Between Convergence and Exceptionalism:
Americans and the British Model of Labor Relations, c. 1867-1920

Between the late 1860s and the aftermath of the First World War, American discourse about the ‘labor problem’ – relations among workers, unions, employers, and the state – was permeated by comparisons. Reformers looked especially toward Britain, the first industrial nation, for clues about how to build an industrial relations system. This article explores how three generations of American employers reflected on what Britain’s experience with relatively strong, recognized, legally secure unions could teach about how to handle the challenge of American labor. Their interest was serious, sustained if discontinuous. It was most important at key moments of decision in the early 1900s and in 1918-1919 when the Open Shop was first built, and then refurbished and defended. Examination of their understanding and representations of the British model of labor relations aids our appreciation of the ideological framework within which they conceived and constructed the American Way.

Through three generations, between the emergence of the ‘labor problem’ in the 1860s and its apparent resolution after the First World War, American thinking on labor relations was frequently comparative. Americans seeking to understand the origins and nature of, and solutions to the labor problem often looked eastward toward Britain, the first industrial nation. U.S. perceptions of and reactions to the British model of labor relations through these troubled years shed light on both the influence of other nations' example on U.S. social policies, and the related question of the uniqueness or otherwise of the distinctive American model of workers' self-organization and labor politics which emerged.¹

The period during which Americans were interested in Britain's developing industrial relations system as a model can be dated quite precisely.² It began in the late 1860s, during the first post-Civil War peak in trade union activity. As some Americans sought solutions to labor unrest, they discovered that Britain had been down this rocky road before and had found ways to smooth it out. A Royal Commission on Trade Unions sat in Britain from 1867-69, exploring the place of unions within industry and before the law. Its findings were well publicized, as was the example of successful local boards of arbitration between employers and labor in a growing number of comparatively well-organized trades. The lessons of British experience were relayed to Americans through the labor press and via a
study-and-lecture trip in 1870 by two Liberal MPs, friends of labor and apostles of conciliation. Thomas Hughes was a Christian socialist, pioneer of workers’ education, and advocate of the cooperative movement; Anthony Mundella a lifelong radical and self-made captain of industry, a progressive employer who had established the first successful board of arbitration in England. Both were in the forefront of the campaign to establish a secure legal status for British trades unions, Hughes as a member of the pro-labor minority on the Royal Commission. They had name recognition and some credibility in the United States -- Brown as the author of *Tom Brown’s Schooldays* (1857), a best-seller on both sides of the Atlantic; both of them thanks to their ardent advocacy of the Union cause during the Civil War and the restoration of good Anglo-American relations thereafter.³

According to Clifton Yearley, there were two central themes in their message: first, that ‘the more successfully unions were organized and able to carry on their work, “the more harmonious their relations” with employers, the less likely it became that anyone would start hasty, violent, or unlawful action.’ British unions therefore ‘won a vote of confidence from the nation at large and many in the governing class.’ These strong and secure unions became conservative, and were thus excellent models for their fledgling American brethren in the turbulent post-Civil War years. Second, those unions and the employers they dealt with, assisted by members of the local bourgeoisie, had found a route to social peace via union recognition and the development of voluntaristic, non-conflictual dispute settlement systems. American unions aspiring to the same status as their British brethren and operating in a far more hostile environment, or middle-class Americans concerned about the resulting problem of labor conflict, could adopt the same techniques. As the *Chicago Daily News* commented in 1874, ‘Great Britain has proved the truth of the theory [of arbitration]. America can confidently and easily adopt it.’⁴

Between the Molly Maguires troubles in the Anthracite District, and the great national railroad strike of 1877, developments which made the labor problem far more urgent, Governor Hartranft of Pennsylvania in 1876 sent Joseph Weeks, associate editor of the *Iron Age* (the heavy industries' main trade journal) to England to study how labor troubles were handled there.⁵ After the 1877 crisis, Congress appointed a committee, under the Democrats’ House majority leader, Abram Hewitt of New York, to look into the labor problem in the United States. A large-scale entrepreneur in the coal, iron, and steel industries, Hewitt was a personal incarnation of the transatlantic industrial revolution-- his father was a member of the erecting crew of English mechanics who arrived in 1794 with the first steam-engine in
America, imported from their employers, Boulton & Watt of Birmingham; he stayed on to help build the first American-made engines. In 1867, while travelling in Europe, Hewitt had testified to the British Royal Commission, where he emphasized that ‘between the trades’ unions of Great Britain and those in the United States there is undoubtedly a strong analogy but … your organizations are more perfect than ours, and have arrived at a more complete development.’

He supported the Hughes-Mundella tour – both of them were personal friends of his -- the high point of which was an all-ticket public lecture at Cooper Union which Hewitt’s father-in-law Peter Cooper funded, and at which ‘the respectability and intelligence of New York’ including ‘a large audience of working men’ were present in force.7

Weeks and Hewitt reached the same, predictable conclusions: that these matters were handled much better in the Old Country, and that America should import Victorian Britain's methods of conciliation and arbitration in industrial disputes, together with the responsible unionism on which they depended.8 In offering this advice, they followed closely in the footsteps of one of the first comprehensive studies of the labor problem, authored by Edward Young, chair of the U.S. Bureau of Statistics, whose Labor in Europe and America (1875) referred to trade unions only in the sections dealing with ancient Rome and contemporary Britain.9 Young, Weeks, and Hewitt thereby established a tradition in the mid-1870s which would last for decades, of speaking and writing as if Britain's experience was directly relevant to the United States, and indeed as if it was almost the only experience relevant to the United States as it confronted its own labor problem.

The end of this period of serious interest, sometimes bordering on admiring fascination, can be dated with only slightly less precision than its start. Before World War I, middle-class Americans do not seem to have been very sure about the superiority of their system of industrial relations, but by the early 1920s they were ready either to give it their backing or to stop caring. A few labor activists and progressive intellectuals remained enthusiastic for the British model of industrial relations, and it even gained support from a different quarter and for different reasons in the 1930s; but these views had little resonance and, crucially, no longer any policy significance.10

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The depression of the 1870s and the aftermath of World War I thus bracket a distinctive period when American discourse about labor moved beyond old assumptions that the United
States was like other industrializing societies and could learn from them toward a view rapidly consolidated by the early twenties, that there was a distinctive American Way to which the experiences of other nations could contribute nothing useful. As my title suggests, Americans began by anticipating the convergence theories of the 1960s to conclude that where industrial Britain had led, America should follow, down a common path determined by the irresistible forces of industrialism. But Americans arrived in the 1920s with exceptionalism fully installed as ideology and practice. Charting and explaining changing perceptions of the British model through this half-century, and their impact, is the rest of this article’s purpose.11

1. The Day of the Saxon12: Reformers and the Labor Problem

In 1913 the labor economist and historian Henry Hoagland, in an article subtitled ‘A Study in American Trade Unionism’ (emphasis added), complained about the intellectual dependence of his emerging field on British inspiration, its lack of confidence in American institutions:

The undergraduate student of economics who knows anything at all of the history of modern labor organizations generally receives his knowledge from reading the epoch-making work by Sydney (sic) and Beatrice Webb....[T]he student is led to conclude that modern trade unions were first developed in England and were later transplanted in full bloom to American soil.

Hoagland's purpose was to explain that the American labor movement had its own independent history, with roots decades old. But first he felt he had to fend off the commonplace assumption that American trades unionism was simply British trades unionism, writ late and small:

Of course it is true that the labor organizations of this country have not always kept pace with those of England.... It is also true that at times the English unions have been a decade or more in advance of the American. But the conclusion which is so often drawn from these facts -- namely, that American laborers have looked to the English unions for leadership -- is hardly justified. Instead, American unions...have followed their own line of development.13
Hoagland's conclusions are unexceptionable nowadays, but at the time his exceptionalism was still quite unusual, even among his colleagues. American respect for the British model of labor relations can be explained in two ways -- institutional and intellectual. Americans, particularly those of British origin, looked to British experience as both the best-developed and the most comparable example for them to study and appropriate, the achievement of a society and culture with which they were closely connected. There was a natural kinship; as its president, Henry Towne, told the American Society of Mechanical Engineers in 1889, ‘together we constitute the two branches of the great Anglo-Saxon, English-speaking race, which, in accomplishment, especially in the industrial world, is at present easily the leader among the nations in the march of civilization.’

