secretary of the United Garment Workers of America; Mr. Samuel Gompers, President of the American Federation of Labor; Professor J. W. Jenks of Cornell University, Expert for the Industrial Commission; and Mr. R. M. Easley, Secretary of the National Civic Federation. They were armed with the following proposition from Mr. Shaffer:—

“We, the representatives of the A. A., hereby agree to sign the scale for the mills signed for last year, with the understanding that union prices shall be paid in those mills now out on strike, and no striker shall

<sup>1</sup>In the Amalgamated Journal of August 10, the official organ of the association, the following “don'ts” for strikers were given:—

“Don't get drunk.” “Don't break the peace.” “Don't destroy property.” “Don't 'sass' any officer of the law.” “Don't use profane language to non-unionists.” “Don't be boisterous on the public thoroughfares.” “Don't do anything that may be misconstrued: it may result detrimentally to our interests.” “Don't think your officers alone can win this strike; it is the rank and file who will win it.”

lose his position for connection with labor organizations, and no striker shall be prevented from continuing his membership if he desire."

After a four-hour conference, in which this proposition was submitted and debated, the following telegram, which is self-explanatory, was sent to Mr. Shaffer:—

"We had an extended conference with Messrs. Schwab, Corey, Preston, Graham, and McMurtree, of the United States Steel Corporation, and presented your proposition for the settlement of the present strike. It was rejected. We can, however, secure a settlement on the following basis:—

"The signing of the agreement for all the mills which were union last year, except Old Meadow, Saltsburg, Crescent, Star, Irondale, Hyde Park, Cambridge, Chester, and Monessen. There will be no discrimination against the reëmployment of any one by the company by reason of his connection with the strike, and no questions will be asked as to the membership of any man in the union.

"We are convinced that these are the best conditions which can be secured as a result of this strike, that it is the last offer for an agreement which the company will entertain, and all negotiations will be off.

"From the facts demonstrated to us of the present situation of the strike, that is, the mills already in operation within a day or two, we are strongly of the opinion that the interest of your trade and your organization demands that these terms be accepted. We unqualifiedly recommend their approval by you at once.

"JOHN MITCHELL.

"SAMUEL GOMPERS.

"FRANK SARGENT.

"J. W. JENKS.

"HENRY WHITE.

"RALPH M. EASLEY."<sup>1</sup>

If this basis of settlement were accepted, the Amalgamated Association would lose nine mills and about 7,000 men. On the other hand, the mills excepted in this proposition from the union agreement had all been opened non-union since the beginning of the strike, and every day that it continued would probably add to the list. In fact the sheet steel plant at Canal Dover, O., had already been started, and the union men of the tin plate mill at Demmeler, Pa., had entered into an agreement with the company

<sup>1</sup>Journal of the Amalgamated Association, Sept. 13, 1901. See also *American Federationist*, Oct., 1901.

to start the mill as non-union the following morning. These facts were pointed out to Mr. Shaffer and other officials over the long-distance telephone; it was shown that every day's delay made the position of the union worse; and that the terms offered by the Steel Corporation had each time been less favorable than the time before. To this Mr. Shaffer replied that only the executive board of the Amalgamated Association had power to end the strike, and that they could not be called together within twenty-four hours, which was the time limit fixed for the acceptance of the offer by the company. Although this objection was met by leaving the offer open another twenty-four hours, it was rejected by Mr. Shaffer and his board.

It is difficult to believe that this opportunity of ending the strike should have been deliberately rejected. Every day made it more clear that the strike had been lost, brought more desertions from the union ranks, and made the position of the strikers more untenable. The financial position of the Amalgamated Association had been a weak one from the beginning, the reserve fund available for strike benefits being only about \$100,000. Lack of sympathy with the motive and the method of the strike deprived the union of support from the public, while the contributions from other unions were insufficient to maintain the strike. "The Flints, the Window Blowers, the Bottle Blowers, and Pottery Workers' unions alone gave help through their national lodges."<sup>1</sup> Additional aid was, however, received from the local lodges of other organizations. The Amalgamated Association had the burden not merely of their own members, but of those non-union men also who had struck in sympathy with the union. There

<sup>1</sup>Official circular of President Shaffer, Amalgamated Journal, Sept. 13, 1901. Hon. C. D. Wright, in an article published after the foregoing was put in print, says that \$125,000 were expended in benefits during the steel strike. "The Amalgamated Association," in *Quarterly Journal of Economics*, Nov., 1901, p. 43.

was a moral, if not a legal, responsibility for these strikers. By the end of August, too, the murmurs of discontent had become too loud to be disregarded. The men generally demanded a speedy settlement, and an editorial in *The Labor World* of August 30, the organ of the International Tin Workers' Protective Association, in a bitter attack on President Shaffer demanded his impeachment for calling the strike, giving twenty-four reasons for impeachment. Mr. Shaffer himself, in the official circular before quoted, makes the following statement: "Perceiving that lack of money, loss of public approval, desertions by hundreds of our own people, and neglect by other organizations, would render it impossible to gain a decisive victory, we endeavored to save what we could." In spite of this desire, the settlement secured by the Civic Federation was rejected.

