



STEVEN MICHAEL STRONG

**Why US Financial Workers are Unorganized: the 19th century
origin of a current problem**

**Porque os trabalhadores do setor financeiro dos EUA
não são sindicalizados? Um problema atual com raízes
no século 19**

**Campinas
2014**



UNIVERSIDADE ESTADUAL DE CAMPINAS
INSTITUTO DE ECONOMIA

STEVEN MICHAEL STRONG

**Why US Financial Workers are Unorganized: The 19th
century origins of a current problem**

**Por que os trabalhadores do setor financeiro dos EUA não
são sindicalizados? Um problema atual com raízes no
século 19**

Prof. Dr. Carlos Salas Paez – Orientador

Dissertação de Mestrado apresentada ao Programa de Pós-Graduação em Desenvolvimento Econômico, área de concentração: Economia Social e do Trabalho do Instituto de Economia da Universidade Estadual de Campinas para obtenção do título de Mestre em Desenvolvimento Econômico, área de concentração: Economia Social e do Trabalho.

Master's dissertation submitted to the Institute of Economics of University of Campinas in order to obtain the Master's degree in Economic Development in the Social Economy and Labour Area.

ESTE EXEMPLAR CORRESPONDE À VERSÃO FINAL
DA DISSERTAÇÃO DEFENDIDA PELO ALUNO STEVEN
MICHAEL STRONG E ORIENTADA PELO PROF. DR.
CARLOS SALAS PAEZ.

Orientador

A handwritten signature in blue ink, appearing to read 'C. Paez', is written over a horizontal line.

CAMPINAS
2014

Ficha catalográfica
Universidade Estadual de Campinas
Biblioteca do Instituto de Economia
Maria Teodora Buoro Albertini - CRB 8/2142

St89w Strong, Steven Michael, 1981-
Why US financial workers are unorganized : the 19th century origins of a current problem / Steven Michael Strong. – Campinas, SP : [s.n.], 2014.

Orientador: Carlos Salas Páez.
Dissertação (mestrado) – Universidade Estadual de Campinas, Instituto de Economia.

1. Bancos - Estados Unidos. 2. Bancários - Estados Unidos - História. 3. Sindicatos bancários - Estados Unidos. I. Salas Páez, Carlos, 1951-. II. Universidade Estadual de Campinas. Instituto de Economia. III. Título.

Informações para Biblioteca Digital

Título em outro idioma: Por que os trabalhadores do setor financeiro dos EUA não são sindicalizados : um problema atual com raízes no século 19

Palavras-chave em inglês:

Banks and banking - United States
Banks and banking - Employees - United States - History
Trade-Union banks - United States

Área de concentração: Economia Social e do Trabalho

Titulação: Mestre em Desenvolvimento Econômico

Banca examinadora:

Carlos Salas Páez [Orientador]
Anselmo Luis dos Santos
Robert Sean Purdy

Data de defesa: 11-07-2014

Programa de Pós-Graduação: Desenvolvimento Econômico



DISSERTAÇÃO DE MESTRADO

STEVEN MICHAEL STRONG

**Why US Financial Workers are Unorganized: The 19th
century origin of a current problem**

**Por que os trabalhadores do setor financeiro dos EUA não
são sindicalizados? Um problema atual com raízes no
século 19**

Defendida em 11/07/ 2014

COMISSÃO JULGADORA

Prof. Dr. CARLOS SALAS PAEZ
Instituto de Economia / UNICAMP

A handwritten signature in blue ink, appearing to read "C. Salas Paez", is positioned above the printed name.

Prof. Dr. ANSELMO LUIS DOS SANTOS
Instituto de Economia / UNICAMP

A handwritten signature in blue ink, appearing to read "Anselmo Luis dos Santos", is positioned above the printed name.

Prof. Dr. ROBERT SEAN PURDY
Universidade de São Paulo / USP

A handwritten signature in blue ink, appearing to read "Robert Sean Purdy", is positioned above the printed name.

Acknowledgements

A special thanks to Professor Maria Alejandra Caporale Madi, whose research experience with CONTRAF led her to suggest this topic for me. Also inspiring me to take on the challenge of an understudied topic was CONTRAF itself, and the bank workers' unions in Sao Paulo and Campinas. They invited me to many events, and provided me the opportunity to shadow staff and join union actions. Multiple leaders and staff from these unions, and particularly SP union director Rita Berlofa, were essential for the initial impulse of this work. I also was fortunate to find upon my arrival to UNICAMP two students, Ana Paula Colombi and Jo Portillo, who were bank workers and provided useful discussion to help motivate me to take on this challenge.

I appreciate the Global Labour University program and the 14 months of funding from the Friedrich Ebert Foundation, whose support was essential to my participation in this program. My co-workers from the hotels in Los Angeles and the worker leaders from my union UNITE HERE Local 11 both enabled me to attend this program, and provided me with years of organizing experiences to draw upon in thinking about labor history and organizing. Jana Silverman from the Solidarity Center and UNITE HERE Local 75 gave me the opportunity to pursue my original master's dissertation proposal on hotel workers in Brazil, who are overlooked in the same way US trade unionists miss the importance of financial sector workers to the US's economy and working class. Being able to complete my original goal made me more enthusiastic to take on an additional project. The CWA and Amalgamated Bank provided me the opportunity to visit a bank and improve my understanding of bank operations.

A special thanks to Professor Mark Naison, an old mentor whose many discussions, reviews, and recommendations in the early stages of this text were essential, and whose enthusiasm for the subject encouraged me to overcome frustrating moments in its conception. Plínio Sampaio Arruda Jr. also advised me in the initial stages, and provided useful feedback by participating in my qualification. Completion would not have been possible without the valuable contributions of the UNICAMP Instituto de Economia professors in GLU and CESIT. CESIT professors have provided not only academic support, but along with Jacqueline Souen and other CESIT staff, provide an incredible service in welcoming and supporting foreign students adjusting to life in Brazil. I especially thank my adviser Professor Carlos Salas, and my committee: Professors Anselmo Luis dos Santos, Sean Purdy (USP), José Daré Klein, and Angela Maria Carneiro Araújo.

Thank you to Mary and Doug from the EPI in Washington, DC for hosting me and enabling me to do interviews with union staff on current thinking around bank worker organizing possibilities. The union staff and leadership from the AFL-CIO, Change to Win, SEIU, CWA, AFSCME, UNITE HERE and UNI all took the time to speak with me.

Lucy Lewis, Greg Kenefick, Zane Farr, and Professors John Holmes, Jack Fiorito, Gregor Gall, Richard Sylla, Stephanie Luce, Ileen Devault, and Ivan Hou provided useful correspondence. Fordham University archivists Patrice and Viviane were kind and helpful, and even fed me on occasion while I examined the Xavier Labor School archives. Rebecca Carlson closely proofread my final draft, providing useful corrections and feedback.

I am grateful to count on the love and support of my family. I have much gratitude for my friends from around the world in the GLU program, for those in the US from the student and union movement, and for those who have long or recently supported me: Jay, Peter, Cidinha, João & Celeste, Lu, Bia, Erika, Rebecca & family, Behrman, Iuri, Igor, Daphane, Flavia, Andre, Julio, Bia M, Ju, Princesa Dolly e Rep Sem Saida, Cinthia, Dona Elsa, Dag and many others. And special thanks to Camila, whose patience I repeatedly tested, but who in the end always gave loving support.

Finally, I would like to thank the Brazilian people for their support of public institutions, for without such funding and the services of the education, healthcare, transportation, food service, and janitorial workers, this research would have been impossible.