By the end of the nineteenth century, the novice was overtaking the old hand in the race for economic growth. British observers became increasingly impressed by America’s immense industrial power and the growing productivity advantage it depended upon. In the Edwardian period the United States enjoyed a clear lead, and British commentators began to worry about their relative decline. But the differences between Britain and the United States as industrializing nations still did not seem large enough to persuade Americans that Britain's experience was irrelevant. Through the Progressive Era, Britain's was not generally perceived as a failed industrial economy; even if its economic performance compared increasingly poorly with America's; it was still worthy of study and selective emulation.

Britain was singularly important as a model for American labor, particularly in the early decades of craft unionism. American labor activists did not have to read about the British labor movement in order to learn from it; many had direct, personal experience. Yearley has argued quite convincingly that British influence on American unions declined by the 1890s. The British share of the labor force and the migration stream fell, and the AFL established itself under a leadership increasingly convinced that American conditions required a uniquely American response. But this did not weaken the enthusiasm of sections of the concerned American middle class, including thoughtful employers, for the British model as they understood it, which acquired a life of its own. Joseph Weeks, Abram Hewitt, and others continued sermonizing about their perception of mid-Victorian Britain's innovations in the management of industrial conflict through and after American labor’s Great Upheaval of the mid-1880s, and found a receptive audience, if not among their employees, then at least among their bourgeois brethren.
When the Pullman Strike sharpened anxieties about the labor problem, middle-class Americans interest in the British experience grew. Mundella-style arbitration in the 1860s and 1870s used impartial intervention from local elites (who acted as 'umpires' -- the name for the referee in some sports acquiring popularity and formal organization at the same time as British employers and workers were also learning the 'rules of the game') to assist the parties to resolve their disputes, or even to reach decisions where they could not agree among themselves. But by the 1890s that model was often replaced by direct discussions between associated employers and union leaders. The Webbs called this 'collective bargaining.' Umpires might still have a role in the resulting relationships, but mutual recognition by and direct contact between the parties was key. Carroll Wright, Joseph Weeks, economist Henry Carter Adams, and in due course Marcus Hanna, amongst others, tried to lead informed opinion in the 1890s toward an understanding of what was required for this voluntarist road to social peace to work in America too: in Weeks's words, 'you cannot have arbitration and conciliation unless you have on each side a strong union.'

This was the new lesson reformers took from the British experience and attempted to apply to America. As Commons commented, in his report on the National Civic Federation (NCF)'s conference in December 1900,

This higher form of industrial peace -- negotiation -- has now reached a formal stage in a half dozen large industries in the United States, which, owing to its remarkable likeness to parliamentary government in the country of its origin, England, may well be called constitutional government in industry....This remarkable form of constitutional government is not the creation of any single intellect, nor of any constitutional convention. It did not spring self-created from the theories of economists or publicists. It 'just growed,' like Topsy and the British Constitution. Indeed, it has not yet finished growing.

These new experiments had the added legitimacy of appearing native, authentic, spontaneous, organic, public-spirited, and practical. In addition, their resemblance to successful British precedent suggested they would solve the labor problem by steering trade unions under disciplined, responsible leadership firmly down the reassuring path toward civic integration.

The attention middle-class and reformist Americans paid to the British experience was of a piece with established patterns of thought about the nature and evolution of their
society. Impressed by the forces of industrialism and what we would call 'modernization,' educated Americans believed that these were forcing a fundamental convergence in different societies. As Joseph Weeks put it in 1895, ‘The primary problems of civilization are material ones; their answers are writ in fire.’

Industrialization was a process dominated, at the time, by the three nations thought to share a common 'Teutonic' heritage in the racial Anglo-Saxonism of the mid- to late nineteenth century. Transformations in the meaning of Anglo-Saxonism, away from romantic racialism and toward an interpretation emphasizing a shared history, language, and political tradition, further accentuated Americans tendency to minimize or ignore the institutional and cultural barriers to policy borrowing from Great Britain that an exceptionalist analysis would emphasize.

The late nineteenth and early twentieth centuries also marked the highpoint in educated Americans' respectful familiarity with this Anglo-American common culture. Thanks to the influence of American Historical Association policy on the high-school curriculum after 1889, more Americans studied British history in depth as the foundation for their own history in the early twentieth century than ever before or since. And that shared past shaped how Americans understood the British model of labor relations, and its American counterparts. Commons could write about the Interstate Conference between bituminous coal operators and miners as being like a medieval parliament of Lords and (sic) Commons, rightly assuming that most of his readers could understand, indeed visualize, his simile. Twenty years later his student William Leiserson required an even better knowledge of a version of the common past – though not his past -- when he explained that the steel companies' employment of unskilled workers to break skilled workers' strikes was ‘but repetition of the Tudor Kings of England using the common people against the nobles to re-establish absolute monarchy.’ One of the attractive features of this Whiggish version of history to American labor reformers like Commons or Leiserson was its doctrine of inevitable progress toward democracy. When Commons spoke about the 'constitutionalizing' of industry through the wider application of the trade agreement idea, his readers would have understood that he did not anticipate an American-model written constitution, but something more like Britain's informal constitutional order, an accumulation of precedents – a common law of labor.

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Middle-class Americans' understanding of the British model became fixed by the early 1900s. Pioneer advocates Weeks and Hewitt; federal agencies (the Chicago Strike Commission of
1894, the Bureau of Labor, the Industrial Commission, and the Anthracite Coal Strike Commission of 1902-3); the experts who had influenced them, and whose careers they nurtured (Carroll Wright, Walter Weyl, Jeremiah Jenks, Dana Durand, and Commons himself); and the NCF, which Wright, Durand, and Commons used to disseminate their message -- had relayed much the same story, a faithful rendering of the satisfied consensus of respectable opinion in Britain.26 The basic elements remained plausible. British trade unions were still larger, better established, and more stable than their American counterparts; British employers appeared more reconciled to union recognition than their American peers; British collective bargaining systems looked durable and effective, and had the prestige belonging to organic social invention in the era of ‘evolutionary naturalism.’ A viable alternative to compulsory arbitration (an alternative panacea), British voluntarism was consistent with both countries' anti-statist traditions. Britain’s comparatively peaceful strikes also contrasted ever more favorably with America's during the Age of Industrial Violence.27 And, finally, the most pressing questions of the 1900s and early 1910s for friends of labor -- How should labor acquire a political voice? How could it defend itself against threats from the judiciary? – had been answered already in Great Britain, and in ways progressive Americans found persuasive. Independent (non-socialist) labor representation in national politics, in alliance with the New Liberalism, and capable of freeing trade unions from judicial challenges to voluntarism, offered an object lesson to AFL progressives and their Wisconsin School allies.28

Americans learned little else new about British labor relations after 1900 despite the period’s rapid union growth and increasing militancy. Instead, the lessons of the mid- to late-Victorian compromise among unions, employers, and the state were still held to be relevant to the American labor problem, even after the failure of NCF-style voluntarism in 1901-2 and the launching of the Open Shop movement in 1903. Unions were stagnant at best, employers on the offensive, conflict worsening. Convergence was evidently not happening; instead, the ‘exceptional’ American system was taking shape. Committed to trade unionism and collective bargaining to bring a measure of ‘democracy in industry,’ American progressives faced hostile American employers and judges. They still looked to the British example, at least as they understood it, for inspiration. The prewar British reality of growing industrial unrest would not have been as useful, so it was ignored.

This filtering process was unsettling for contemporaries who confronted a reality contradicting their models. When the young progressive intellectual Randolph Bourne...
travelled to Britain in 1913, he did not find the industrial millennium his predecessors had reported, a peaceable kingdom where capitalist lions lay down happily beside labor lambs. Instead, ‘England is one succession of fearful strikes, and our fond theory of the triumph of orderly trade-unionism … is daily knocked into a cocked hat.’

