

Paternalism at Lukens, 1825-86

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Paternalism is one of those emotionally overladen words that escapes easy definition. The principal reason for this difficulty is that the definition of the word often tends to reveal the age, temperament, and ideology of the person making it and the date he makes his definition.

Nonetheless, an effort at definition must be made, and herewith I reveal my own bias.

Broadly, paternalism is a bundle of practices and attitudes adopted by some employers in order to assure themselves the control of an adequate supply of labor. It is a labor strategy based upon persuasion. Paternalism shuns the coercion of slavery and the adversary bargaining that is a part of dealing with both casual and organized labor. The practice of paternalism represents an attempt to convince the target labor force that the employer is genuinely concerned with the fundamental security and well-being of the employees.

Security and well-being, however, can be variously defined and one person's notion of what is tolerable, secure, and decent might differ from the apprehension of another over this vital matter. Inevitably, then, the practices of paternalistic enterprises vary widely. Paternalism in one place might consist of the benign efforts of people of deep social or religious conscience bent on discharging their responsibilities to their workforce. On the other hand, paternalism could consist of practices that can only be described as manipulative and oppressive. Further, the paternal practices of any given enterprise could change over time. This latter possibility was the case at the Lukens rolling mill during the 19th century.¹

The origins of the Lukens rolling mill can be traced back to 1810 when Isaac Pennock converted a sawmill into a rolling mill along Brandywine creek in what is now Coatesville, Pennsylvania. The business was family-owned throughout the 19th century. Pennock's son-in-law, Dr. Charles Lukens, ran the business until his death in 1825. Following that his remarkable widow, Rebecca Lukens, directed the business until her retirement in 1847. After her withdrawal, the active management of the firm fell to

the hands of her sons-in-law, Abraham Gibbons and Dr. Charles Huston. Gibbons took to banking after 1854 leaving the business to Huston. Huston's two sons joined him as partners in the late 1870s and those three men ran the business to the end of the century.

It was a family of Quakers, and their surviving diaries, letters, and recollections show them to have taken their God's implacable judgments and their own inescapable duties very seriously. Given this, it comes as no surprise to find that these people were quite active in a wide variety of high-principled causes and public and private charities. Thus, we find that Rebecca Lukens would roll no iron for military use and that the family helped smuggle a runaway slave northward. Rebecca Lukens also helped her brother-in-law financially so that he could do good works among the surviving Indians of Pennsylvania. Later causes embraced included temperance, and the systematic support of higher education. Through many of the diaries and letters there runs the refrain of a lacerating sense of self-doubt and the bleak realization that much is expected of oneself and the family. Duty was a daily inescapable reality to these people.²

The physical plant was improved and expanded several times by the familial partners during the 19th century. Until 1892 it remained simply a rolling mill, specializing in plate.

The tight focus of effort of the business and the orderly succession of its partners made Lukens a model of evolutionary stability.

The work force at Lukens was nearly as familial in its recruitment as the owners themselves. Up to the Civil War, the number of men employed ranged between 12 and 17. With the coming of the war and increased production, Lukens enlarged its work force to 37. This number decreased to about 20 after the war and remained at that level until Lukens opened its new steam-powered mill in 1870. Through the 19th century the payrolls show the surnames of many families continuing from one generation to the next. Sons and nephews followed fathers and uncles to work for the Lukenses and Hustons.³ Up to 1870, for management and labor alike, it was very much a small family affair, and the owners sought to keep it that way. The paternal concern of the firm for its handful of employees was rewarded by 60 years of tranquil labor relations.

The owners had worked deliberately and hard for that 60 years of tranquility. To that end they offered their hands certain direct financial inducements, fringe benefits, and other small mercies.

The firm's sense of responsibility to its workers is best illustrated by a determination to provide steady work for the men. In the early period up to the 1840s it was quite common to find that the hands were employed at outside jobs if the mill was

standing idle. Typically it was Rebecca Lukens's farm that provided work when the mill was down. Later, in the 1850s, the mill was run at cost or less to enable the men to maintain themselves and their families [4].

There were other inducements also. From early on, Lukens provided rental housing at favorable rates for some of its employees. Typically rents were no more than 10 percent of a workman's wages. Up to 1870, the journals of the firm show that the hands were allowed to overdraw their pay accounts from time to time. The men were released from the mill when the heat of summer combined with the heat of the furnaces to make work intolerable.

There were accommodations made for the men as random circumstance required. By way of example, during the Civil War the owners worked for the deferments of several men and established a bounty money fund for their protection [13]. The dependent wife and children of one ex-Lukens sailor were financially aided when the government failed to send the woman her allotment. Finally the occasional drunken spree was tolerated, as on 5 July 1865 when Charles Huston showed up for work only to find that his men had not. He observed with a fine philosophical resignation that his men "had too much of the fourth" [9].

All this is not to say that Huston's inclination to tolerance and mercy was without limit. Labor was not allowed to challenge the prerogatives and authority of the owners. Thus, Charles Huston along with other mill operators in the area blacklisted any man who was "troublesome" or who attempted to take his skill from one mill to another. The local mills also collaborated closely on setting wage rates and so avoided the nuisance of a competitive labor market.