Resumo

Trabalhadores do setor financeiro dos EUA apresentam a menor taxa de sindicalização em comparação aos trabalhadores de outras indústrias, e estão entre os menos organizados do mundo. À luz da recente crise econômica, o movimento operário dos EUA, junto com os sindicatos internacionais, tem tido grande interesse em reverter as sombrias taxas de sindicalização, devido à importância destes trabalhadores, que estão dentro de um mercado financeiro globalizado altamente dominado por empresas norte-americanas. O atual desafio em organizar estes trabalhadores está enraizado em uma história profunda de evasão, ignorância, desorientação, repressão, e derrotas para os interesses do sindicalismo dos trabalhadores de escritórios. Este trabalho explora as primeiras raízes dos obstáculos atuais que os trabalhadores do setor financeiro enfrentam na tentativa de se sindicalizar, examinando a resistência popular à formação do Setor Financeiro dos EUA no século 19. Uma visão geral do desenvolvimento inicial do setor financeiro, de suas respostas políticas e da organização do trabalho é fornecida, incluindo informações específicas sobre os trabalhadores do setor financeiro, quando disponíveis. O aumento da feminização do trabalho de colarinho branco após a Guerra Civil dos EUA também é explorado. Os fatores chave que contribuem para as baixas taxas de sindicalização incluem o impacto da liderança sindical influenciada pelo populismo, o que contribuiu para as reformas que promovem uma estrutura financeira descentralizada, a exclusão dos trabalhadores de escritório, a feminização da força de trabalho de escritórios, as atitudes das lideranças sindicais em relação às mulheres e trabalhadores de escritório, e a falta de um partido trabalhista nos EUA, tudo isso combinado com a repressão do governo contra os comunistas que pretendiam organizar o setor. Na conclusão, são apresentadas sugestões para a continuação da pesquisa sobre o porquê de os EUA não possuírem um sindicato dos trabalhadores do setor financeiro.

Palavras-chaves

EUA Setor Financeiro História – Movimento Trabalho dos EUA História – Sindicatos Banco trabalhador – sindicatos do setor financeiro – Escriturário Trabalhadores – Feminização

Abstract

Financial sector workers in the US suffer from the lowest rate of unionization of workers in any of the industries in the US, and are among the least organized in the world. In light of the recent economic crisis, and given the importance of US financial workers within a globalized financial market highly dominated by US firms, the US labor movement, along with unions internationally, has taken great interest in reversing these dismal unionization rates. The current challenge to organizing these workers is rooted in a deep history of avoidance, ignorance, misguidance, repression, and defeats for the interests of office worker unionism. This work explores the early roots of the current obstacles these workers face in attempting to unionize by examining the popular resistance to US Financial Sector formation in the 19th century. An overview of early financial sector development, political responses, and labor organization is provided, including specific information on financial sector workers when available. The increase and feminization of white-collar work after the US Civil War is explored, especially in the clerical industries of the financial sector. Key factors contributing to low unionization rates include the impact of populist-influenced labor leadership that preferred a decentralized financial structure and excluded clerical workers, the feminization of the clerical labor force, the attitudes of trade union leaders towards women and clerical workers, and the combination of a lack of a labor party in the US and government repression of communists who had the vision to organize the sector. Suggestions for continued research on why the US does not have a financial sector workers union are presented in the conclusion.

Keywords

US Financial Sector History – US Labor Movement History – Bank Worker Unions – Financial Sector Unions – Clerical Workers – Feminization

List of Abbreviations

ACORN	Association of Community Organizations for Reform Now
AFL	American Federation of Labor
BSAU	Bookkeepers, Stenographers, Accountants, and Assistants Union
CIO	Congress of Industrial Organizations
CONTRAF	Confederação Nacional dos Trabalhadores do Ramo Financeiro
CP	Communist Party, USA
CWA	Communication Workers of America
ETI	Economically Targeted Investment
FBI	Federal Bureau of Investigation
FIRE	Finance, Insurance, and Real Estate
ICT	Information, Communications, and Technology
NLRA	National Labor Relations Act
NLU	National Labor Union
OEIU	Office Employees International Union
OPEIU	Office and Professional Employees International Union
SEIU	Service Employees International Union
TUEL	Trade Union Education League
TUUL	Trade Union Unity League
UFE	United Financial Employees
UOPWA	United Office and Professional Workers of America
WWI	World War I
WTUL	Women's Trade Union League

List of Tables

Table 1	Growth of Clerical Workforce and Female Clerks, 1870-1930.....	58
Table 2	Employment by Industry as Percent of Total Labor Force, 1870-1930.....	61
Table 3	Stenographer and Typist Feminization, 1870-1930.....	67
Table 4	Clerical Employment as Percent of Labor Force by Industry, 1870-1930.....	72
Table 5	New Clerical Work Positions and Hires by Gender, 1880-1930.....	77
Table 6	Race & Gender of Insurance Workers by Job Classification, 1910 and 1930.....	86
Table 7	Race & Gender of Bank Workers by Job Classification, 1910 and 1930.....	87

List of Figures

Figure 1	Willmar 8: The First Bank Worker Strike in the US, 1977	23
Figure 2	Cartoon: Women Tellers during WII	95
Figure 3	BSAU-AFL No. 12646 in New York City, 1935.....	109
Figure 4	OEIU Campaign Literature against the UOPWA	117
Figure 5	UOPWA fights salary inequities through job classification demands	122
Figure 6	NYT Pictures of UFE Strike.....	141
Figure 7	Police Violence against UFE Picket Line in front on Wall Street	142
Figure 8	Anti-union letter used against UFE bank worker organizing drive.....	143
Figure 9	UNITE HERE Local 5 Supports Bank Workers.....	151

Why US Financial Workers are Unorganized
The 19th century origins of a current problem

Table of Contents

Acknowledgements.....	i
Resumo	ix
Abstract	xi
List of Abbreviations	xiii
List of Tables	xv
List of Figures	xv
Chapter 1 Introduction	1
Chapter 2 Labor, Populism, and the Developing Financial Sector.....	19
Chapter 3 Clerks and the Financial Sector at the Turn of the Century.....	43
Chapter 4 The Rise of the First Clerical Worker Unions to the Present	83
Chapter 5 Conclusion	143
Appendix 1 US Labor Regulatory Framework Timeline	157
Appendix 2 State Development Banks in the US	173
Appendix 3 Financial Sector Office Automation	179
Appendix 4 Racism in the Financial Sector	181
Appendix 5 Lewis Merrill, UOPWA, Statement to Congress on Insurance and Finance Workers	189
Appendix 6 Conflicting Visions: Production Unions and the OEIU.....	193
Appendix 7 OEIU and Gender	197
Appendix 8 Notes on books comparing white collar unionism.....	199
Works Cited	205
Works Consulted	211

Chapter 1

Introduction

In Brazilian Portuguese, I quickly learned the difference between *Banqueiro* and *Bancário*; *Banqueiro* was clear enough—the Banker is notorious in American English—but *Bancário*, the bank worker? Prior to studying in Brazil it had been perhaps twelve years since I'd interacted in person with a bank worker, so vocabulary distinguishing the bank worker from the banker caught my attention.¹ In Brazil, *Bancário* carries the respect won through a trade union with a long history and many victories. These include national pattern bargaining and industry-wide bank strikes, which I witnessed first-hand.² The Brazilian bank workers have achieved middle-class status through their struggle. They have a visible presence in society because of their social movement unionism model, and because consumer behavior still facilitates contact with the bank worker despite the trend towards automation. Such trends are well studied along with other issues affecting the *bancário*, creating an abundance of published and unpublished scholarship on the sector from the perspective of the workers' interests.³ Many of these studies are available at the Sao

¹ Further distancing teller-client contact, to encourage online banking and ATM services, Bank of America recently began charging \$8.95 a month for customers who use a teller for any transaction, and technological innovations in ATM's continue to develop. www2.bankofamerica.com/efulfillment/documents/91-11-3000ED.20120227.htm, accessed March 2012.

² The Confederação Nacional dos Trabalhadores do Ramo Financeiro (CONTRAF) is influential in the main union federation, the Central Única dos Trabalhadores (CUT). When Lula, the PT candidate from the Metalworkers, was elected president, he appointed several CONTRAF leaders to top government positions.

