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CHARLES T. ROOT,

PRESIDENT

Output Still Declining

Rail Specifications Under Discussion

Pig Iron Markets Quieter—Heavy Inquiry for Coke

Current developments in the iron trade are of small importance and little change is looked for in the re-

W. H. TAYLOR, TREASURER AND GENERAL MANAGER	
HAROLD S. BUTTENHEIM, SECRETARY	manuel of the year. In pig from production there is a
	slight falling off, but even so stocks are still increasing.
GEO. W. COPE,	
A. I. FINDLEY,	The United States Steel Corporation has made a fur-
H. R. COBLEIGH, MECHANICAL EDITOR	ther reduction in active blast furnace capacity to pre-
	vent holiday accumulations.
Branch Offices	
Philadelphia, Real Estate Trust Building Chicago, Fisher Building	In addition to rail orders already announced, the
Pittsburgh, Park Building Cleveland, American Trust Building	Lackawanna recently bought 9400 tons for new work,
Boston, Compton Building Cincinnati, 807 Andrews Building	
Milwaukee, 1417 Majestic Building.	the order being divided between two mills. Its require-
	ments for replacements have not yet been made up.
CONTENTS.	The Lehigh Valley has placed 3400 tons, but its total
Editorial : Page.	purchases for 1911 are expected to be 20,000 tons. The
Output Still Declining	Pennsylvania and New York Central orders, which to-
The Relation of Fixed to Liquid Capital	
Stimulating Workmen's Ambitions	gether are put at 240,000 tons, are delayed by changes
Iron and Steel Stocks and Consumption 1169	in specifications which have already had consideration
Shortening the Working Day 1169	
Correspondence 1170	at a meeting of rail company presidents. The total of
L. R. Wister & Co. in Financial Difficulty	pending rail business is about 400,000 tons.
Tables of Lake Iron One Veluce	
Tables of Lake Iron Ore Values	Some of the railroads are figuring on bridge work,
The National Metal Trades Association's Annual Meeting. 1170	but car orders are coming out slowly. Chicago finds
The Colorado Fuel & Iron Company 1171	some indications of a more liberal buying policy by
The Iron and Metal Market Reports	,我们就是一个你们,你们就是你们,你们们,你们们,你们就是你们的你,你们就是你们的你们,你们就是你们,你们就是你们的你们,你们们就是你们的你们,你们们就能能给你们
notes on Prices 1181	railroad car and repair shops.
The Machinery Market Reports	The Indian falmination interest the fall
Judicial Decisions of Interest to Manufacturers 1191	The leading fabricating interest has five months'
Iron and Industrial Stocks	work ahead, and there are some good prospects in
Coal Washing and Drying at Sydney, Nova Scotia 1192	structural lines. One item is the practical certainty of
Trade Publications	
Personal	early action on the New York Subway work. For the
Obituary	post-office at the Pennsylvania terminal bids will be
A FUNNSYLVANIA TRIOUTE TO JOHN Fritz	opened next week for 6300 tons. A Pittsburgh com-
+ne Camuria picel Company's improvements 1100	,我们就是你们,我们就是你们的你们,你们就是你们的你,你们就是你们的你们,你们就是你们的你们,你们就是你们的你们,你们就是你们,你们就是你们,你都能能能能能能能。 第二章
WWWWWWWWWWWWWWWWWWWWWWWWWWWWWWWWWWWWWW	pany has taken 1700 tons for a ferry house at Cort-
PHOTOT TTUCKS AND DELIVERY WARONS. Hinstrated 1000	landt street, New York. The shaping of a new build-
Horwegian Electric Furnaces. Illustrated	
THE MALIVIAL FULDORS' ASSOCIATION. 1900	ing code is holding up 20,000 tons of steel work repre-
100 Annuer Fower Hammer. Hunstrated 1010	sented in Chicago building projects.
Lake Superior Iron Mines	
Texas Iron Ore in Eastern Pennsylvania. The Cleveland Portable Arbor Press Stand. Illustrated 1215	Much has been made in the press of recent changes
The Morehead Condenser Trap. Illustrated	in prices on plain material from the warehouses of the
The new marshall & Fluschart Building	
4444 AUVILIAUUUUUUUUUUUUUUUUUUUUUUUUUUUUUUUUU	leading interest. These apply to a relatively unimpor-
The infant offer company's Earnings 1917	tant tonnage and readjust store prices to the reduc-
The ran inorman no. 3 Miller, illustrated 1918	tions made earlier in the year on mill shipments.
ANC JULES DIED PROCESS. 1910	
wase a surpley Thread Indicator. Hostrated 1910	Wrought pipe mills have been occupied largely on
Truit and oteel works Lador.	replacement orders for dealers' stocks. Line pipe in-
The Frequence Southern Iron and Steel Merger 1991	
The St. Paul Machinery Mfg. Company	quiry has fallen off, but there is good prospect of the