The reason for this step is perhaps best given in Mr. Shaffer's own words: "We knew our cause would be lost, but proceeded, feeling sure we could win if support could be secured for the faithful strikers. . . . We waited for the coal miners and railroad men to be called out." Mr. Mitchell, President of the United Mine Workers, denied later that he had ever given any assurance that would lead to the belief in a sympathetic strike on the part of the coal miners. The era of sympathetic strikes is over in the United States to-day, and it is generally well understood that a strike that cannot command public sympathy on its own account, can never be won by drawing allied industries into the movement. That Mr. Shaffer did not appreciate this, merely argues his inefficiency as a labor leader.

After the rejection of these terms, the pressure to settle brought by the strikers themselves upon their leaders became very strong. On the other hand, the steel companies proceeded vigorously with their policy of opening new mills as rapidly as possible. The Canal Dover and Demmler mills had been put in operation as non-union mills,

the men at Joliet and Youngstown had voted to return to work, and every day was adding to the list of non-union mills, when Mr. Shaffer finally yielded to the pressure. At a conference in New York City on September 14, he arranged terms upon which the strike was finally called off on September 15. The following was the settlement made:—

AMERICAN TIN PLATE COMPANY.

"First.—Scale shall be the prices agreed upon at Cleveland, and found in scale book.

"Second.—This contract is between the Amalgamated Association and the American Tin Plate Company, the latter being a distinct and separate company in itself.

"Third.—The company reserves the right to discharge any employe who shall, by interference, abuse, or constraint, prevent another from peaceably following his vocation without reference to connection with labor organizations.

"Fourth.—The union mills shall be represented as such—no attempts made to organize; no charters granted; old charters retained by men if they desire.

"Fifth.—Individual agreements shall be made for mills of improved character until they are developed, when scales shall be made to govern.

"Sixth.—Scale is signed for mills below: [mills which had been union the previous year, except Crescent, Iropldale, Star, and Demmler].

"Seventh.—Agreed, that the company shall not hold prejudice against employes by reason of their membership with the Amalgamated Association.

"Eighth.—This agreement is to remain in force three years from July 1, 1901, but terminable at ninety days' notice from either party on or after October 1, 1902."

SHEET STEEL COMPANY.

"Scale as printed is signed for mills of last year but Hyde Park and Canal Dover."

STEEL HOOP COMPANY.

"Scale as printed signed for mills signed for last year."

It will be seen that the terms of this agreement were decidedly less favorable than any other offer previously made by the Steel Corporation. The agreement was made with the constituent companies as such, not with the corporation for them; it was for three years, and during that time

no attempts were to be made to organize in non-union mills. Eleven mills which before the strike had been union were lost to the Amalgamated Association, as well as any others which might not care to retain their charters. The eleven mills were the Crescent, Irondale, Star, and Demmler tin plate mills, the Cambridge, Chester, Canal Dover, Hyde Park, Old Meadow, and Saltsburg sheet mills, and the Monessen steel hoop plant. By the rejection of the settlement of September 4 two more mills were thus lost to the union, at the same time that the other terms were made harsher. It was a surrender rather than a settlement.

While it is of course too early to note the effect of the strike on the Amalgamated Association, it is not difficult to predict it. After the disastrous Homestead strike in 1892, the membership fell off to about half, and it had just begun to increase again. Now that the union is forbidden to organize new lodges for three years, it will probably fall off still more in membership, and perhaps altogether lose its once important position in the labor world. Measured in money, the losses involved in the strike have been very heavy. The loss of the men in wages approximated \$10,000,000; the loss of the company (including not only profits, but running expenses not stopped by the strike) was fully as much more,<sup>1</sup> and the further losses to producers of raw materials and to businesses dependent upon the steel workers for supplies brought the grand total of loss higher still.<sup>2</sup> Most important of all, however, were the evils involved in the discredit brought upon trades-unionism by the breaking of contracts and the policy of the strike. These deserve careful and extended consideration.

<sup>1</sup>In spite of this loss, the Steel Corporation was able to declare its usual dividend in September.

<sup>2</sup>Outlook, Sept. 21, 1901, p. 149. This estimate is probably too high.