³ The Brazilian bank workers movement has four main periods. First, there was a period of consolidation of the movement until the military dictatorship, which caused the bank workers union to suffer from new fragmentation. They were then part of the new unionism movement that helped end military dictatorship, reconsolidating power through social movement unionism. The current period presents the challenges of automation, privatization, and international competition. In English see for example: Maria Alejandra Caporale Madi, José Ricardo Barbosa Gonçalves and José Dari Krein "Financialization, Employability and their Impacts on the Bank Workers' Union Movement in Brazil (1994-2004)" in Frederic S. Lee and Jon Bekken (eds), *Radical Economics and Labor: Essays inspired by the IWW Centennial*, New York: Routledge, 2009ç and Sandoval, Salvador A. M. "Alternative Forms of Working-Class Organization and the Mobilization of Informal-Sector Workers in Brazil in the Era of Neoliberalism." *International Labor and Working Class History* 72, no. 1 (Fall, 2007): 63-89; and in Portuguese, see for example: Canedo, Leticia Bicalho, *Bancários: Movimento Sindical e Participação Política*, Campinas: UNICAMP, 1986; Colombi, Ana Paula Fregnani, *Entre a fragmentação e a unificação: uma análise da atuação do Sindicato dos Bancários e Financeiros de São Paulo*,

Paulo Bank Workers Union's office, which has a library filling its entire basement to provide primary and secondary resources documenting past and current struggles. The union values its members access to this information enough to staff a full-time librarian, and the library even contains a literature and poetry section in case the member coming in for services, or visiting the union's bar and restaurant, has other cultural interests. Many Brazilians I met identified the *bancários* as one of the three strongest unions in the country; this came as a surprise, since I, like many trade unionists in the US, was only familiar with Lula and the autoworkers, perhaps an unconscious reflection of what we privilege in our own labor movement in terms of gender and industrial importance. It was therefore no surprise that professors working within CESIT, the Brazilian wing of the Global Labor University, strongly encouraged me to understand why there is no financial sector workers' union in the US.⁴

The financial worker in the US, in contrast to her counterpart in Brazil, has perhaps one of the most neglected occupations with regards to academic literature and the labor movement's concern.⁵ The US labor movement has organized only 1%

Osasco e Região durante os anos 2000, Master's Dissertation, Campinas, UNICAMP: 2014; Sanches, Ana Tercia. *Terceirização e terceirizados no setor bancário: relações de emprego, condições de trabalho e ação sindical*. Master's thesis. São Paulo: PUC, 2005; Atunes, Ludmila Rodrigues. *Reestruturação produtiva e sistema bancário: movimento sindical bancário brasileiro nos anos 90*. Doctoral Dissertation. Campinas: UNICAMP, 2001; Barreto, Eleonora Frenkel. *Desemprego e (des) mobilização política: a luta do sindicato dos bancários de Campinas e região*. Master's thesis. Campinas: UNICAMP, 2004; Malbera, Paulo Eduardo Silva. *As transformações do setor financeiro no Brasil: os trabalhadores e a fragmentação da representação sindical*. Master's Dissertation. Campinas: UNICAMP, 2011; Gonçalves, José Ricardo Barbosa; Krein, José Dari; Madi, Maria Alejandra Caporale. "Condições de trabalho e sindicalismo no setor bancário no Brasil." In: Krein, José Dari et alii. (Org.). *As transformações no mundo do trabalho e os direitos dos trabalhadores*. 15^a ed. São Paulo: TRT, 2006, p. 99-120; Gonçalves, José Ricardo Barbosa; Krein, José Dari; Madi, Maria Alejandra Caporale. "Bancos, bancários e representação sindical no Brasil contemporâneo." In: XI Encontro Nacional da ABET, Campinas, 2009; Jinkings, Nise. "A reestruturação do trabalho nos bancos." In: Antunes, Ricardo (org.). *Riqueza e Miséria do Trabalho no Brasil*. São Paulo: Boitempo, 2006, p. 189-205; Oliveira, Ana Lucia Valença de Santa Cruz. *Sindicalismo bancário: origens*. São Paulo, SP: Obore Editorial, 1990; Larangeria, Sônia. *Reestruturação produtiva no setor bancário: a realidade dos anos 90*. In: *Educação e Sociedade*. Ano XVIII, dez./1997, n°. 61/especial; Karpovs, Dainis, *A História dos bancários: lutas e conquistas: 1923-1993*. São Paulo, SP: Sindicato dos Bancários e Financiários de São Paulo, 1994.

⁴ CESIT: www.eco.unicamp.br/cesit; GLU: www.global-labour-university.org

⁵ "Arno J. Mayer offers several reasons American and European scholars have paid less attention to lower-level white-collar workers. He argues that academicians have little sympathy for this social group. Mayer pointedly asks, 'Could it be that social scientists are hesitant to expose the aspirations, life-style, and world view of the social class in which so many of them originate and from which they

of the sector, a rate comparable only to the agricultural sector, which is excluded from the National Labor Relations Act (NLRA).⁶ Although they would ostensibly be under the jurisdiction of the Office and Professional Employees International Union (OPEIU), there are a variety of unions representing a few thousand financial sector workers, but not a single union with a committed industrial strategy to organize financial sector workers.⁷ Hope was raised in CONTRAF, the federation of financial workers unions in Brazil, when the US-based Service Employees International Union (SEIU) agreed in 2010 to take on a campaign in the sector. Despite their collaboration with CONTRAF, the effort quickly lost steam when internal differences within SEIU and inter-union conflict deflected efforts to gain a foothold in the US's least-unionized industry.⁸ Despite fifteen years of supposed reform and change within

seek to escape?' He contends that study of powerful elites or the working class and poor-the poles of Western social structure-has preoccupied scholars. They have neglected the middle. Most convincingly, Mayer describes the lower middle class's structure as complex, unstable, constantly changing, and thus difficult to study." (Bjelopera 9) One exception is Mark McCulloch who examines the bank workers in *White Collars in Transition: The Boom Years, 1940-1970*.

⁶ In the US in 2013, there were 7.2 million public sector union members, and 7.3 million private sector union members. The union density for the public sector is 35.3%, while the private sector is only 6.7%. Local government has a union density of 40.8%, and includes teachers, librarians, police, and firefighters, which are the most unionized occupations in the US. Utilities (25.6%), transportation and warehousing (19.6%), telecommunications (14.4%), and construction (14.1 %) have the highest unionization rates in the private sector. Agriculture(1.0 %), finance (1.0 %), and food services and drinking places (1.3%) have the lowest rates. By occupation, farming, fishing, and forestry occupations (2.1%) and sales and related occupations (2.9%) had the lowest unionization rates. BLS, "Union Members- 2013," BLS, www.bls.gov/news.release/pdf/union2.pdf, accessed March 20, 2014. The 2012-2013 CPS survey shows 1.24% union density in US banking/insurance, and only 4.22 % union density in NYC, the world's financial capital. Real estate unionization is around a third of the workers in New York, but drops to fewer than 5% nationally. See Appendix 1 for more details about the NLRA or other questions related to US labor regulatory framework. CWA researchers estimated that in 2010, there were over 5 million workers in banking and insurance, making it bigger than the retail sector, with about 1.8 million workers that could be unionized in commercial banking (half in bank branches), and another 1.6 million that could be unionized in the insurance industry. One in every four bank branch workers in the US are employed by one of the six largest banks in the US (Bank of America, Wells Fargo, JPMorgan Chase, Citibank, PNC and US bank), a reflection of a high industry consolidation. This concentration of employment in major banks is even more pronounced in major cities, increasing the number employed in the biggest banks to 30%, and to about 50% in top 5 banks in major urban markets on the West coast. Large bank call centers can have over a thousand workers in one work site. (Interview with CWA research staff, July 2011)

⁷ The AFL-CIO Investments department, Change to Win researchers, and staff from SEIU, CWA, AFSCME, and UNITE-HERE were willing and eager to meet with me about organizing financial sector workers. The OPEIU, however, did not respond to my e-mails. When I showed up at their office, they declined to meet with me, took my information, and never followed up with me. The union most responsible for organizing this sector seemed the least enthusiastic about discussing it.