ely <u>C</u> inpe of the revival of the Busch-Everett Syndicate's plans for a gas pipe line from Louisiana to St. Louis, which would take about 450 miles of 20-in. pipe. Bar mills are still receiving good specifications on agricultural contracts, and prices on steel bars are firm, Two companies which largely depend on this trade are operating an exceptionally high percentage of their capacity. A change has been made in the method of quoting

Sourcea raus new 14-10. Lathe, illustrated, 1222 The British Iron Market..... 1223 The Springfield-Brandes Vertical Grinding Planer. Illus. 1224 A New Rockford Shaper Attachment. Illustrated..... 1225 Opening of the Permanent Exhibition of Safety 1225 The Taylor & Fenn Radial Sensitive Drilling Machine, Illus. 1226 A Heald Special Grinding Job. Illustrated 1226 Improved Eclipse Concrete Mixers. Illustrated..... 1227 Record Concrete Laying at Gatun Locks...... 1227 The B. H. Rotary Cleaner for Raw Material, Illustrated, 1228 The Grover Hand Truck for Industrial Plants. Illustrated 1229

THE IRON AGE

Iron and Steel Works Labor

November 24, 1910

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The Questions of Hours and of Accident Liability

The paper of Wm. B. Dickson, first vice-president of the United States Steel Corporation, read at the meeting of the American Iron and Steel Institute in New York, October 14, was printed in The Iron Age of October 30, page 1030, under the title, "Betterment of Labor Conditions in the Steel Industry." The discussion on Mr. Dickson's paper was participated in by Charles Kirchhoff; Edgar S. Cook, president of the Warwick Iron & Steel Company, Pottstown, Pa., and Edward Bailey, president of the Central Iron & Steel Company, Harrisburg, Pa. A revised report of their remarks is just now available for publication and we reproduce it below:

1220

of foreign labor in the Schuylkill Valley, about 1885, gradually replacing, as it has, American labor, our conditions in regard to accidents, &c., became more and more serious. More recently, however, there has been an improvement. The difficulties of communicating with and talking to these people added very much to the troubles of the management. When I first commenced to employ Hungarian and Slavic labor, I could not get any boarding places for them in Pottstown. We had to build shanties for their accommodation. The shantles were of a very temporary character, as we had no suitable location. We have now built what, we think is a model village. It shows a vast improvement, realizing in part my hopes and wishes in the matter, and it proves that the work people are capable of advancement, if they are treated with consideration and properly instructed. Notwithstanding that the houses are furnished with bath rooms and bath tubs, and that many of them were used for all sorts of purposes except that for which they were designed, most of the people are now using them for the purpose for which they were put into the houses. In the turmoil and the boiling of the social kettle, those that have the greatest mentality and the greatest thrift come to the top and graduate into other occupations. It is only unskilled labor that will continue to work around a blast furnace. These men are trained to do the routine work, so that while they may become semi-skilled, as it were, yet the work itself calls for little, other than so-called common labor. The fittest men, as determined by natural selection, become foremen and furnace blowers, developing occasionally into well-equipped furnace managers. Compared with the number of men employed, the positions calling for experience and skill and accompanied by attractive salaries are limited. The men, therefore, that develop industry, application and brain power, outgrow their opportunities at the furnace, seeking employment where there are better chances for advancement. These changes apparently come about entirely irrespective of the working conditions at blast furnaces, as related to the hours of work.