But before Bourne and his older, less radical friends had time to adjust to this new and inconvenient industrial Britain, the First World War struck. The war ushered in a final crescendo of American progressive interest in British social experimentation along with great hopes that, if it would only learn from the British example, American society would be transformed in the direction of industrial democracy by the rising power of organized labor.

Obviously that did not occur. Instead, there was America’s second, and apparently decisive, moment of exceptionalism. Instead of an advance into Reconstruction (a term carrying none of the negative freight in Britain that it did in the United States), there was a retreat into Normalcy; instead of a Labour Party and industrial democracy, Republican hegemony and the American Plan. The rest of this article will explain why and how the British experience contributed to this conservative outcome almost as much as a liberal reading of Britain’s labor relations model had inspired progressive hopes for something completely different.

2. We Have Seen the Future, and It Sucks:
American Employers and the British Model

A weakness of the previous section of this article -- a common problem in histories of ideas about social policy -- is the implicit assumption that the ideas that matter are those of policy-oriented, reformist intellectuals. But members of the American business community had their own sources of information about Britain, their own ideas about it and saw it as a model of an undesired future. And what they thought about the British model, and how it affected their behaviour, turned out to be far more important.

The British and American employer communities had dense networks of communication, paralleling those of the transatlantic world of reform. Hewitt and Weeks, for example, presided over the American Institute of Mining Engineers, an organization inspired by the (British) Iron and Steel Institute, whose secretary did some of Weeks's field-work for him in 1876. Like the British Institute, the American version rapidly acquired an international
membership; business news and reports about new technologies traveled rapidly both ways across the Atlantic. The American Society of Mechanical Engineers could be more insular, but the trade journal that was its midwife, the *American Machinist*, circulated widely overseas – so much so that it established a separate British edition – informing its far-flung readership of developments in labor as well as in manufacturing and managerial methods. American managers and entrepreneurs had an interest in British realities, to keep abreast of their most important competitors and even to acquire British manufacturing subsidiaries. Westinghouse, for example, built a factory at Trafford Park, Manchester, and gained direct experience of the travails of working with a British labor force in a unionized environment.31

This meant that, at critical moments of labor relations crisis American businessmen could look across the Atlantic and draw distinctly different lessons than did social reformers. At Kim Voss's moment when exceptionalism began -- the Great Upheaval of the mid-1880s -- Weeks's boss at *The Iron Age*, James Bayles, was distinctly less upbeat about the British model than Weeks himself. Bayles noted the tendency of 'responsible' British labor leadership -- an essential ingredient in making union recognition and collective bargaining palatable to employers -- to collapse in the face of the rank-and-file militancy. Democratic processes prevented these organizations from remaining remain disciplined bargaining partners. Bayles concluded that it would be better to consult with employees, but only with one's own employees, in house. Anticipating the preferences of a subsequent generation of American employers, he recommended the 'shop council' as a unilateral alternative to outside labor organization, and representation32

Even Abram Hewitt was of two minds about the wisdom or necessity of the British road. On the one hand, union recognition, conciliation, and arbitration: 'a new power has entered into the industrial world which must be recognized. … [T]his power can not be destroyed by force and violence unless society be destroyed with it. It must be heard. Its just demands must be heeded. This is the voice of reason as well as of religion.'33 On the other, after the Molly Maguires, the Hewitt also preached a gospel of pre-emption, not concession:

To insure continuous operations, the best relations must exist between the corporate owners and the laborers in their employ… [But] throughout the coal regions these relations have been of the most unsatisfactory character, resulting, at often-recurring intervals, in strikes and lock-outs, which have no redeeming feature... [T]he interests of all classes concur in the prevention of these destructive and demoralizing
Ten years before Bayles, Hewitt thus anticipated another of the foundation ideas of American business's exceptionalism: industrial paternalism, or welfare capitalism, the unilateral improvement of the conditions of employment to undercut the workers’ own demand for unionism.

Hewitt fleshed out these contradictory messages over the next fourteen years. Unions were as much a product of capitalist development as were corporations themselves: ‘The formation of such unions is alike a right and a duty; and so long as they confine themselves to the assertion of the rights and the protection of the interests of their members they are to be commended and encouraged.’35 But this rhetorical acceptance of trade unionism was, as always with American employers, wrapped around with qualifications that diminished it, in practice, to almost nothing. The solution to the labor problem ‘must be based upon justice’; and justice must be built on a set of classic republican contractual principles, which left little room for actually-existing trade unionism. Employers and workmen both had the right to combine, but neither had the right to coerce the other; free-labor principles meant that ‘the right of workmen to refrain from labor and the right of the employer to cease to employ are correlative rights; but no one has the right to compel any other workman to cease from labor, nor has the employer any right to lock out his workmen in order to compel submission to obnoxious rules.’36

While maintaining the appearance of even-handedness, Hewitt’s balance of rights clearly favored capital, because it alone assumed the risks of doing business, and because there were some offences that only labor could commit:

No man has the right to compel another man to combine with him in any organization, and when a man declines to combine it is a violation of right to refuse to work with him, and to deny him the means of earning a living. It is equally wrong for employers to blacklist men, so that others will not give them employment.

A boycott cannot be defended under any circumstances whatever. It is in effect a declaration of private war...to be stamped out by prompt and severe punishment. The claim of any body of men that under any circumstances they have the right to stop the operations of business...cannot be tolerated.37
That should be plain enough: unions were acceptable in principle, provided they did not actually do those things on which their power depended. Hewitt's vision was of a future with trade unions -- but without strikes or collectively-imposed limitations on the freedom of employers or employees. Hewitt's limited commitment to arbitration and conciliation was a function of his hatred of industrial conflict, for which civilized substitutes must be found; once the latter ‘competent tribunals’ were in place, strikes and lock-outs would be ‘indefensible.’ Conciliation and arbitration were simply ‘transitional means for bringing about the ultimate relations of peace and harmony which must exist between capital and labor.’ Evidently, Hewitt imported the British model very selectively, choosing only those elements that addressed his immediate concern -- conflict-reduction -- while overlooking everything else, notably the general acceptance by parliament, and to a lesser extent the courts and employers, of everyday trades union practices that he found intolerable.

Indeed, Hewitt shared many negative stereotypes about British labor relations becoming commonplace among his peers. Already in 1867, alongside plaudits to British labor, he complained about ‘strikes long continued and in all branches of business, reducing the workmen to beggary and destroying the profits of capital to such an extent that in a spirit of self-preservation it takes flight where it can from the walks of industry and remains unemployed rather than incur the risks and the anxieties of its uses in active business.’ A generation later, he still accused British labor of undermining economic progress:

the action of the trade-unions has been exerted in the direction of obliterating the individual to such an extent that special skill is rapidly declining, and in the finer grades of work it is almost impossible to find the experience required for the production of instruments of precision. This is a national evil of the first magnitude; and its disastrous consequences are becoming apparent to the intelligent workman whose opportunities to rise in life are thus abridged and destroyed.

Thus, to Hewitt, trade unions were at best a necessary evil; enemies of individualism, order, and productivity, only to be tolerated if hedged around with laws, and to be undermined by employers’ conduct within their own establishments. Employers should hold fast to the principle that ‘Each man should be paid wages according to the value of his labor, and not on the mistaken basis of a dead level of mediocrity, advocated and enforced by some trades-organization. Progress is only possible where the individual is encouraged to develop his skill and apply his labor, by a payment in proportion to the results achieved.’ Beyond this, they should develop novel systems of reward -- profit sharing, and, best of all, employee
stock-ownership, ‘the stimulus of being engaged in a successful business and having a direct interest in its results.’ The industrial millennium would not come from collective bargaining or conciliation and arbitration, but ‘when every intelligent workman will insist upon being an owner, and every well-managed corporation will see that its workmen are directly interested in the results of the business.’