⁸ CONTRAF: www.contrafcut.org.br; São Paulo Bancários: www.spbancarios.com.br. See Steve Early, *The Civil Wars in U.S. Labor: Birth of a New Workers' Movement or Death Throes of the Old?*

the US labor movement to organize the unorganized, to grow in the service sector, to launch corporate campaigns with an industrial organizing strategy, to organize previously neglected groups such as women, and to take on Wall Street and the financial sector in the worst financial crisis of recent history—no sustained effort currently exists to organize financial sector workers.⁹

There are almost a half million tellers in the US, 90% of them women, a third of them part-time, and only 1.4% are union members.¹⁰ Along with many other occupations within the financial sector, they receive next to no attention from the US labor movement, including unions, academic institutions, and social movement organizations such as worker centers. The history of the OPEIU, the union technically responsible for organizing office workers, is rarely studied, while its current activities are even less scrutinized.¹¹ Therefore, it is not surprising that even SEIU's limited effort in the financial sector gained media attention.

SEIU's mere mention of financial reform coming from labor brought much hostility from sections of the media. Glenn Beck, a popular right-wing critic who worked with the Fox network, helped bring down a national progressive community organization (ACORN) through his show, and then set his sight on a new target. In March 2011, he accused Stephen Lerner from SEIU of plotting what he called a "clear case of economic terrorism," stating:

⁹ CONTRAF and Stephen Lerner, a former SEIU staffer, have facilitated renewed collaboration through the Communication Workers of America (CWA) and SEIU supported community organizations committed to financial reform in the US. The Committee for Better Banks is an alliance of the Communications Workers of America, Alliance for a Greater New York, New York Communities for Change, and Make the Road Action Fund that collaborates with UNI's Global Finance Campaign. See their "US Bank Workers Report" (Feb. 2, 2014) for recent information on current conditions in the industry: www.uniglobalunion.org; For more on recent developments in the US labor movement, see Steve Early: *Embedded With Organized Labor: Journalistic Reflections on the Class War at Home* (Monthly Review Press, 2009) and *The Civil Wars in U.S. Labor: Birth of a New Workers' Movement or Death Throes of the Old?*, and *Save Our Unions: Dispatches from a Movement in Distress*, MRP, 2014.

¹⁰ The average median wages of tellers in 2012 were \$12 per hour and \$24,940 per year. BLS Outlook Handbook, www.bls.gov/ooh/office-and-administrative-support/tellers.htm, accessed March 20, 2014. CPS 2012-2013 data shows 1.5% unionization of tellers.

¹¹ See footnote seven above about the OPEIU's lack of receptiveness to this study. The one book on their history was commissioned by the union and written by a friend of the president in an almost completely uncritical manner, and deceptively in regards to its part in destroying the United Office and Professional Workers of America (UOPWA).

We listened to Americans describe how they were going to take down a major U.S. bank in May and how they were going to collapse the stock market and bring on a second economic collapse, how this could not appear to be coordinated or union backed, how the unions were dead and the only way to really restart the unions is to collapse the system.¹²

It is preposterous that any union in the US has such capacity when the union membership and strike activity of the US working class has declined so significantly over the last few decades. It is quite illogical unions could be “dead” and still manage to bring down a bank and the stock market, especially when the US labor movement has organized hardly any bank workers, and rarely even thinks about changing this. Nevertheless, the mere possibility of labor law reform proposed in the Employee Free Choice Act—nothing nearly as strong as the passage of the NLRA in the 1930s nor as impactful as the repeal of the Taft-Hartley Act could be for workers—awoke fears among the bankers and most of the employer class, who quickly and successfully mobilized to defeat the bill. *The American Banker*, in its premature fears of a bank employee’s union wrote:

Most banks are non-union, but if concentrations of bank employees at, say, call centers or large urban branch offices take advantage of these new rules to organize, there can be a substantial impact to not only a bank’s salary and wage structure, but to their capital standing and merger prospects as well, experts say. Union organizers typically set their sights on the likes of retailers and health care providers, but the financial crisis has set the stage for some aggressive campaigns against the financial-services sector.¹³

Some of the alarmist calls from the right were indeed based on actual union activity. SEIU had a short-lived effort to organize US bank workers with CONTRAF as

¹² Beck, Glenn. “Clear Case of Economic Terrorism,” March 22, 2011. www.glennbeck.com/2011/03/22/beck-clear-case-of-economic-terrorism/ (Accessed February 22, 2012) The barrage of right wing criticism included headlines such as “Eco-Terrorist Wannabe Steve Lerner Still Works for SEIU,” “SEIU Plan to Destroy JP Morgan,” “Caught on Tape-The Lefts Economic Terrorism Playbook,” “Revealed...The Chase Campaign by a Coalition of Unions, Community Groups, Lawmakers and Students to Take Down US Capitalism and Redistribute Wealth & Power.” (www.glennbeck.com, www.theblaze.com, www.businessinsider.com)

¹³ Fest, Glen. “Next up: Bank Employees Unions?” October 1, 2009. www.americanbanker.com/magazine/119_10/next-up-bank-employee-unions-1002071-1.html, Accessed February 22, 2012. Anti-union law firms also immediately started offering their services to banks for pre-emptive union avoidance. See, for example, “Possible Unionization of the Banking Industry: The Employee Free Choice Act and the Threat to Bank Valuations,” Griffin Financial Group LLC, March 13, 2009.

previously mentioned, and has continued a community-based campaign for financial reform. While its bank organizing was ultimately an unfinished and unsuccessful effort, there is increasing recognition within the US labor movement that the service sector is extremely important to the future relevance of unions, and that the financial sector is a significant part of the service sector that must be organized. Also notable, as Stephen Lerner, a key strategist in the SEIU bank campaign commented, “it’s perhaps the first time in the history of the U.S. labor movement where foreign unions have been the driving force behind launching an organizing drive of this nature in the U.S.”¹⁴

UNI, a global labor federation, is increasingly uniting the strength of financial sector unions throughout the world, and will hopefully continue to influence trade unionists in the US to take seriously the question of financial sector workers’ organization. It is not only for the dignity and respect of US financial workers or the strength of the US labor movement that the industry must be organized; with the US financial industry’s significant capital penetration abroad, increased trade union power in the US financial sector is essential to the global solidarity that could help maintain and raise the standards of financial sector workers throughout the world. Despite the lack of bank worker organizing, other efforts targeting the industry continue.

When Occupy Wall Street began, hope was restored in new possibilities for reining in the power of Wall Street and the 1% through instituting financial reform. However, the question of financial sector workers—most of whom would be part of the 99%—seemed to be left out of the discussion. Meanwhile, in other countries, UNI Finance and many of its affiliate unions in the financial sector were approaching the question of regulating the financial industry concretely from the perspective of its workers leading the industry to reform. Easing pressure on the front-line employees who sell commission-based products, raising standards through providing necessary services in an honest manner, and increasing their voice and job control could help workers serve the needs of their customers and allow them to act as industry

¹⁴ Elk, Mike. “Too Big Not to Organize,” *In These Times*. July 29, 2010. www.inthesetimes.com/article/6273/too_big_not_to_organize, Accessed February 22, 2012.

watchdogs.¹⁵ This approach involves uniting the working-class of the financial sector with the rest of the working-class since both are exploited by the parasitic operations of financial capitalists.¹⁶ Occupy Wall Street could have considered more serious union involvement as a strategy towards workers' control of the industry while raising awareness about the potential benefits of nationalization, as occurred with Indian bank workers in the 1970s, for example. Instead, the loudest message was "big is bad," and efforts were directed towards moving money from big banks to small banks.¹⁷ Even labor organizations like Jobs with Justice took this populist anti-corporate approach, calling for a "shareholder spring" to "confront corporate power."¹⁸