Charles Kirchhoff

Mr. Dickson's admirable presentation of some of the greatest problems not alone to the iron and steel industry, but to all the manufacturing industries of the country, has been made in an exceedingly forelble way. He has put his hand upon some of the most important points. I was struck with one statement and that was that "law is a crystallization of public opinion." In this country that is true, because we do not rely upon paternal help from above but expect improvement to come from below. That has its advantages, but it has its great drawbacks too. It means first of all that we must educate public opinion and that usually falls to the lot first of entinelasts and only too often to the lot of demagornes. It is therefore one necessary preliminary that public opinion be educated along sound and safe lines. I have had the pleasure of being associated for a number of years with a movement siming at improving the conditions surrounding the employment of men in works. We have found that, as Mr. Dickson has said, there was always danger of indifference on the part of manufacturers which robs them of the opportunity of influencing legislation. Legislation in this country, I am afraid, is going to take very radical directions. It is already doing so, and there is danger that it will be very much worse and that the voice of common sense will not be heard at the right time. There is a tendency already expressed in legislation to relieve the men completely of all responsibility. That tendency is even shown among those who have their interests most at heart. I think that is a grave mistake, because it goes too far; it inflicts injustice, injustice upon the manufacturer, injustice, too, upon the fellow workman. I believe that there should be some penalty, some retention of benefits from those who are reckless and above all those who break the rules which have been established for their own safety, or who mutilate or remove the appliances for safety. In connection with this matter there is something that I believe was not alluded to because it was probably considered a minor detail by Mr. Dickson in his presentation of the splendid work the Steel Corporation is doing, and that is that they are gaining the sympathy and the interest of the men. They are doing this by trying to secure among the men themselves from time to time representatives who shall act on shop committees, and I have been told that the selection of these very men for greater intelligence and greater interest has made service on such committees a badge of honor in many of the works. That I believe, gentlemen, is the best way to get at it, rather than to make the law embrace everything, good, bad, and indifferent.

THIRD PARTIES IN ACCIDENT CASES.

For many years I have been in close personal contact with our men. In fact, there has been more or less of a paternal government, if a personal acquaintance and an intimate knowledge and sympathy with working conditions

Edgar S. Cook

It is a matter of great gratification to me that the United States Steel Corporation is setting such a good example, and I am in hopes' that it may lead to conservative legislation, which shall bring about the necessity of all employers expending some money in the care of their employees. At this time of very close competition, when one concern is inclined to expend considerable money in the care of employees, to have other concerns neglect it absolutely is a matter of discouragement to those who would like to help their men along from a humanitarian standpoint. IMPROVEMENT WORK AT POTTSTOWN.

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count for anything. Some few years ago, we realized a change of sentiment on the part of our employees, influenced no doubt by designing agents or a low grade of so-called lawyers, which resulted in threats to bring suits for all sorts of accidents. We were thus compelled to make use of employers' liability insurance policy, in order that we might be relieved from the annoyances attending settlements with third parties. I do not think that this change has proven of any particular advantage to our men, as the tendency has been to substitute compliance with laws regarding damages. In many instances, I have no doubt, the injured employee

has not fared as well, after paying fees and charges, as he did under the former regime, when each particular case was treated on its merits by our company, without the intervention of any outside agency.

BLAST FURNACE WORKING HOURS.

Considering the class or type of laborers employed at blast furnaces, I feel that a great deal of sympathy is wasted so far as the hours of work are concerned. The man who is on duty 12 hours out of 24 is not continuously employed. His labor is specialized, and his position is higher than that of the man who is working ten hours a day. In fact the latter, if at all ambitious, strives to get the job of the man who is working 12 hours. He shows a preference for working 12 hours instead of ten, for the reason that the 10-hour work is continuous hard work, and the 12 hours' work is intermittent, to say nothing of the higher dignity of a turn position. All my friends who have come in contact with the blast furnace, not from the standpoint of an office distant from the works, but from the office of the manager of the works, will understand and appreciate the facts I am stating. If these men are not working 12 hours, what are they doing? They have just enough of the beginnings of education to get together and make themselves unhappy and discontented, but with no resources to occupy their time profitably. If they are employed, they have their work to think about, although they may not do much thinking about that. At the same time, however, they are busy, without being overtaxed, either physically or nervously. I am assured that eight hours would be to their unhappiness, to our discomfort, and to the benefit of no one. An eight-hour turn would only add to the

My connection with the iron business is altogether from the blast furnace standpoint. The grade of employees in the blast furnace will average lower in intelligence than in the more advanced form of manufacture, as, for instance, steel works and finishing mills. With the advent general high cost of living, which comes from everything costing a little bit more than it ought to, without any corresponding benefit in many instances.