There is no evidence that the workmen found any of these constraints unacceptable, much less intolerable. There is, on the other hand, some evidence that suggests that the men found Lukens a good place to work. First, labor turnover was low. In early 1870, about half of the men employed had more than 10 years service at Lukens and a quarter of the men had been employed there for more than 25 years. Only five men had less than five years on the job. Those men were under no financial obligation to the firm; the books show no hint of debt bondage.⁴ Second, the censuses of 1850 and 1860 show that several of the men named their children after the owners or their wives. There were two Rebeccas, two Charleses, one Abraham, and one Isabella. Finally, on one occasion some workmen literally went the last mile with their employers. Charles Lukens was attended by two of his men as he lay on his deathbed in 1825 [7].

These demonstrations of mutual loyalty, respect, and tolerance set the tenor of employer-employee relations up to 1870. Consequently, the system of paternalism practiced at Lukens must be

considered a success, due in part to the practices already cited and also due in part to the fact that the labor force was small and was in constant, unavoidable daily contact with the owners. This compelled both master and hand to establish a measure of personal rapport with one another.

The introduction of steam technology and the expansion of the mill's capacity in late 1870 drastically altered the level of business at Lukens. The new mill had three times the capacity of the old one, up to 4,500 tons of plate annually, and required the labor of 120 men to run it.

There also were obvious changes in the instruments of paternalism. In 1870 the Wawasset Beneficent Society was established. It paid out money for sickness and funerals. All dues were paid in by the workmen while management collected and administered the funds and provided the men a quarterly record of the account for their examination. In the early 1880s a cooperative store was established. The company provided the structure and bookkeeping talent while the men received the profits. It is not clear whether the owners or men initiated the idea of the beneficent society and the cooperative store. The way the society was administered suggests that it was a company initiative. But, regardless of who started them, both devices represented a step toward self-help and, by accident or design, the men were being made a little more independent.⁵

There also were other more subtle changes after 1870. The names, time, and wages of each of the workmen disappear from the books of the firm to be lumped into a single account marked wages. Another tradition perished at the same time. The same books show that there were no more petty loans given the men against wages, nor did the firm keep undrawn wages in an account for the men against the time they wanted their money. Clearly, these new instruments and accounting techniques put a formal perceptible distance between owners and operators.

This is not to say that all was changed. There were certain durable paternal continuities that remained intact. Company housing was still available and at favorable rates. Indeed, as times got tough in the 1880s rents were reduced 15 percent due to the "very hard times" [6]. The mill ran at or below cost several times in 1883, 1884, and 1885. In July 1885 Charles Huston wrote that "our whole effort is to give work for the men and their families" [15]. Complementing this practice, in the fall of 1874 and the winter of 1883 Lukens refused to reduce wages in the face of hard times even though other manufacturers suggested action in concert to compel it. In the first case Huston noted "the men's weekly pay is small" and 10 years later he dismissed the plea, simply observing "it would not do to make a further reduction..." [12]. Huston also gave other aid to the men in hard times. In 1875 he purchased and had groceries delivered from Philadelphia

at the request of his men who believed Philadelphia prices were better than local stores could provide. The men paid Huston when the goods arrived in Coatesville [10]. Later in 1885 Huston bought heating coal in bulk for himself and his men to be distributed at cost.

Other practices continued. Men were released from work when the mill got too hot and the odd holiday and picnic was granted from time to time. The company still practiced blacklisting. To all outward appearances, the system of paternalism, a combination of old practices and new, continued to work at Lukens.

However, there were certain unsettling straws in the wind. In 1881 Huston began to sound vexed and impatient with his men. To agents he wrote that the men were "restive," and "are as fickle as they can be," and finally that "restive workmen are asking for holidays and higher wages" [14]. Amiability and tolerance were clearly wearing thin. The whole iron industry was tense and skittish in the 1880s. Thus, the correspondence fairly buzzes with talk of the Pittsburgh strikes of 1882 and 1883. More unsettling, one of the Coatesville mills had a brief strike in 1883 and two mills in Coatesville were struck in the spring of 1886.

Everyone seemed fretful, and Mrs. Charles Huston had some advice for her son. On 15 January 1882 she wrote

Well in this time of difficulty with labor and the growing distance and antagonism (so to speak) between capital and labor, a good deal of pains ought to be taken to establish cordial relationships with the more reasonable workmen, as well from policy as because there is a great field where influence for good can be exerted.

Continuing this letter, she gave her son a stern call to duty and a warning that "From thy greater advantages much is expected of thee by Him, who is no respecter of persons but in whose eyes the rich and poor are alike sinners and undone..." [8].

It is interesting to note that she recognized the reality of an adversary relationship between labor and capital in general and the possibility of such a conflict at Lukens in particular. Indeed, by writing off the "less reasonable men" she helped make her fears a certainty. The beginning of a "we-they" comprehension of things had entered into the calculus of labor-management relations at Lukens.

That letter, part lamentation, part hardnosed business advice, and part beseeching prayer is a nearly perfect mirror of the owners' distracted perception of changing times and their own unchanging principles.