The slogans from Occupy Wall Street, Jobs with Justice, and some labor unions clearly had a populist, rather than a socialist, message that has been unhelpful, if not harmful, to the interests of organizing financial sector workers historically. Such slogans are against the corporation, the 1% and the financial elite, but not necessarily against the capitalist, the capitalist class, or capitalism. They are for uniting the people—the nation—against "big finance," but often critical class character distinctions within the targeted sector are lost. After investigating the history of the labor movement approaches to the financial sector, it became apparent these movements were replaying an approach quite common and deeply woven into the fabric of US social history. At some level, the American dream, which was built on the republican ideal going back to the American Revolution and resurrected repeatedly in popular movements since, carries on today. Many workers ultimately want to start their own business, believing they too can one day own their own business and be

¹⁵ See www.uniglobalunion.org, UNI Global Finance Union's "Sales vs. Advice Campaign" documents

¹⁶ On the parasitic function of financial capitalist, see Michael Hudson, Hudson, Michael, *Super Imperialism - New Edition: The Origin and Fundamentals of U.S. World Dominance*, Pluto Press, 2003.

¹⁷ I observed the outbreak of the movement from Brazil, and while home in NY participated in the Left Forum and bank reform committee offshoots of the Occupy movement to test their reception to the idea of financial sector unionization. Groups like 99 Rise and others inspired by the Occupy Movement do actions in front of banks and against the banking industry, but usually don't include the plight of bank workers in their actions or propaganda. See for example, www.moveyourmoneyusa.com and www.99rise.org.

¹⁸ "Joint Effort Launched to Confront Corporate Power," www.jwj.org/2012/01/joint-effort-launched-to-confront-corporate-power, Accessed February 22, 2012. Jobs with Justice is student, labor, community coalition that advances social movement unionism in the US. See also www.confrontcorporatpower.org

their own boss. Therefore, it is those who control credit that are seen to be blocking their aspirations; the banker becomes the preferred enemy within the capitalist class.

The hostility towards the banker in the US is perhaps greater than such hostility in other countries, and has manifested in the cultural phenomenon of the bank robber as hero.¹⁹ For example, many movies have been made about legendary 19th century bank and train robber Jesse James. His Robin Hood-like status helped him maintain support despite his use of violence. Another famous bank robber, Pretty Boy Floyd, had thousands of mourners attend his funeral, and has been featured in many movies since. He is immortalized in the Woodie Guthrie song, “The Ballad of Pretty Boy Floyd,” which Joan Baez, Bob Dylan, Bruce Springsteen and other musicians have covered. The song expresses sympathy for Pretty Boy Floyd knocking out a disrespectful sheriff, suggesting it is banks, not bank robbers, that truly rob people:

Yes, as through this world I've wandered / I've seen lots of funny men
/ Some will rob you with a six-gun / And some with a fountain pen /
And as through your life you travel / Yes, as through your life you
roam / You won't never see an outlaw / Drive a family from their
home.²⁰

The 2009 movie *Public Enemies* captures Depression-era discontent with banks, and popular fascination with, if not support for, John Dillinger, who robbed banks and police stations after being unemployed and receiving a ten- to twenty-year prison sentence for stealing fifty dollars from a grocery store.²¹ Another bank robber, Willie Sutton, supposedly halted mid-robbery if a woman screamed or a baby cried, and also somehow maintained a Robin Hood image despite keeping his loot. Bonnie and Clyde are another famous cultural phenomenon of bank robbers as heroes, as historian ER Milner explained:

¹⁹ On using cultural representations for understanding historical questions: “Evidence from such sources must be used carefully, being the product of the writer’s imagination and possibly designed to serve artistic ends rather than to depict real life accurately. Nevertheless, no writer is totally divorced from his or her social context, and fictional accounts of offices and clerical workers do reflect actual experiences to some extent. Although it would be a mistake to allow the burden of proof to rest on these stories, they are social artifacts and can be used to fill in the picture.” (Davies 7)

²⁰ www.springsteenlyrics.com/lyrics/p/prettyboyfloyd.php (Accessed February 22, 2012)

²¹ For example, see chapter ten of the DVD, entitled “The People’s Hero”

The country's money simply declined...Gaunt, dazed men roamed the city streets seeking jobs...Breadlines and soup kitchens became jammed...foreclosures forced more than 38 percent of farmers from their lands... a catastrophic drought struck the Great Plains...By the time Bonnie and Clyde became well known, many had felt the capitalistic system had been abused by big business and government officials... Now here were Bonnie and Clyde striking back.²²

The villain in the Christmas film classic *It's a Wonderful Life* (1946) is a banker, and a long-time Republican Party member that tries to make citizens into renters rather than owners, while constantly trying to find ways to profit off others. Although the film is slightly anti-capitalist, the solution to the corrupting influence of wealth is the community, family, and love rather than socialist expropriation of the bankers. Nevertheless, the critique was enough for the FBI to investigate and report that the movie "represented a rather obvious attempt to discredit bankers by casting Lionel Barrymore [Mr. Potter, the villain] as a 'scrooge-type' so that he would be the most hated man in the picture. ...a common trick used by communists."²³ Similar themes permeate the 1964 classic *Mary Poppins*, where the bankers are also portrayed as robbers, and there is a run on the bank in response.²⁴

Unlike these popular bank robbers, financial worker organizing has a lost history not found in expressions of popular culture. The book *There Comes a Time*, a fictional account of a bank worker forming a union and changing his life, is largely unknown and out of print.²⁵ The documentary *The Willmar 8* and the TV movie *A*

²² Milner 3-4; Homer Van Meter and John Hamilton were other depression era bank robbers whose stories have shown up in film.

²³ Fuller, Graham. "Happy Birthday, George Bailey" *The Guardian*, 24 December 2007. Mr. Potter is considered the sixth greatest villain in 100 years of film history by the American Film Institute. See www.afi.com/100years/handv.aspx, accessed April 5, 2014. The FBI, who Ayn Rand helped in the investigation of the film's directors and writers, stated that "the scene wouldn't have 'suffered at all' in portraying the banker as a man who was protecting funds put in his care by private individuals and adhering to the rules governing the loan of that money rather than portraying the part as it was shown." See p. 14 of the FBI report, no. 100-HQ-138754, "Communist Infiltration of the Motion Picture Industry" (COMPIC).

²⁴ See the scenes/songs "A British Bank," "Fidelity Fiduciary Bank," and the ensuing bank run.

²⁵ See also, *The Cashier*, a fictional account of the doldrums of a Montreal bank worker. *The Bank Dick* or *The Bank Detective*, is a film about a bank security guard and a teller from 1940, around the same period as these books. There are other novels about office workers in general, such as Sinclair Lewis's *The Job*, Christopher Morley's *Kitty Foyle*, Booth Tarkington's *Alice Adams*, JB Priestly's *Angel Pavement*, George Orwell's *Coming Up for Air*, F Scott Fitzgerald's *The Last Tycoon*, Arthur Miller's *The Death of a Salesman*, and Hans Fallada's *Little Man, what now?*. Fallada was influenced by Siegfried Kraucer's *The Salaried Masses*, whose work was only recently translated to English, but

Matter of Sex, are about bank workers who went on strike in 1977 for two years to fight against sexual discrimination. The strike, the first and longest for US bank workers, met fierce employer, political, and community opposition, yet their struggle is known by few today given the unavailability of the documentary and movie.²⁶ Even the slew of documentaries about the last recession neglected the workers in the financial industries.²⁷ In the US social fabric, contrary to Brazil's, the banker is notorious, a source of popular scorn countered by the idolized bank robber hero. The bank worker, on the other hand, is at worst equated with the banker, and at best, invisible.