Two years before Homestead, four before Pullman, a dozen before the failure of the NCF and the Anthracite Coal Strike award, Hewitt had laid down the impossibly narrow boundaries within which trades unions could be tolerated, and made clear his preference for a unitary-corporatist system of industrial relations which would do away with the necessity for them altogether.

[T]he concentration of force under one management, in accordance with the modern tendency to centralization, may be made to solve, and must necessarily solve, the problem of harmonizing capital and labor engaged in the work of production, without new legislation or the application of any other than familiar and well-recognized principles of social organization....[T]he invasion of government into the domain of industry must be met with uncompromising opposition.

As it would be, except where the exercise of the federal government's coercive power, legitimized by judicial innovation, aimed at repressing labor unions and strikes.

It has been useful to clarify what the leading, exceptionally articulate employer advocate of labor-management harmony, British-style, actually meant. Not surprisingly, Hewitt was far more American than British in his outlook; for him, selective borrowing of British institutions was secondary to the pursuit of industrial relations strategies whose purpose was altogether different. Union recognition, conciliation, and arbitration were means, not ends; they were to contain industrial conflict until the occasions for it were eliminated. Discarding Hewitt’s equivocation, later American employers would implement only the latter part of his program.

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Kim Voss's moment when American labor relations became exceptional is far too early. Agreed, employers' anti-union predispositions were sharpened and clarified in that first Great Upheaval in the mid-1880s, and many of the tactics they would use for decades in their anti-labor struggles were developed. But the game was only just beginning. The crucial time of decision for employers came later, during the short-lived Trade Agreement Era, as Jeffrey
Haydu and David Brian Robertson, among others, have argued. Between 1898 and 1903 industrialists were faced with a serious challenge from dynamic AFL craft unions. Respectable and official opinion, represented in the NCF and through successive federal commissions of the 1890s and early 1900s, still advocated the British model of conciliation and collective bargaining. Many American employers were, in the late Howard Gitelman's words, ‘of two minds’ confronting labor’s challenge. Their own reading of the British experience with union power and labor conflict would help to resolve their choice.44

The primary and secondary metal-processing and metal-working industries were the storm-center during the Trade Agreement Era. Iron and steel offered the first evidence that while Hewitt's younger executive successors had little of his ambivalence toward labor organization, they had all of his suspicion, and sufficient power to act on their hostility. But the biggest failures of the NCF were in the secondary metal-working industries, the foundry and machine trades, whose craft union leaders and proprietary capitalists played such a large part in the NCF itself, and whose experiments in union recognition and the creation of national and local systems of collective bargaining seemed, for a very short time, so promising.

Employers in these skill-dependent industries knew about, and were impressed by, recent British experience. After a huge national lock-out in 1897-98, British engineering employers had forced 'Terms of Settlement' on the Amalgamated Society of Engineers. To some, this victory demonstrated that associated employers could impose a tolerable deal on even the strongest craft union, and then use that union to discipline its members into accepting harsh terms as a condition of continuing recognition. Widely discussed among the members of the National Founders' and National Metal Trades Associations (NMTA), this example was a model for their own struggles with the Iron Molders' Union and the International Association of Machinists in 1899-1904. The latter's Murray Hill Agreement with the NMTA in 1900 embodied 'most of the terms, and even some of the phraseology, of the “Conditions of Management” agreed upon between the Federated Engineering Employers of Great Britain and the Allied Trade Unions.' 45

But was this the key message to be derived from the British Engineers' experience? Instead of demonstrating the promise of the trade agreement system, was it not instead dire evidence of how much trouble and strife it would cost employers to win back a necessary minimum of workplace authority if they allowed unions to grow too strong in the first place? The rapid breakdown of the Murray Hill Agreement in 1901 backed the doubters’ arguments.
The 1901 Machinists' strike was ‘a sharp disappointment to the advocates of association and conference as a means of averting labor troubles’; ‘a forecast of the more paralyzing encroachments of that unwise trade-unionism which has been Britain's bane.’ Browne & Sharpe's superintendent emphasized that ‘we all agree here at present that the exact issue at stake is to unionize all the shops in the United States. That is only a prelude to the unions' undertaking later on the management of the machine business. The effect of that can easily be seen by studying the situation in Great Britain.’ Thus the message of the British engineering trades’ unhappy experience was not that an acceptable settlement could be reached after a long and bitter strike, but that even after a supreme effort employers still faced an intolerable union presence in their shops. As Robert Wuest, the NMTA's aggressive commissioner, told his members in 1904, the real lesson of the British experience was to build up a strong enough organization to prevent the need to recognize organized labor in the first place. ‘Let them take warning by studying the result of Great Britain's former apathy and indifference to questions pertaining to labor, and let us avoid the death-dealing blow by following that old maxim, “A Stitch in Time,” and let us not wait, as did our English cousins across the water to “lock the stable door,” after the trade is gone.’

The early 1900s was perhaps the worst time for the NCF and its associates to use the British case to support their project, because American employers' by then well-established negative stereotypes about British industry and its labor relations were being reinforced by news from Britain itself. These were the years of the (supposed) American ‘export invasion’ of the British home market, and (feared) capture of Britain's export markets. There was anxious discussion of the reasons for this comparative failure; and many explanations pointed toward what *The Times* labelled, in a series of articles in the Fall of 1901, ‘The Crisis in British Industry.’ The central theme of the *Times* articles was that trade unions were aggressive, restrictive, and pursuing outmoded, destructive policies, if not through formal bargaining then very effectively through rank-and-file action.

This message was mixed up with continuing advocacy of the British model, much as NCF-type Americans understood it, but for American employers, the criticism drowned out the qualifications. Publisher John Murray, who reissued the articles as a book, argued that he ‘yield[ed] to no one in appreciation of the great work accomplished by trade unions, but...their policy of restriction of output and of individual effort is doing more injury to the industrial trade of this country than foreign tariffs.’ The articles’ author, Edwin Pratt, could explain that ‘the point … was … not to attack trade unionism “as an institution,” but to deal,
rather, with the abuses that had crept into an organisation which, in the opinion of many employers, should occupy a legitimate and even useful place in the scheme of industrial progress, so long as it is directed along reasonable lines.’ But the part of the message that reached American employers was the one they were already inclined to hear.48

At the very same NCF conference in December 1901 that offered up a vision of peaceful collective bargaining in the Anglo-American future, employer member Charles Schwab, President of U.S. Steel, countered with grim skepticism. He was, he said, principally interested in the labor problem from the angle of its effect on U.S. prosperity. The decline of Great Britain could best be explained by the attitude of labor to capital. ‘I am sorry to say that every labor organization with which I have had experience in the past has had as its foundation the restriction of output. It is that principle which is putting English commerce and English trade in the bad position in which they are today.’ Like Hewitt earlier, he did not pronounce against labor unions per se, but he was certainly opposed to those actually existing: output-restricting, contract-breaking, etc. And this was enough of a foundation on which to build a rigorously anti-labor policy.49

So why should American employers imitate or import any part of late Victorian Britain's labor relations system? While Britain’s unions were crippling the old country, ‘[t]he Future,’ as H.G. Wells would put it in 1906, was ‘in America’. In their flight from uncompetitiveness, it was to America that British employers and managers must look for ‘the gospel of good tidings industrially’.50 In the late nineteenth and early twentieth centuries, the traffic of industrial investigators across the Atlantic ran both ways, with a growing counterflow of self-critical British observers who wandered through America and liked what they saw. Weeks's collaborator Stephen Jeans, summing up the results of a British investigation of the iron, steel, and related industries which he organized, reached a conclusion with which few American businessmen would disagree:

The trade union is not generally recognized as a militant force in the United States except now and again. Few employers are ready to acknowledge that it has any influence worth naming. The almost absolute freedom of labour has been been the chief instrument whereby it has won such conquests in the field of industrial economy during the last quarter of a century.51