Though the 1880s were difficult, Lukens had no overt labor trouble until the fall of 1886. The workforce was stable and apparently obedient and it had remained tranquil in the face of a

spate of strikes, some of them very close to home. The managers thought that their men would not strike them, even though the other Coatesville mills were struck for the second time in 1886.

Huston and his sons were to be disappointed. Their men joined with the men of the other three Coatesville mills in late October and struck for a 10 percent wage increase. The men had seen their wages fall three times since 1883, representing a wage cut overall of 29 percent. Wages had been advanced by 10 percent in the spring of 1886, but the plate market was up sharply with both prices and production advancing nicely. Profits for Lukens were up and the men wanted their share [16].

The strike was the clearest demonstration that the men had weighed Huston's care for their welfare and had found it wanting. Their outburst shocked and wounded the owners, who saw themselves as decent people set upon by ingrates and fools.

Even so, Huston did not react precipitously; workers continued to live in his houses for two months while they struck him. But once he measured their determination to stick it out he moved decisively [5]. On 1 January 1887 he moved them out of his houses, discharged them all, and quite literally turned his back on them by going to Europe with his wife and daughters. It was the act of an Old Testament patriarch.

Huston felt compelled to take that harsh action, since he believed that the strike was a fundamental challenge to his authority to control the business. His fears were clearly put when he wrote to an agent in November that:

You cannot realize the situation as we do, nor comprehend how fully we would be surrendering ourselves into the control of our workmen by yielding at present. It is not the question of a slight advance in wages merely, but there is a principle at stake which is of far more importance. [11]

Given this logic the owners dug in and simply outwaited their men. It took three months, but by February 1887 the plant was running and the men were back at their old rates. The owners of the mill wanted to believe that the old paternal system was valid and there was no significant change in the relationship between labor and management.

They were wrong. There were changes, especially since 1870, that had significantly altered the scheme of things. Instead of a small group of long-term employees well known by the owners, the firm by the 1880s employed over 120 men. This expansion, coupled with the institutionalized paternal devices like the Wawassett Beneficent Society and the cooperative store, both run on a businesslike basis, were symptomatic of the passing of the kind of personal attention and care which was the hallmark of the old relations between the men and their masters. Lukens was not a "family" any longer and the persuasive power of

paternalism was found to be ineffective against the claims made by the workers who insisted that they were the proper people to measure their wants and the means to secure them.

NOTES

1. The identity and early history of the firm are nicely surveyed in a commemorative issue of *Iron Age* [18].

2. The family's proclivity to good works and its obsession with duty may be found in Clara Huston Miller's *Reminiscences* [19] and Isabella Huston's *Autumn Leaves* [17]. Rebecca Lukens's diaries are held by the West Chester Historical Society and reveal her to be possessed of a lively sense of social responsibility. Finally a collection of personal correspondences of the family show that this inclination continued from one generation to the next. These letters are held at Eleutherian Mills Historical Library as Accession 50 plus #9.

3. This assertion is verified by the perusal of the journals and daybooks of [3]. A list of the names of the employees in 1840, 1850, 1860, and 1870 shows that half of the men at the mill shared surnames with at least one other worker employed there.

4. [2]. No generalization about debt bondage is possible after 1870 as the individual worker's name disappears.

5. This is a bit of a mystery. No bylaws are extant and the existence of the beneficent society is revealed only by the quarterly reckonings given the men. Typically such reckonings show up in the letterpress copybooks on the first of every January, April, July, and October after 1870.

REFERENCES

1. Accession 50 plus #9, Eleutherian Mills Historical Library.
2. _____, Daybooks and Journals, 1842 to 1870 passim.
3. _____, the Lukens Collection.
4. _____, Outgoing correspondence late fall 1857 to spring of 1859 passim.
5. _____, Outgoing letter to P. Costello, 5 January 1887.
6. _____, Outgoing letter to A. Gibbons, 20 January 1885.
7. _____, Letter of Isabella Huston to C. L. Huston.
8. _____, Letter of Isabella Huston to C. L. Huston, 15 January 1882.
9. _____, Outgoing letter to Kemble and Warner, 5 July 1865.

10. _____, Outgoing letter to John Parkes, 27 April 1875.
11. _____, Outgoing letter to Lindsay Parvin and Company, 24 November 1886.
12. _____, Outgoing letters, Seidel and Hastings, 25 September 1874 and Pennsylvania Iron Company, 27 December 1883.
13. _____, Outgoing letter to Gideon Wells, 25 October 1862. Also No. 24 ledger entry dated 18 February 1865.
14. _____, Outgoing letters, J. B. Wilson, 23 May 1881; Thomas Robertson, 28 September 1881; and J. Matthews, 3 October 1881.
15. _____, Outgoing letter to John Wilson, 9 July 1885.
16. *Chester Valley Union*, 23 November 1886.
17. Isabella Huston, *Autumn Leaves* (Philadelphia, 1873).
18. *Iron Age*, Vol. 126, No. 1 (1962).
19. Clara Huston Miller, *Reminiscences* (London, 1929).