Figure 1

Willmar 8: The US's First Bank Worker Strike, 1977



impacted C Wrights Mills through his mentor Hans Gerth, and Emil Ledner who wrote *The New Middle Class* in 1926. (Russell Jacoby afterword in Mills 367-369)

²⁶ "The Willmar 8." IMDB. May 3, 2003. Accessed April 8, 2014. Clip from *A Matter of Sex*, www.youtube.com/watch?v=W-o99s35hY8. MGM produced the TV movie in 1984, and the PBS first aired the documentary in 1981, showing it again when the TV movie aired. Both are directed by Lee Grant. The workers won union recognition through the UAW in October 1983, but faced constant management efforts to decertify their organization. See for example, "Bank workers in Minnesota retain union in 22-to-18 vote," (1986, Apr 28), *New York Times*. By 1987, through the bank's strategy of managers hiring their friends as part-time employees to flood the bargaining unit with anti-union voters, the union was destroyed: Hage, D., & Writer, S. "Willmar bank workers to drop union," (1987, Sep 26), *Star Tribune*.

²⁷ See for example, "The Ascent of Money: A financial History of the world," "The Warning," "Collapse," and "Inside a Meltdown." Others include "Inside Job," "Enron," and "Margin Call."

Methodology

The primary method used in this study to understand why there is no financial workers union in the US is historical analysis. A narrative is constructed about the labor movement's approach to the financial sector at various highpoints of union strength, considering specific developments towards the labor organization of the financial workers. Limited comparative descriptions are sometimes employed to understand similarities and differences between the financial sectors of the US and other countries, and the labor organizations within.²⁸ In addition to secondary sources mainly from the fields of economic and labor history, I examined primary sources in archives, and secondary data on the financial sector and its workers. The study is aided by conjectural understanding and instincts gained through my trade union experience as a worker who spent several years organizing my own workplace, and working as a staff union organizer.

Areas studied include industrial relations, gender, economic development, economic crisis, the financial sector and crisis, international union solidarity campaigns, the organization and strategies of the US labor movement, and comparative financial and labor histories. For understanding some recent activity related to the topic, I informally interviewed the capital strategies and research staff in several trade unions, many of whom had some financial workers as members. I also spent time with CONTRAF members, staff and leaders to get a direct feel of what a strong bank workers union looks and feels like. In the last few years, simply living in Brazil, I spent more time in banks than I may have in my entire life prior in the US. Thus, I had human interactions with tellers in the course of transactions enough to learn workers' names, and even run into them going out in my local community. This experience has helped me consider how a Brazilian may think of the bank worker question coming to the US, and indeed I did think about this as part of my reverse

²⁸ Time and sources created difficulty in doing more comparative research. See Appendix 8 Notes on books comparing white collar unionism.

culture shock every visit back to the US. In addition to reviewing historical literature on the question, I have gathered demographic data, reviewed union strategy literature, and examined recent campaigns that will be of direct use to US and international trade union leaders exploring the possibility of organizing US financial sector workers. Above all, this study is an attempt to synthesize relevant literature to labor in the financial sector, and provoke further research on the question of financial workers in the US. For the purpose of this master's dissertation, the primary focus is on the 19th century roots of the problem related to the early financial sector and labor movement formation, with subsequent developments reviewed and a proposal to encourage continued research in the interest of Finance, Insurance, and Real Estate (FIRE) workers and their unionization.

Since there is no direct research or analysis on record specifically asking my initial research question, "why is there no financial sector workers' union in the US," I examined an extensive array of sources that peripherally provide insight to the question, allowing the construction of a narrative worthy of further development through new research. In the process, I discovered more and more sources that are relevant to constructing an argument for why there is no financial sector union in the US and what might be done to create one. This dissertation attempts to synthesize these findings from a variety of secondary and primary sources that only peripherally touch on the question in an attempt to create the first argument for why no financial sector union exists in the US.

The fact that we are taking on this topic is not a product of individual significance or haphazard occurrence. Rather, it is a concrete development arising from the re-organization of the labor movement and its academic partners to combat new and unresolved problems arising from neoliberalism and the globalization of capital. The response of CONTRAF to US capital's entrance into the Brazilian financial sector has been to directly challenge the US labor movement's failure to organize financial sector workers, and to bring its struggle in Brazil directly to financial capital's most luxurious and comfortable home. Multiple labor studies programs, union centers, national unions, and the ILO participated in the formation of the GLU program, enabling us to do this study. My entrance into the program was

dependent on a recommendation from a local hotel workers union in Los Angeles of which I was a member, and the partial funding from Germany's Friedrich Ebert Foundation. These new and diverse partnerships represent a changing worldview and a "Polanyi-esque" counter-movement to financial capital's dominance, thus creating the conditions for the development of this master's dissertation.

Background: from the Present to the early 20th Century

The financial sector has significant economic weight within the service sector and the economy as a whole in the US, and has received much attention since the recent crisis. Unionization rates, membership and strike activity are quite low compared to Brazil, and most other countries in the world. US financial service workers' demographics for non-managerial jobs are comparable to the population at large in terms of race and ethnicity as a result of civil rights movements' achievements, but highly skewed towards women in service positions such as tellers. Despite the failure of the SEIU campaign mentioned above, CWA, UNI, and CONTRAF are still working together to find innovative ways to organize financial workers through international campaigns and framework agreements. In conjunction with advocacy for larger financial reforms, some staff in the AFL-CIO and Change to Win union centers occasionally discuss the idea of organizing the sector, viewing capital strategies campaigns, such as mobilizing the leverage of labor's capital in pension funds, as the best foothold into the financial sector workforce. Efforts towards public sector banking in the US and other alternatives are being pursued in some community- and state-based movements, but nothing at a scale that could lead to significant nationalization of the financial sector.²⁹ Overall, however, there are few academics or activists within the labor movement that see financial sector workers as an important point of leverage within the US economy to building working class power. Therefore, there is little investment in the research or organization that would be required to organize the sector. Furthermore, CONTRAF from Brazil and UNI are the only unions outside the US pushing and aiding the US labor movement through

²⁹ See Appendix 2 State Development Banks In the US.

their international solidarity despite the fact that many more countries have stronger financial sector worker unions than the US, and potential interests in seeing them organized.

The last forty years have seen a revolution in the Information, Communication, and Technology (ICT) sector. These innovations have had a radical effect on labor productivity, and deregulation has contributed to an explosive growth of the financial services industry, making the workers of the industry a crucial part of the labor force and therefore instrumental to any discussion about building a strong labor movement. Unfortunately, these changes over the last forty years occurred during a period after the communist led union, the United Office and Professional Workers of America (UOPWA), formerly affiliated to the Congress of Industrial Organizations (CIO), was destroyed by anti-communist hysteria and the opportunistic maneuvering of the American Federation of Labor (AFL) affiliated Office and Professional Employees International Union (OPEIU), which has failed to build union density in the financial sector since. The feminist movements of the 1970s made some noteworthy efforts in supporting financial sector worker organization to fill the void the OPEIU and the AFL-CIO left, but these were on an ad hoc, small-scale basis. As a result, many financial sector workers' wages, conditions, and power within the economy suffers from a lack of union organization.

The first efforts towards organization of bank workers occurred in the early 20th century. This organization began in AFL locals: primarily those with significant socialist and communist political influence. Left-wing labor activists of the period were the first to recognize the need to organize the growing white-collar category of workers, and pushed ahead with the organization of office workers despite impediments from the AFL officialdom. Differences culminated with the separation of over a dozen of these AFL locals, who formed the UOPWA, which is discussed in chapter four of this work. Led by communists with a vision to build industrial unionism in the financial sector, this period was perhaps the most hopeful moment for the creation of financial sector unionism. The UOPWA made significant inroads into the insurance industry, but its nascent bank worker organizing fell with the rest of the union, which was destroyed by the Taft-Hartley Act of 1947 and the ensuing

McCarthyist witch hunt to persecute communists; liberals in the unions happily assisted with self-policing to push their opponents out of the labor movement. The communists' failure to build a labor party at a time when it seemed more possible than at any other point in US history, as well as the adoption of policies such as the no-strike pledge which contributed to the union's downfall, impeded efforts toward financial sector worker organization.³⁰ The OEIU (OPEIU's predecessor) built its organization primarily around the principle of being anti-communist and opposing the UOPWA, and exploited ethnic rivalry during the period to advance its aim of eliminating the UOPWA. The OEIU, along with several other unions, took over what was left of the UOPWA in the aftermath of the communist purges, and is the main union responsible for financial worker organizing today despite its lack of success or sense of urgency to organize.