With the issues presented in this fashion, who among American employers would be inclined to listen to the siren voices tempting them to steer their storm-tossed Yankee clipper toward
the British rocks? Leaving nothing to chance, Schwab funded a research effort to explore the connection between trade unionism and restriction of output. American scholars focus on the American section written by Commons and Walter Weyl. But this is followed by a neglected 200 page report on Britain, the home of ‘ca' canny,’ by their collaborator John Gray. For employers, this was dismal reading. The engineering employers' splendid settlement? ‘[T]here is scarcely a single clause...which is not couched in language sufficiently vague to give rise to controversy over its interpretation.’ The wonderful record of industrial peace? ‘[T]he boards of arbitration and conciliation truly give peace by producing sleep.’ The British model was slow, indecisive, and obstructed change:

[I]n the present state of disputes between the employer and employee, it may justly be said that the employer has ceased to have any hope of improving the organization, processes, or machinery of his industry. It is because of this attitude...that English industry has reached such a degree of stagnation. Wherever the workmen are well organized they insist that the phrase 'new and untried conditions of work' includes any change, however trivial. Nothing but a complete adherence to existing organization, machinery, material, and methods will satisfy a strong union that employers are adhering to this clause. The possibility of all experiments is excluded.52

* * *

None of this demonstrates any conclusive causal connection between American employers' strategic decisions for the Open Shop rather than the Trade Agreement, on the one hand, and the advice and information they were receiving about British industrial realities, on the other. Structuralist political sociologists' and historians' arguments in terms of power and interest, history and market context, are obviously the more persuasive. The outcome of American industrialists' debates and uncertainties in the early 1900s was probably overdetermined. But exceptionalism was built in a transatlantic context; American employers, too, studied British experience, not to replicate but to avoid it.53 Like their lib-lab contemporaries, their interest in it probably declined after the early 1900s: in the case of both groups, their minds were already made up, and they did not need new information to confuse the stereotypical views which supported their established positions.
3. 1917-1918: EXCEPTIONALISM CHALLENGED

As Daniel Rodgers has recently reminded us, the First World War saw an explosion of interest and enthusiasm from progressive American labor-liberals in Britain's war-induced experiments in collectivist control of the economy and democratization of industry. War offered them the possibility of rapid social and institutional change that normal gridlocked peacetime politics could not deliver. Britain's experiments (and, even more, the rhetoric surrounding them) offered hopeful direction for that change, and the strengthening of Anglo-American strategic collaboration ('Anglophilism became an integral part of American life'54) gave Britain's wartime corporatists a splendid opportunity to do something the British always enjoy, instructing backward folk in lesser nations about how much better the United Kingdom is at doing things. The picture they relayed to enthusiastic American audiences was of an almost perfectly functioning, smoothly-running governmental machine, integrating organized interests into policy-making and administration, proceeding by consent and yet delivering a miracle of munitions production, industrial peace, wage control, man- and woman-power mobilization, and improved working conditions.55

The British message was convenient for Wilsonian liberals, as well as attractive in its own right: it told them what they wanted to hear. Soon after the United States declared war, a delegation of British trade union leaders, Labour MPs, and Ministry of Munitions experts came to the United States, invited by the Committee on Labor of the Council of National Defense. According to them, ‘Labor in our country has, from the beginning of the war, been taken into the confidence of the Government, the Government seeking its cooperation on every conceivable occasion, and that has been one of the greatest factors in making matters proceed smoothly.’ The Ministry of Munitions, a huge organization at the heart of the war economy, saw its role as being

to hold the balance between contending labor and capital and to earn the good will of both sides....[A]ny good work by which we have arranged that good will could only have been done by that hearty cooperation which labor leaders have given to us....No legislative enactment dealing with labor has gone before the House of Commons which has not first been in conference between the minister of munitions and the representatives of organized labor.56

The delegation's message was music to the ears of social progressives and the AFL, whose leader, Samuel Gompers, was in effect its host. The war economy must be built on a
tripartite corporatist basis, where leaders of the 'responsible' labor movement were included in the councils of state at the highest level, on par with representatives of capital. Policy must develop and be implemented through interest-group bargaining. And, crucially, the necessities of mobilization must not be exploited by reactionary employers to roll back hard-won social protections. ‘[O]ne of the mistakes that we made in the war was to forget the human side. If you are going to have a long war nothing is more fatal than to start to exhaust your men and women at this stage.’ The British Health of Munitions Workers Committee had assembled the best and most authoritative scientific evidence in support of the productivity as well as welfare benefits of shorter hours and other improvements in working conditions. American labor and its social progressive allies must now build on that experience so that the war led to no backward step. It was unanimously resolved ‘That this committee approve a like policy in the United States and urge and endeavor the safeguarding alike the rights of labor and securing the highest efficiency and economy in the production of munitions and supplies.’

Angry at the hijacking of the meeting to make propaganda for collective bargaining and the eight-hour day, employer delegates could do little but complain. As Charles Stillman, president of the American Federation of Teachers, emphasized, ‘[W]e have grown accustomed to looking at England as a Mecca,’ and this was never truer than in 1917-1918. For, if the British present was bright, the future glowed brighter yet. And the industrial millennium was heading westward across the Atlantic. As the deputy head of the Labour Department of the Ministry of Munitions put it,

> We are out to win this war, but we have also got a much wider task than that...[W]e have also, after that, to in some sense reorganize the world. We can only do that...on the lines on which...we have already started. We must get labor and government and capital together. We must get them working together and get them at conferences, and we must create between them a spirit of confidence by which they may work together loyally and without faltering in order to overcome the ravages of war.

Thus war made the British model seem more relevant than ever for social progressives and labor’s friends. It was useful for American mobilization agencies to be able to draw upon an ally's experience, avoiding mistakes and imitating success; it was inspiring to have an ally who demonstrated that a democracy could also be efficient. And it was uplifting to believe that the sacrifice of war would not be in vain, because the British idea of ‘reconstruction’ -- there was already even a Ministry of that name -- promised a better world after the war.
The Whitley Committee, a subcommittee of the Ministry of Reconstruction, had greatest influence on the discourse of U.S. industrial relations. The Committee was tripartite in structure and corporatist in approach, as were its recommendations for the establishment of an integrated system of factory, regional, and industrial councils bringing together workers and their employers. In already-organized industries, these councils would build on existing collective bargaining structures; elsewhere, there would be government sponsorship, organizing employer and union interests until they could manage on their own. Above this system would stand a National Industrial Council; this would also be the principal recommendation of the United States National Industrial Conference called in the spring 1919 in a desperate effort to paper over cracks in the collapsing truce between labor, employers, and the state.

The Whitley scheme is less important for its details -- few of which were ever implemented -- than for its impact on the parallel American debate about the vexed question of how to put some practical meaning into the notion of ‘industrial democracy.’ One option was simply to import bits of the British program. In July 1919, for example, managerial liberal Henry Dennison handed out copies of the Whitley Report to his employees' departmental representatives to give them ideas and models to follow. But such clear, precise, and direct borrowing was rare. Instead, many of Dennison’s fellow employers saw the British example as more relevant than ever before, but still as a threat, not a promise.

When other American employers reacted both to the Whitley scheme and to simultaneous pressures, mediated through the National War Labor Board (NWLB), for some form of representation in industry, they rejected the British example except as a point of departure or of negative reference. They had already constructed their own exceptional labor relations system after 1903 during the first phase of the Open Shop Era; their challenge in this second, critical phase was to resist any pressures for British-style corporatism and industrial democracy. The evolution of the thinking of Julius Cohen, attorney for the New York garment trade employers through the Era of the Protocol, is instructive. Before the war, Cohen had proposed the simple, direct importation of British corporatist schemes to solve labor problems. But by 1919, chastened by experience, Cohen struck a more patriotic note, favoring ‘not a British Plan, or a French Plan, or a Russian Plan, but an American Plan, in harmony with our institutions, our laws, our customs and our outlook generally.’