There are, doubtless, many forms of physical work, where the surroundings are unfavorable, or when the physical exertion is continuous and severe, accompanied by more or less nervous strain, and for these eight hours is the limit of reasonable human endurance. Conversely, there are other occupations where 12 hours' employment is to the benefit of the employee in more ways than one. During the years 1893 to 1898, when there were more men seeking employment than there was work to be performed, reducing the hours of work indiscriminately divided the work more evenly between the employed and unemployed, and by so much reduced the number of idle men. During the past decade, as a rule, there have been jobs ready and waiting for all able and willing to do a day's work.

I feel assured, from an experience extending through many years, that an eight hour work day, as applied to the average employee of the blast furnace would be to the disadvantage of the men both morally and physically. There are exceptions, of course. Certain individuals would make use of the time to their profit and advantage, but the mass would not know how to employ the four hours to their benefit in any way. In other words, they must learn to make good use of time. As they learn, they move up higher, and make room for another set of beginners. As long as there is laboring work to be done, requiring no particular skill, no brain power, but only good physique, there will be men fitted to perform such work and nothing more, except as they are trained for better things. The blast furnace may be likened to a preparatory school, fitting boys for a college course, or business career. A wise master knows that the boys must be kept busily employed, either in recitation room, study, or play. All must be laid out according to rule, so that every hour of the 24, including the hours of sleep, has its particular duty. Lacking such an organization, the pent-up energies of the boys would concoct all sorts of mischievous schemes, working injury to themselves, and destruction to the school.

it foreign labor. It has come to stay. We can't get along without it. We could not to-day fill the orders of the manufacturing industries unless we had that labor. And it seems to me that the only way to make that labor as we would like to have it is by educating many of those men coming here. Many of them stay but two or three years. They don't speak our language, and they don't get into the spirit of our institutions. If any little accident happens, and if any money is realized, the workman gets possibly 10 or 15 or 20 per cent. of the total, whereas, if he is entitled to anything, he is entitled to it all.

Now you all know what changes have taken place in the last 10 or 15 years. The larger works have trained surgeons constantly on hand to look after their employees. Many of you know what has been done by one large concern—a large employer of labor. They have gone farther than the mere question of looking after the physical welfare of the employee in his place of work. They have employed a trained nurse, whose duty it is to visit the homes of those employees, and to see that their home conditions are satisfactory, and the man who is not using his money as he should, for the maintenance and support of his family in a proper way, that man is marked to go on the sliding board, whenever opportunity offers. Now that may be a pretty radical illustration of paternalism, but with a certain class of employees, until they are educated through the spirit of our institutions, it is a question whether some such method is more to their benefit than to our benefit. Mr. Dickson has touched upon the subject of employers' liability. We all know the stringent laws passed in the State of New York and in the State of Ohio, with others pending in other States. I heartily approve of what he said about joining in that movement. Most of the laws as prepared to-day are by the representatives of organized labor-some of them not even organized labor. They are prepared solely from one point of view-their own point of view. They do not consider the other point of view. Now why should not we as employers join in that movement and try to advance it along scientic lines-lines that would be fair to the employer as well as to the employee? It's in the air. It is coming, and if we can shape it properly, it would be to their advantage and ours.

Many men never get beyond the school age, and it is necessary for their protection and advancement, that they should be surrounded by an organization that will guide them along the lines best suited for their capacities.

THE SEVEN-DAY WOBK WEEK.

So far as working seven days in the week is concerned, that is a matter of comparatively easy adjustment. I do not find that our men object to blast furnace work on that account, because they can usually get a day off. They generally manage to take a day off, whether with or without the consent of the foreman. The only hardship is working 24 hours on the long turn. Under certain conditions especially, that is objectionable, but I do not see how it can be avoided. A change, however, may be brought about. Some of my friends in the charcoal finace business have told me that in years gone by, they stopped their furnaces for 12 hours on Sunday. If we could adapt this practice to all the blast furnaces, in the present condition of business, I think it would be desirable, as it would cut down the product materially. Nevertheless, in talking to our men on the subject, the men is whom I put the most reliance and trust tell me that if we should pursue the plan of shutting down the furnace on Sunday, they would all go to farming, or some other occupation, because they know well that the stoppage would be accompanied by very hard work Monday or Tuesday. They would rather take the chance of working 24 hours every other week, than to have the shutdown. I think there is a great improvement in our so-called foreign laborers. I have found a great deal to encourage me in my contact with them. We have had men working for us from 10 to 20 years. Their children are working for us, and they are going to make good citizens. The class who do not drink, who save their money, make good workmen, and I think will make good citizens, if we only give them a chance and surround them with the environment of a decent home.