19th Century Origins of Obstacles to Financial Sector Worker Organization

This work primarily explores the financial sector and the labor movement formation from the American Revolution to approximately 1930, around the eve of the Great Depression and the rise of the CIO. In its early crescendos, the labor movement focused political action in the interest of monetary reform, easing access to credit in two major periods, and appealing to the yeoman farmer and skilled workers who viewed themselves as the producer class. In this context, the bank worker perhaps seemed to be the least likely ally to the workers in the labor movements, or to the farmers in the populist movements. The impact of Jeffersonian republicanism and Jacksonian populism on the labor movement, including the National Labor Union and Knights of Labor, is assessed in the second chapter. It is in the 19th century that we also find the first craft unions of clerks and a bank clerk association; significant literature exists about clerical workers from the period of 1870 to 1930, which is explored in the third chapter. Crucial to this period is the exponential growth of all industries, but especially the clerical industries (FIRE sector), which benefitted from changes in gender attitudes and innovations in

³⁰ See Art Preis, *Labor's Giant Step* and Bert Cochran, *Labor and Communism*

scientific management applied to the office. The 1890s was a crucial period where the labor movement failed to build a labor party. Having done so could have altered the labor regulatory framework to facilitate financial sector organizing and created more public institutions within the financial sector, both of which are elements of other societies, including Brazil, that have stronger financial sector unions.³¹ The failure to build a financial sector workers union or general clerks union in the period of 1890 to 1930 is also explored in the fourth chapter.

This master's dissertation sought answers to the following questions: What, if anything, in the history of the nascent US labor movement of the 18th and 19th century's approach to financial reform and financial workers enables us to understand why no financial workers union formed then, and why none exists today? Are there factors specific to the peculiarities of the development of capitalism and the financial sector in the US, or are there specific political factors and shortcomings of the labor leadership during this period? Are there examples in other countries of bank worker unions forming in the 19th century that could give us a comparative basis to isolate variables that would most explain the lack of financial worker organization in the US? While the complete answers to these questions exceed the scope of this work, I have nevertheless provided an introductory exploration to encourage other researchers to develop more significant work on the rise and fall of the UOPWA, the union which made the most inroads into organizing the US financial sector, and had the biggest chance of creating industrial unionism in the financial sector.

In this study of resistance to US Financial Sector formation in the late 18th and 19th Century, I discovered many roots of 20th century phenomena that help explain the failure to build a financial workers union in the US. These include the banker-bank clerk proximity and mobility, approaches to financial sector reform and perspectives of labor leadership that may have alienated bank workers, the exclusiveness of trade unions and negative attitudes towards specific sectors of the

³¹ See Robin Archer, *Why is there no Labor Party in the US?*, Eric Thomas Chester, *True Mission: Socialists and the Labor Party Question in the U.S*, Art Preis's *Labor's Giant Step*, Eric Foner, "Why is there no Socialist Party in the US?" and Mike Davis, "The Barren Marriage of American Labour and the Democratic Party," *New Left Review*, 124 (Nov.-Dec. 1980), 43-84. See Appendix 1 on the US's labor regulatory framework, and Appendix 2 on public banking.

working class, republican idealism rather than socialism's influence over the working class, feminization of the clerical labor force, craft rather than industrial unionism strength, the limits of Jeffersonian reform to influence capitalist development, and finally, the weakness of Marxist influences in the US, which contributed to the failure to build a labor party that could create the political power necessary for a labor regulatory environment that facilitated union organizing in social democratic countries.

Chapter 2

Labor, Populism, and the Developing Financial Sector

One possible starting point for understanding the lack of a national financial sector workers union in the US would be to examine why the development of a national banking industry, the base of financial sector unionism in most countries, was delayed. The question of national banking mainly gained support in the financing of war and its aftermath in early US history. For example, there was the Morris Bank (Bank of North America) to finance the revolutionary war,³² the First National Bank to deal with the aftermath of that war (backed by Hamilton while Jefferson opposed), and the Second US Bank to deal with the war of 1812 debts.³³ Each of these did not last, however, because of the popular distrust of power concentrated in a few hands, which resembled British tyranny and control from a distance to the citizens of the new independent nation in the Americas according to historian Jerry Markham. Jackson let the charter of the Second US Bank expire, bringing in the free banking period, which only allowed charters for state based banks. The War of 1812 convinced the US that it needed to protect and develop its own manufacturing sector, but once the war ended, it could not compete with the surge of British goods, whose manufacturers had access to more capital. Southern plantation owners resisted the implementation of tariffs to protect US industry, concentrated in the North, since southern planters benefited primarily from exporting to England. However, the US did benefit from a rapid population growth and transportation improvements which expanded domestic markets beyond what European exports could fulfill, stimulating domestic industry.³⁴ So with Jackson ending national banking, bankers continued to build state based power in spite of popular resistance, and the

³² Markham argues that revolutionaries nearly facing defeat needed a banking system to finance the war, and the creation of a securities market was essential to dealing with war debt. This reflects the view of Alexander Hamilton, who said victory was only possible through “introducing order into our finances, by restoring public credit, not by gaining battles.” (Hamilton quoted by Markham in “Inflation,” *1.5 Revolutionary Finance*) Robert Morris was a merchant and Financier for the Continental Congress who also was one of the many speculators who profited from the war, but he also had ideas for financing the war that were essential to victory, such as creating the Bank of North America, which was 5/8 government owned. (xxi, “Robert Morris” and “The Morris Bank”)

³³ These banks were mostly public, but relied on significant private investment also.

³⁴ Nicholson 51 and Foner 1:51-52

development of industry towards a national scale continued to produce powerful national financial interests.

Again, the expenses of war, which were significant during the American Civil War (1861-1865), raised new financing issues that led to the National Banking act, which paved the way for a national currency and national bank charters to meet the needs of powerful national industrial interests. Just prior to the Civil War, the US was fourth in the world for industrial production when Karl Marx predicted the rise of the factory system and industry concentration would cause the US to overtake Europe. The Civil War, with its lucrative government contracts for the biggest owners of capital involved in the war effort, freed the industrialists from the political control of the slave-holding plantation class, with the US achieving Karl Marx's prediction by 1894.³⁵ It was not until after the Civil War when financial and industrial interests fully coalesced and had the political power to overcome popular opposition to monopolies that national universal banking began to develop. The power of concentrated financial interests expanded until new regulation was imposed during the Great Depression of the 1930s as a result of the economic crisis and powerful new forces of industrial unionism.

Popular movements dealing with questions of the financial sector were mainly expressed politically by supporting Jeffersonian democracy against Hamilton's federalism, and through Jacksonian populism against the practical federalism of James Madison and Nicholas Biddle, the financier president of the second national bank. Labor and their organizations were a critical part of this opposition to the rise of a financial elite and the organization of financial capital at the national level, with expressions of this opposition sometimes more radical than those expressed by elected political leaders. Labor organizations began to form as early as banking developed. Thus, this section examines the positions labor organizations, including unions and political organizations, took towards the financial sector at various points important to the development of the labor movement and the financial sector.