John D. Rockefeller, Jr, himself, explained what that might mean. In his address before the War and Reconstruction Conference of the U.S. Chamber of Commerce in 1918,
he gave respectful attention to Britain's proposals but endorsed something ‘less comprehensive, and which is constructed from the bottom up’: plant-based, company-initiated employee representation, of the kind the Rockefeller firms had been installing since before the war, and that the NWLB had endorsed as a compromise between labor's demands for recognition and employers' resistance.

Here, then, would seem to be a method of providing representation which is just, which is effective, which is applicable to all employees (sic) whether organized or unorganized, to all employers whether in associations or not, which does not compete or interfere with existing organizations or associations, and which, while developed in a single industrial corporation as a unit, may be expanded to include all corporations in the same industry and ultimately all industries.62

Rockefeller's proposal was 'American' because it built on what already existed, it relied on private, local initiative, and there was no explicit place in it for either the state or organized labor. Thus Rockefeller set an agenda for his class, both in policy and in presentation to a public which required at least the promise of democratic reform.

Rockefeller had pointed a way that other businessmen followed only after undertaking their own intensive examination of the contemporary realities of British industrial relations that rejected the image peddled by British visitors and their American labor-liberal cheerleaders. The British model mattered more to American employers than ever before; understanding it correctly might help them decide how to meet labor’s postwar challenge.

4. 1919: FROM THE BRITISH MODEL TO THE AMERICAN WAY

In 1919, three delegations of American employers travelled around a strike-torn Britain, arguing with one another in print back home about what they observed, and battling to influence a business community that they all claimed to represent, with varying degrees of plausibility. The most important was sent by the National Industrial Conference Board (NICB), a new organization set up in 1916 to coordinate the work of anti-union employers’ associations, to undertake research, propaganda, and strategic thinking on their behalf, and to represent them to the public and government. The crisis of wartime labor relations had made these tasks urgent; the NICB’s status had also been boosted by its role as the nominating body for the employers’ delegation on the War Labor Conference Board and NWLB, and then providing them with support. In September 1917, the NICB became alarmed at the
impact of the message of those dangerous British Ministry of Munitions representatives touring the United States calling for the adoption of a British model of war corporatism and 100 percent unionization. How could they resist it? It had all the apparent authority of an ally’s government behind it. A fact-finding tour of the United Kingdom by American employers, to develop counter-arguments, was suggested, but wartime priorities interfered. But, the idea was not forgotten, and with victory in sight in October 1918, planning for the trip began again – to focus now on problems of reconstruction or, to use the preferred conservative American term, readjustment, with its implications of restoration rather than transformation. Seven months passed before the resulting European Commission – its remit broadened because of the apparently revolutionary mood sweeping all of America’s European allies – could depart.63

While the NICB thought and prepared, others acted. Two investigative commissions arrived in Britain in February 1919, one from the NCF, the other from the U.S. Department of Labor itself. The NCF’s was the less important, despite the fact that its members spent four months in Europe, all but three weeks of them in Britain. The NCF was by this time a shadow of its former self, fanatically dedicated to a shrill anti-Communism and support for the AFL’s conservative leaders as bulwarks against radicalism. The delegates were nobodies, their comments rarely interesting though sometimes amusingly chauvinistic, their conclusions about British employers’ acceptance of trade unionism entirely predictable from a conservative corporatist body including AFL representatives. In contrast, the Department of Labor’s Employers’ Industrial Commission represented a far more significant and deliberate challenge to the emerging anti-labor consensus among American businessmen.64

The Employers’ Industrial Commission was a propaganda ploy. Its members were selected by the Department, not appointed by any of the business community’s representative bodies. None were from large firms or from the heavy metal trades; none had NWLB service. They included a small manufacturer of adding machines and an advertising and publishing executive from Chicago, a Connecticut cotton-mill owner, a Massachusetts shoe manufacturer, a New York watch manufacturer, and a southern construction executive. They were either from organized industries or at least from outside the Open Shop movement. They were shepherded around Britain, and to the correct conclusions, by Royal Meeker, Commissioner of Labor Statistics, and B.M. Squires, chair of the board of arbitration of the union-friendly U.S. Shipping Board. Roger Babson, the Department’s chief publicist, explained their purpose and their message:
British industrial experiences have for many years been along the same paths as ours; … it may be assumed from industrial history that the United States will follow somewhat later along similar paths as Great Britain. British employers … are now to a surprising degree united in the belief that disorganization of the employed spells disorder and all its attendant dangers. This view is quite in line with the insistent messages of the United States Department of Labor that employers and employees should 'get together,' and that by 'collective bargaining' labor unrest is allayed.65

These conclusions were clear and convenient, and were backed by ‘facts’ and the signatures of the Department’s hand-picked business team. The friendly relations among government, organized employers, and trade unions, and their shared enthusiasm for Whitleyism, was ‘a revelation’ to these hapless provincials – had they been at all clued up before departure, they would not have been remotely surprised -- and would ‘be a revelation to those at home, disclosing the promise … of constructive cooperative relations which must result in the good of all.’66

Almost all sweetness and light, with scarcely a shadow of doubt, their report was surprising after a two-month visit to a country where vital public services and major industries were closed by mass strikes, and the commission’s labor interlocutors were frank about their radical plans. As one member later reported, ‘They would tell us about the new order of society that they were going to bring about. They were going to abolish private ownership and all that sort of thing; profit was robbery, and so on. We were considerably alarmed.’67 But Meeker, Squires, and Babson did their work so well that the report said what was intended, offering Americans – particularly employers -- reassurance about the future, if only they followed the British model.

Determined to counter this dangerous message, the NICB’s commission finally set out in May. Unlike the Department of Labor’s, it was full of open-shop heavyweights, including William Van Dervoort (president and proprietor of a midwestern engineering firm) and Loyall Osborne (vice-president of Westinghouse), both fresh from fighting the employers' corner on the NWLB; Charles Asbury, vice-president of a mid-size, staunchly anti-union, family-run foundry and machine shop, Enterprise Manufacturing of Philadelphia; and Pemberton Hutchinson, president of the Westmoreland Coal Co., also of Philadelphia, who would be an employer delegate at the President's First Industrial Conference in October 1919 explicitly because of the experience he had gained on the European Commission. Its staffer
was J. Laurence Laughlin, professor emeritus of political economy at the University of Chicago, a dedicated reactionary and a well-informed, effective polemicist.68

The NICB’s aim was to add credibility to its arguments by thorough research, but it rushed out an Interim Report in July to counter any immediate fallout from the Department of Labor report.69 The Commission had the legitimacy that came with its representative status, and an advantage over the earlier visitors because of its excellent contacts with British employer organizations. Its resulting understanding of British realities was much more realistic, balanced, and complex than the Department of Labor’s airbrushed vision. Its message, too, was clear; just 180 degrees different: ‘The forces which … have already brought British industries to such an impasse should not, by our careless passiveness, be permitted to produce the same effects upon our own.’ Britain offered, not a model, but a wake-up call; an awful prospect of what might happen if American employers failed, like their British brethren, to take the responsibilities of power seriously. The employers the NICB met ‘strongly advised’ their American brethren to resist union growth; they admitted that too many of them had been ‘sluggish, thoughtless, unobserving, and selfish’ about taking unilateral action to improve conditions of labor; they were ‘largely responsible, by their lack of prevision, for the existing state of discontent.’70

The NICB’s key recommendation was similar to that of Abram Hewitt and James Bayles over thirty years earlier:

> each employer should regard it as his personal duty to establish direct and cordial relations with his workers. It will not do to drift into a policy of neglect, as have some British employers in the past, which has borne such bitter fruit in the dissatisfaction of the present day. The employer must see to it that no charge can be brought against him of not intelligently looking out for the interests of the rank and file in his establishment….The employer must take the lead; much in the way of leadership is expected of him. He must generally plan to prevent grievances from arising.71