The Proposed Southern Iron and Steel Merger

In a recent visit to Birmingham, Ala., Cecil Grenfell, representing English bondholders of the Southern Iron & Steel Company, said that an effort would be made to bring about a consolidation of certain iron and steel companies in Alabama. Reports to this effect have been current in the iron trade for some weeks, but no definite steps have been taken. The Southern Iron & Steel Company and three blast furnace companies, all of which own considerable ore and coal properties have been mentioned. One of these companies is understood to have named a large figure and to have indicated that only a cash consideration would be entertained.

Edward Bailey

Mr. Dickson's paper must commend itself to every

The St. Paul Machinery Mfg. Company.-The St. Paul Machinery Mfg. Company, St. Paul, Minn., recently incorporated with \$450,000 capital stock, has absorbed the Dovetail Box Machine Company and the St. Paul Ditcher & Carrier Company. In addition to the wedge dovetailing machinery manufactured by the former company and the Hovland tile ditching machine manufactured by the latter company, the new company will manufacture the Horland caterpillar plow tractor, the principles of which are the same as those used on ditching machinery, with the exception of improvements which enable the machine to turn around in its own tracks. The advantage claimed for this tractor is that it is possible to use it on wet farm lands from two weeks to two months earlier than is possible for wheel tractors. The company is contemplating the enlargement of its manufacturing facilities, but it has not been decided at this time what the additional equipment and capacity will be.

thoughtful American manufacturer, whether engaged in the production of iron or steel or other products. As manufacturers I feel that we are all indebted to the Steel Corporation for what it has done toward ameliorating the conditions of its workmen. I have been asked to criticise Mr. Dickson's remarks, but I have nothing but the heartiest approval of everything he has said, from the humanitarian as well as the economical point of view. I believe that he has struck the keynote in practically everything.

Those of us who are large employers of labor realize that conditions have radically changed during the last 20 years. Mr. Cook spoke of that, in the change from American labor to what we are pleased to call foreign labor. I think we will have to get away from that idea of calling More than 1,000,000 tons of iron ore has been shipped from Bell Island mines, Newfoundland, this year by the Dominion Steel Corporation and the Nova Scotia Steel & Coal Company.

Steelmasters and Labor Reform,

1886 - 1923

Gerald G. Eggert

UNIVERSITY OF PITTSBURGH PRESS

This volume was published with the cooperation of the Pennsylvania Historical and Museum Commission in its continuing attempt to preserve the history of the people of the Commonwealth.

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industry could also solve the social problems facing them "when they are confronted with the absolute necessity for their solution." ⁵²

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Gary had made no effort to control what Dickson might say. He had taken the precaution, however, of asking three men to comment on Dickson's paper. Charles Kirchhoff, the respected former editor of *Iron Age*, praised Dickson's stand. The other two, Edgar S. Cook, president of Warwick Iron & Steel, and Edward Bailey, president of Central Iron & Steel, had been chosen to attack his views, Dickson suspected.⁵³ Cook did. Considering the class of laborers employed at blast furnaces, he declared, it was a waste of sympathy to be concerned about their working twelve-hour shifts, seven days a week. Work was not continuous, he said. Moreover, what would the men be doing if they were not working? "They have just enough of the beginnings of education to get together and make themselves unhappy and discontented," he said, "but with no resources to occupy their time profitably." He was certain that "eight hours would be to their unhappiness, to our discomfort, and to the benefit of no one."

The blast furnaces [he continued] may be likened to a preparatory school, fitting boys for a college course, or business career. A wise master knows that the boys must be kept busily employed, either in recitation room, study, or play. All must be laid out according to rule, so that every hour of the 24, including the hours of sleep, has its particular duty. Lacking such an organization, the pent-up energies of the boys would concoct all sorts of mischievous schemes, working injury to themselves, and destruction to the school. Many men never get beyond the school age, and it is necessary for their protection and advancement, that they should be surrounded by an organization that will guide them along the lines best suited for their capacities.