Positive personnel policies were the way to protect America’s union-free environment and also to meet American workers’ expectations. As Boyd Fisher, employment manager at General Motors, told the first national personnel conference that May, ‘To the manufacturers making the world safe for democracy meant to keep what we had -- it meant to preserve the system of private initiative; of voluntary association for business which has made this country great.’ The way to do this was by being progressive, within limits, not reactionary; there was
‘a most disquieting fight … going on’ over the American worker’s demand ‘to have a share in determining the conditions under which he worked and make the rules under which he worked,’ but this was an opportunity as well as a crisis: ‘when you interpret the question at the bottom as to what labor is after, you find it is the same thing that the managers of industry have been after -- a right to express in the fullest extent their industrial initiative.’ Cyrus McCormick, Jr, of International Harvester, agreed: ‘The most outstanding fact in modern industrial relations is the desire of labor to have a voice in the control of those questions which touch its own interest.’ Management, he added, must respond, not only from fear of the political consequences of doing nothing but because it agreed with the principle.72

The NICB remained faithful to the tradition of regarding Britain as a model for the United States. Its report’s ‘major emphasis’ was ‘upon conditions in Great Britain, because the problems there are obviously most analogous to our own.’ Its investigators simply drew different lessons from those of the labor-liberals. A key conclusion was that ‘Collective Bargaining, in the sense of group-bargaining and as contrasted with individual bargaining, can be had without the existence of unions.’ Ironically, the NICB even used the radical syndicalism of the Shop Stewards’ Movement, which seemed to some labor-liberal observers to be such a promising means of self-actualization for workers, to demonstrate the inadequacy of official union structures and support its arguments for plant-based, union-free employee representation like that pioneered by the Rockefeller firms. Such representation would provide ‘an opportunity for employers and their employees to meet on matters of local and mutual concern.’

A means of communication between employers and workers is a practical necessity; matters of mutual interest necessarily arise for common consideration. There must … be machinery for discussion of the many questions sure to develop respecting shop practices, grievances, wages, hours, and the like. Hence the natural development of some body which would represent the workers in conference with the managers regarding affairs in the shops. This need arises even where the employer is dealing directly with his own men without interference from outside influences.73

Other well-placed advisors to American business reached the same conclusion, which distinguished non-union industrial relations in the 1920s from the first phase of the Open Shop Era; that is, the acceptance of the principle of representation, and the formation of ‘company unions’ to implement it in ways some employers could tolerate, and hoped to make useful. In mid-June 1919 Walter Gordon Merritt of the League for Industrial Rights
American employers had found their answer to Whitleyism: their own form of industrial democracy. They would continue to cite British experience in support of this preventive reform, but wholly negatively. J. Laurence Laughlin put their argument most amusingly, writing for a broad middle-class audience in August 1919 – ‘If we should be asked to follow the example of Great Britain in her labor experiments, it would be much as if a person filled with emulation at the success of a menagerie should borrow for his private use a lion which would be certain to eat him up.’ Herbert Rice, Treasurer of General Motors, who had been an employer member of the NWLB, agreed: ‘I, for one, don’t want to see the English system introduced in this country. England’s industrial success can hardly be held up to us for emulation. . . . Conditions are absolutely different.’

Rice explained how different in support of the Joint Conference Plan of Industrial Democracy that he and unnamed associates (later to become known as the Special Conference Committee) developed: one which ‘assures unity of interest and co-operation on the part of all directly concerned’ without the ‘distinctly unAmerican’ enforcement of unionization that he said Whitleyism required. It would be flexible, adaptable to America’s great variety of industrial conditions, simple, direct, and free of government supervision. It would only include ‘representatives who are employees themselves, and hence…vitally interested in the company’s success.’ It would build on already established institutions – the Rockefeller plan and its imitators, including the employee representation schemes devised by
the NWLB. And it would suit a country 'where the status of the workingman is not fixed and where unlimited advancement is open to him according to his ability.'

The American workman apparently doesn't care to be unionized. If he did, anything the manufacturer did to try to keep him out of the unions would be of no avail. He likes the independence and he doesn't join readily. He is willing to co-operate, yes, but he prefers to stand on his own feet. He likes the idea of being paid by premium or piece work and bonus systems and getting paid according to his production. He doesn't want to get on a dead level classification. In England things are certainly different.76

At every point Rice, speaking for the SCC, used the incomparability of British and American conditions as a way of specifying what American employers should do. In the above address to the National Association of Employment Managers, he presented a program for business -- not simply in devising plans to deal with the labor relations crisis company by company, but in confronting, head on, the last feeble challenge from a disintegrating Wilson Administration to the restoration of a union-free environment.

* * *

In October 1919, an Industrial Conference met in Washington, with labor, business, and 'public' representatives (ironically including Rockefeller), called by President Wilson to patch together an industrial truce while the Great Steel Strike was raging -- hardly an auspicious time. The task was hopeless from the start. American employers knew by then exactly what they wanted, and there was no effective pressure on them to settle for anything less. As their group spokesman said, they 'came to the conference with a program of industrial relations' drafted by the NICB in which Merritt's was the central principle: 'The establishment as a productive unit' was its basis.77 A voluntarist, decentralized, and implicitly union-free industrial relations system was all they would accept. Cleverly, they bent labor's appeal for a practical right for American workers to join a union of their own choosing, and have it recognized by their employers, into their old spectre of state-enforced compulsory unionization, choosing the grounds on which to resist confident that the judiciary and most of the middle-class public would join them there.

In vain, labor's spokesmen appealed to British precedent, and called for union recognition as the best way of managing workers' discontent. Frank Morrison, AFL Secretary-Treasurer, cited the 'evidence' of the Department of Labor's commission to focus
on the central issue on which the Conference would break down: should employers be required to recognize their workers’ independent unions as the exclusive channel of representation and communication? ‘[E]mployers in Great Britain generally recognize the desirability of bargaining collectively with labor. [They] nearly all agree that collective bargaining should always be undertaken between associations of employers under (sic) regularly established and recognized trade-unions.’ In Britain’s Whitley-style joint councils ‘employers are required to deal with men or groups of men not in their employ and not chosen from among their employees.’ Leaving aside whether what he said was true, it cut absolutely no ice. As the best metaphor in the NCF Commission’s report emphasized, there was no longer any reason to believe ‘that medicine good for the bull is good for the eagle.’

The Conference foundered when the employer delegation insisted on the Open Shop, with company unionism established alongside of independent unionism as an equally legitimate -- and their preferred -- means of employee representation if managers and workers in individual establishments wanted it. American employers had made up their minds, which they expressed in a language of confident exceptionalism. As NICB chairman Frederick Fish, former president of AT&T, put it, the ‘open’ or ‘American shop’ was ‘an American institution of the highest character,’ and was thus ‘the only institution … which we really can … support, as American citizens.’ Homer Ferguson of Newport News Shipbuilding, speaking for the Chamber of Commerce section of a united employer delegation, emphasized that ‘to establish a condition, whether it is established in England, in Sweden, or any other place, whereby a man may not work freely without coercion, without being interfered with, is to establish an un-American condition, and is to set up a power that, in course of time, will involve us in the troubles of old countries and by that power even we may lose our representative system of government.’

The conference collapsed, the steel strike was fought to a brutal but victorious finish, and the American Plan was launched. A fifty-year period when Americans of different class backgrounds and political persuasions had thought they could learn from Britain’s industrial experience ended because American employers – who had studied it closely, and learned their own lessons – had constructed their own system which was so ‘exceptional’ that comparisons were no longer either necessary, possible, or useful.

* * *
This article’s conclusion must display a proper modesty. American employers did not build the Open Shop order in the early 1900s, and then defend and strengthen it after the First World War, because of their interpretation of the British model. They had all the resources they needed close to hand, more than sufficient power, and a uniquely favourable environment. Instead, the argument must be that the non-union, employer-controlled, relatively state-free industrial relations system – the key element in ‘American Exceptionalism’ – was a project to be worked for, not a fact to be taken for granted. The labor problem was bitterly contested terrain for three generations of Americans, and employer participants in this long debate, just as much as their labor-liberal adversaries, do not seem to have spoken or acted as if the outcome was foreordained, or as if other nations’ experience had nothing to teach them. Americans, particularly those of a liberal-labor persuasion, continued to peer into the future of their own industrial relations system with the aid of a distorted British mirror years after America was institutionally and ideologically exceptional that, logically, nobody else’s experience could be very useful model. This article has demonstrated that American employers too looked across the Atlantic; but, increasingly, what they found there was a future to avoid, and important lessons about what not to do.
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NOTES


2 Kaufman, *Global Evolution of Industrial Relations*, esp. Ch. 1, is a useful recent guide to the emergence of shared and distinctive Anglo-American understandings of the 'labor problem'.