As for the seven-day workweek, Cook continued, it was no problem. The men "generally manage to take a day off whether with or without the consent of the foreman." Only the twenty-four hour turn was a hardship, he said, and for that he saw no remedy.⁵⁴ Bailey, who said that he had "been asked to criticize" Dickson's remarks, conceded that he had "nothing but the heartiest approval of everything he has said, from the humanitarian as well as the economical point of view." Dickson once more had scored, in his listener's consciences if not in their deeds. It was to be his last victory at U.S. Steel.⁵⁵

* * *

The title, President of the United States Steel Corporation, conveyed an illusion of power not wholly in accord with fact. In setting up the corporation in 1901, J.P. Morgan had conferred the title on

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Notes to Pages 71-

47. Iron Age, 85 (June 2, 1910): 1273-274, reports Dickson's address and the comm tary in full.

48. Ibid., pp. 1274-275. The Gary quotation is indirect.

49. "Memoirs," Chapter 8. For comment on the address, see Iron Trade Review, Ju

9, 1910; Survey, 24 (June 18, 1910): 475-77.

50. Stanley Committee, Hearings, pp. 81-82.

51. Address of the President and Papers Delivered at the American Iron & Sta Institute, First Formal Meeting, Waldorf-Astoria, New York City, Oct. 14, 1910, p 4-10. Farrell's remarks, pp. 11-19. A copy can be found in WBD Papers. 52. Ibid., pp. 20-31.

53. "Memoirs," Chapter 8.

54. Iron Age, 86 (Oct. 30, 1910): 1030, for Dickson's address. For the commentaries Kirchhoff, Cook, and Bailey, see 86 (Nov. 24, 1910): 1220-221.

55. See comments in Iron Trade Review, Nov. 8, 1910; Manufacturers Record, u dated clipping, "Memoirs," Chapter 9.

56. See New York Times, Dec. 1905-Jan. 1906; Aug. 1-3, 1906; May 1907. See also Garraty, "U.S. Steel vs. Labor," p. 27.

- 57. Undated, unidentified newsclipping, 1906, box 7, WBD Papers.
- 58. New York Times, Feb. 5, 1910.
- 59. Garraty, Right-Hand Man, p. 125; memorandum of meeting, Nov. 10, 1910, bo 7, WBD Papers.
 - 60. Garraty, Right-Hand Man, p. 125; Iron Age, 87 (Jan. 5, 1911): 7.
 - 61. New York Times, Jan. 11, 1911.
 - 62. Ibid.; see also, New York Tribune, Wall Street Journal, Jan. 11, 1911.
 - 63. New York Times, Jan. 11, 1911.
 - 64. U.S. Steel folder 2, box 7, WBD Papers.
 - 65. Ibid., memorandum, Jan. 16, 1911.
 - 66. Ibid., memorandum, Feb. 6, 1911; telegram, Gary to Dickson, Feb. 9, 1911.

67. See New York Times, New York Journal, Mar. 17, 1911; New York Evening Post, Mar. 18, 1911; Iron Trade Review, Mar. 23, 1911. For the rumors regarding the new steel trust, see unidentified clipping, "Dickson Quits the Trust," box 7, WBD Papers. 68. New York Times, Mar. 17, 1911.

Chapter 4. The Battle Continues

1. Satires and Epistles of Horace, trans. S. P. Bovie (Chicago: University of Chicago Press, 1959), II.6, p. 138.

2. Diary, box 1, WBD Papers. Dickson wrote in his diary almost daily between May 1911 and January 1912. Entries during 1912 were intermittent and he apparently kept no diary between 1913 and 1918. His retirement ended in the autumn of 1915. 3. Early draft of memoirs, Family Scrapbook 2, box 2, WBD Papers. 4. Diary entries, July 31, Aug. 5, 1911; Oct. 6 and 8, 1912. 5. Subpeona, dated May 23, 1911; Dickson's comments, U.S. Steel folder 2, box 7, WBD Papers.

6. Diary entries, May 25, 29, 21; June 1 and 2, 1911.

7. Henry E. Colton to Dickson, Nov. 8; Dickson to Colton, Nov. 11, 1912, U.S. Steel folder 3, box 7, WBD Papers.

8. Ibid., undated memo, written in 1912.

9. "Memoirs," Chapter 19, box 2, WBD Papers. Roy Lubove, The Struggle for Social Security, 1900-1935 (Cambridge, Mass.: Harvard University Press, 1968), p. 55, says,

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PUBLISHED BY THE ECONOMIC HISTORY ASSOCIATION AT EMORY UNIVERSITY



Steelmasters and Labor Reform, 1886–1923. By Gerald G. Eggert. Pittsburgh: University of Pittsburgh Press, 1981. Pp. 212. \$17.95.