7 ‘Lectures of the Season,’ *New York Times* 10 Nov. 1870, p. 2; ‘Mr. Mundella on Capital and Labour.’


9 According to Perlman, *Labor Union Theories in America*, pp. 4-5.


12 Boller, *American Thought in Transition*, Ch. 9 [title].


14 Perlman, *Labor Union Theories in America*, pp. 145-6, 160-2; Commons, *Myself*, p. 71; Towne, ‘President's Address, 1889,’ pp. 57-8 [quote].
15 Searle, *Quest for National Efficiency*; Myers, *Mind and Work*, pp. 126-7. In the sections of the *Final Report* of the U.S. Industrial Commission, 1900-1902, dealing with labor organization and state regulation of working conditions, Great Britain was usually the explicit comparator or model, as well as the key U.S. competitor—see Vol. XIX, pp. 723-946 passim. Wunderlin, *Visions of a New Industrial Order*, is the most thorough treatment of the Industrial Commission's experts and their work.


18 Hewitt, ‘Mutual Relations of Capital and Labor’ esp. pp. 281-2, 290 -- Hewitt was so impressed by the importance of the issue that he paid for the printing and free distribution of 250,000 copies of this address -- and ‘American Worker under High Tariffs’ esp. pp. 234-6, 240-42, 244-5; Weeks, *Labor Differences and Their Settlement*.


23 Martellone, ‘In the Name of Anglo-Saxondom, for Empire and for Democracy,’ pp. 83-96. See also Strout, *American Image of the Old World*, Ch. 8 ‘The Old Sweet Anglo-Saxon Spell.’

24 Russett, *Community and Contention*, p. 131. See also Chs. 6 and 8.

25 Commons, *Myself*, pp. 72-3; Leiserson, ‘Constitutional Government,’ p. 66. Leiserson, however, looked toward a more American future, with his notion of ‘industrial jurisprudence’ (p. 65) and his analogy of the arbitrator, ‘the highest interpreting authority’ under a trade agreement, as being like the United States Supreme Court (p. 66).


27 Wright, ‘Trade Boards of Conciliation and Arbitration Abroad,’ gives the best statement of this position, but should be read alongside his associate Low’s ‘Labor Unions and British Industry.’

distinctive American realities – employers’ strength and anti-union hostility, federalism and a powerful conservative judiciary – meant that the British example needed to be adapted to local conditions. America would require a firm framework of statutory rights; voluntarism would not suffice. The draftsmen of the Wagner Act would agree.


30 Rodgers, *Atlantic Crossings*, Ch. 7, 'War Collectivism.'


32 Bayles, *Shop Council*. Not explicitly anti-union, Bayles just wanted, like many a reformist American employer, a system in which they would have no place.


37 Ibid., pp. 488-9. Hewitt’s most outspoken anti-labor comments came in the last year of his life, during the great Anthracite Strike of 1902, though according to his adulatory biographer Allan Nevins ‘his liberalism never really flagged’ – *Abram S. Hewitt*, pp. 594-6 [quote]. But Hewitt’s kind of liberalism was perfectly compatible with anti-unionism.


Ibid., pp. 495-6. ‘Mutual Relations of Capital and Labor,’ esp. pp. 285-6 – delivered to a church congress, not a meeting of his fellow employers – is the clearest exposition of the millenarian vision guiding this Christian Democrat’s path toward his capitalist utopia.


This is one of the clearest and least problematic conclusions of Lambert’s ‘If the Workers Took a Notion’, Chs. 3-4.

Gitelman, ‘Being of Two Minds.’

Taylor, ‘Industrial Troubles in America,’ p. 34.


Pratt, Trade Unionism and British Industry, pp. 5 [Murray], 13.

Schwab in NCF, Industrial Conciliation, pp. 33-34.

Wells, Future in America; Stead, Americanization of the World; Denning, Scientific Factory Management, p. 8; Dibblee, ‘Printing Trades and the Crisis in British Industry,’ pp. 291, 296.

Jeans, American Industrial Conditions and Competition, p. 8.

U.S. Commissioner of Labor, Regulation and Restriction of Output -- see Carroll Wright's Letter of Transmittal, p. 9, and part II, passim--quotes from pp. 787, 860-1, 799. On Schwab's interest in this investigation, see Commons, Myself, pp. 92-3; for its American findings, Furner, ‘Knowing Capitalism,’ pp. 259-61.

Cf. The Iron Age's accurate comment in 1905 on the impending parliamentary reversal of the 1901 Taff Vale judgement which, by exposing unions to financial liability even for an unauthorized strike, had unpicked the 1875 Conspiracy and Protection of Property Act's 'golden formula' protecting British labor relations from judicial intervention -- ‘A British law
such as that proposed would be an ugly precedent to be quoted on this side of the ocean.’  
[‘The English Trade Disputes Bill May Pass,’ Iron Age 75:15 (13 Apr. 1905): 1245].

54 Rapson, Britons View America, p. 6.

55 See e.g. Merchants' Association of New York, Readjustment and Operation of Industry in England Since 1914. This version of a record of improvisation and compromise was thoroughly critiqued in the magazine American Industry in War Time, which pointed out that compulsion, or the real threat of it, as well as concession, had played a vital role in getting British labor to cooperate -- ‘Creating an American 'Bolshevikii',' 3:4 (Jan. 1918): 11; ‘Creating an Industrial 'Frankenstein,'” 5:3 (25 June 1918): 3-5. The journal's editorial line, with which its employer readers probably agreed, was that the Wilson administration had got the mix of concession and compulsion badly wrong.

56 Babson, W.B. Wilson and the Department of Labor, esp. pp. 222-3; British Labor's War Message to America, pp. 21 [Bowerman], 28-9 [Garrod].


58 British Labor's War Message, pp. 85 [Ullman], 70 [Patterson], 89 [Stillman], 29 [Garrod].

59 U.S. Congress, Senate, British Industrial Experience During the War; Gray, War Time Control of Industry, esp. pp. 303-4; Knoeppel, ‘Importance of the Human Factor in Industrial Preparedness,’ pp. 7-8; Knoeppel, ‘Organizing Industry for Economic Production,’ p. 29. For ‘reconstruction,’ see also Rodgers, Atlantic Crossings, pp. 296-301 esp.

60 Meine, Introduction and Development of the Works Committee in the Dennison Manufacturing Company, esp. pp. 185-6, 191.


62 Rockefeller, Representation in Industry, pp. 20, 24-5.


Ibid., pp. 14, 11.

Felt, Radicalism in Great Britain, p. 3.

NICB Executive Committee Minutes, 28th Meeting, 26 Sept. 1919, p. 4.

NICB Executive Committee Minutes, 25th Meeting, 7 June 1919, p. 3.


Ibid., pp. 33-4.

In National Association of Employment Managers, Proceedings of the First Annual Convention, p. 61; McCormick’s address, ‘Employee Representation,’ is at pp. 135-9 [quotes from p. 136].

NICB, Problems of Labor and Industry in Great Britain, France and Italy, pp. v, 4, 80, 138.

For the evolution of Merritt’s ideas, see Ernst, Lawyers Against Labor, Ch. 11 esp. pp. 232-4, 287; for the quote, Factory Solidarity or Class Solidarity, pp. 57-8.


Rice, ‘Horizontal and Vertical Lines,’ pp. 139-43 at pp. 141-2.


Ibid., pp. 115, 145; NCF, Labor Situation in Great Britain and France, p. 211.