The attitudes of the early masters of the giant United States Steel Corporation toward their workers have long been well known. But in this book, Gerald G. Eggert has added many significant details to the story, and he has refined our understanding of the policies and tactics of the key individuals involved.

The principal new source used by Eggert is the papers of William B. Dickson in the Pennsylvania State University library. Dickson has not previously been considered a particularly important figure in the history of U. S. Steel or of the steel industry in general. As it is known that he lost out in the competition to set policy for the company and the industry, this is not hard to understand. But Eggert demonstrates that Dickson was a major figure and that he influenced the labor policy of the industry a great deal during the early years of this century.

Dickson was one of Andrew Carnegie's "young geniuses." He went to work as a crane operator in Carnegie's Homestead mill in 1881 when he was 15. Twenty years later, when the Carnegie properties became part of U. S. Steel, Dickson was named second vice president of the corporation and was "well on his way to being a millionaire" (p. 4).

In the contest between the steelmen and the bankers for control of U. S. Steel, Dickson usually sided with the steelmen. He objected to the bankers' policy of stable prices and wages. During downturns, he argued, it was better to cut prices and maintain output than to hold the price line and produce less. But where labor policy was concerned Dickson took a different tack. Although he distrusted unions and was opposed to any real collective bargaining, he fought hard to improve working conditions in the mills. He repeatedly urged the abolition of the 12-hour day and the 7-day week, and he even cooperated with reformers outside the industry, specifically with Paul U. Kellogg, the designer of the famous Pittsburgh Survey. When Kellogg was exposing the

Reviews of Books

harsh conditions in the mills, Dickson called him secretly to his office and told him "to keep up your pounding from the outside" (p. 52).

In 1910, after he had been promoted to first vice president of U. S. Steel, Dickson conducted what Eggert describes as a "one-man crusade" against the 7-day week. He clashed repeatedly with Judge Elbert H. Gary, chairman of the steel corporation's board of directors, over this issue. When, no doubt for this reason, he was passed over for the presidency in 1911, Dickson resigned from U. S. Steel.

In 1915, however, he became vice president and treasurer of Midvale Steel, a major producer of armor plate. There he developed and put into effect an Employee Representation Plan of which he was very proud. The system was little more than a company union, yet even that was resented and resisted by most Midvale executives. When the company's fortunes declined after World War I, Dickson's ERP was discarded. Midvale was absorbed by Bethlehem Steel in 1922, and Dickson retired. Eggert's treatment of Dickson and his efforts to "reform" labor relations in the steel industry is a model of scholarly objectivity. The villain of the tale is Judge Gary. Eggert describes Gary's policies fully and considers carefully the Judge's justifications for

these policies. But his judgment is damning. "Gary worked by indirection," he writes. "What he said must always be measured against what he did" (pp. 31, 171). Profit and the avoidance of government regulation of the steel business took precedence over everything else in Gary's mind, Eggert concludes.

The book contains fascinating examples of the thinking of some of the steelmasters of the era. In 1910 Edgar S. Cook of Warwick Iron & Steel compared blast furnace workers who objected to the 12-hour day to boys in boarding schools. "A wise master knows that the boys must be kept busily employed" or they will get into some kind of mischief. If the steel workers had more time off "they have just enough of the beginnings of education to get together and make themselves unhappy and discontented" (p. 73). Dickson reported a conversation with William E. Corey, his immediate superior at U. S. Steel and a lifelong friend, in which Corey favored "the exploitation of the lower classes by those who by *any* means physical or intellectual or financial are able to raise themselves above the 'common herd'" (p. 101). The "only real convincing message to persuade men to work," another steel executive said, is that it is "necessary to work in order to eat" (p. 137).

Dickson was a shining exception to this way of thinking. "The men are eager for elbow touch, and we ought to be sure enough of ourselves . . . to respond to this need," he told one of his conservative colleagues. In a speech in 1919 he urged that workers be given "some part in handling management problems" (p. 140). Yet, as Eggert makes clear, Dickson favored a federal law against the "arbitrary and selfish use of power" by unions (p. 139). In 1934 he urged President Roosevelt to support a measure giving workers representation on the boards of corporations, but when the steel industry was unionized in 1937 he said: "My hope of an industrial democracy must be deferred indefinitely" (p. 161). This is an excellent book. It will not cause the history of twentieth century labor relations to be rewritten but it fills in many details and adds depth and color to the subject.

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