We examine the impact of Jeffersonian democracy and Jacksonian populism on how reformers dealt with financial crisis, which occurred in the following years of the 19th

³⁵ Foner 1: 58

century: 1819, 1837, 1854, 1857, 1860, and 1873. The history of these early populist movements must be understood to examine why labor and social movements capable of organizing bank workers instead started the tradition of advocating for either the abolishment of banks or decentralizing approaches to financial reform. It is during this period specific questions concerning craft unionism's development may have impeded the development of an industrial or craft unionism capable of organizing workers in the banking industry. Although the first "white collar workers," clerks, formed craft unions during this period, bank workers and their associations must also be examined independently since they were not part of such movements in the 19th century, perhaps a fault of the major labor organizations, but also due to factors peculiar to the industry.

In the 19th century, there were two distinct working class formations, one "dominated by native Yankee men and women and British immigrants," prior to 1848, and another after primarily "of Irish and German immigrants (and their children) and free blacks," demonstrating

from the beginning... American labor history involved not a linear progression of class formation and development but an unceasing construction and reconstruction of the working class, drawn from new groups of rural people in this country and immigrants from around the globe.³⁶

Despite these and other "discontinuities" in class formation, fighting under the framework of preventing "the decline of democratic republicanism" as the essential element of the American Dream, has been articulated by popular movements throughout US history, often limiting the analysis of capitalist development in the US while instigating reforms that encouraged a decentralized development of the financial sector.³⁷ It is important to consider these peculiarities of US political, labor, and financial sector history, as they are at the root of understanding why, at the moment of most

³⁶ Wilentz 133, with credit to Herbert Gutman *Work, Culture and Society* Chapter one and "Class Composition"

³⁷ Wilentz 133. Wilentz also quotes that Walt Whitman, who lived through both periods of working class formations, as saying "If the US, like the countries of the Old World, is able to grow vast crops of poor, desperate, dissatisfied, nomadic, miserably-waged populations, such as we see looming upon us of late years--...then our republican experiment, notwithstanding all its surface successes, is at heart an unhealthy failure." (134)

potential to build a financial sector workers union—during the heights of CIO power in the 1940s—such efforts failed.

When farmers and artisans marched together in Massachusetts to demand the creation of a land bank to issue paper money, mercantile aristocrats, “the hated creditors who were sending Colonial silver to Europe and refusing to accept payments of debts in paper money,” appealed to the British King and Parliament. Although the Colonial Assembly approved of a Land Bank, the “usurers” did not want the workers and poor “to control the public life of the colony,” succeeding in getting the British government to prevent the Land Bank.³⁸ The example of Massachusetts in 1740 was generalized to all the colonies through the Currency Act of 1764, which in the interest of “British manufacturers, merchants, and landlords...deprived [colonists] of the right to use legal tender paper money and to establish colonial mints and land banks.”³⁹ Urban workers and artisans, along with farmers and pro-revolutionary merchants and planters, would unite to drive the British out of the American colonies, but the experience with British financial control would leave many of them suspicious of concentrated financial interests.

This suspicion first emerged in the form of Jeffersonian democracy, a movement which grew from the farmer and worker soldiers of the revolutionary war who took political action. Since voting was restricted to property owners, they also relied on direct action against the wealthy merchants and landed elites who had assumed leadership after the revolutionary defeat of the British.⁴⁰ The mechanics, laborers, and farmers who made up the Democratic-Republican clubs led by Thomas Jefferson emphasized the value of the laboring society, the producers, and welcomed the news of the French Revolution. Alexander Hamilton and the Federalists who based their power on landed and merchant capitalist interests, however, feared Jacobinism. Many of the members of these clubs would go on to form the base of the Democratic-Republican Party while also holding membership in journeymen associations, the precursors to trade unions. Through political action at the local level, they helped get Jefferson elected as president

³⁸ Foner 1:31

³⁹ Foner 1:32

⁴⁰ Foner 1:81 and McCoy for Jeffersonians vs Hamiltons in the era of the First Bank of the US

even though they lacked the right to vote. Jefferson in turn helped expand voting rights for the property-less white working population. In 1803, Jefferson, who along with Madison did not renew the charter of the First Bank of the US, called it “an institution of the ‘most deadly hostility existing, against the principles and form of our Constitution.’”⁴¹ Federalists feared the spread of democracy; so much so that some of them even considered organizing an armed coup to separate New England from the US to unite with Britain, or to divide eastern and western states.⁴²

Federalists therefore supported Britain’s attempt to control trade with Europe, including a European embargo that resulted in the seizure of US ships. Federalists tried to sabotage President James Madison’s (a Jeffersonian) efforts to prepare for war, with “federalist merchants and bankers refusing to lend money to their country.”⁴³ Meanwhile, Black workers and union workers fought in the War of 1812 to defend US democracy and sovereignty against the collusion of British and New England merchant capitalist interests. After their victory over Britain in the War of 1812, Jeffersonians continued growing in power until all property qualifications for voting were lifted for non-slave males, creating the tradition of fighting for universal suffrage, as women, African-Americans and immigrants have struggled for full citizen rights since.⁴⁴ Responding to the Federalists’ fears of enfranchisement, Jefferson wrote in 1816, “I am not among those who fear the people...they and not the rich are our dependence for continued freedom.”⁴⁵

Ironically, through the necessity of the war efforts, despite being a Jeffersonian, James Madison was forced to support the creation of a national bank just as his predecessors required such measures during the revolutionary war. Therefore, one of Alexander Hamilton’s lifelong ambitions was only possible through the circumstances of war and the popular leadership of a Jeffersonian. Meanwhile, labor organizations faced

⁴¹ Jefferson quoted and paraphrased by Foner in 1:145

⁴² Foner 1:85-91

⁴³ Foner 1:93

⁴⁴ White male suffrage was achieved by 1840, and the first court decision in favor of a striking union was in *Commonwealth v Hunt*, 1842 although strikes continued to be broken by court injunctions (Nicholson 48 & 75) Nicholson says “most workers were on the margins of the debates” on the War of 1812, with Baltimore workers most in favor (51), and Boston workers most against according to Foner. The war also offered increased opportunities for slave rebellions. (Nicholson 51-52)

⁴⁵ Jefferson quoted in Foner 1:96

a major setback with a depression lasting from 1819-1822. It created a new basis for the fomentation of labor organizations and political action, again reviving Jeffersonian traditions, while workers fought for better wages and a shorter working day in the growing factories and textile mills of the Northeast.⁴⁶

In the 1830s workers began to take political action through the Working Men's Party, advocating the end of convict labor, compulsory militias, and poll or sales taxes that unfairly burdened the poor. They fought for public education as a source of democracy and a means to resist the "crafty and wicked...deceitful machination...of a monopolized and monied aristocracy."⁴⁷ Imprisonment of debtors, sometimes for as little as five dollars, was another major source of resentment towards growing monopoly, of which banks and bankers were the most feared and despised. Wealthy merchants were also bank directors, enabling them to control who received credit, and often limiting the access of small businessmen and journeymen. The distrust of banks perhaps was further cemented through the failure of early cooperative efforts of journeymen and master organizations, whose power was severely limited by 1835 as the rising merchant-capitalist class controlled new markets in the South and West. In addition to new forms of transport, "the banking system had expanded, enabling the capitalist to convert customers' credits into bank credits and to stock up a surplus of goods in

⁴⁶ See Foner Chapter seven "Trade Unionism and Labor struggles, 1819-1837" for more details. I did not have the time or resources to find primary sources that might indicate bank worker activity during this period of general growth of unions and the creation of the first city based central labor bodies and national labor federations. Secondary sources on the period do not mention financial workers or even clerks organizing. However, it seems plausible that some of the movements for a ten hour work day, such as the Philadelphia general strike of 1835, were broad enough in drawing participation of non-union members and even those outside the working class that bank workers could have participated. Plus, "mechanics" was a broad category of workingmen that could include "some clerical and sub-professional occupations," and while there was some debate in the Working Men's Party, it was generally agreed to include clerks within the concept of the "producing classes." (Hugins 52-53) The party had clerks and insurance officers registered as candidates. (Hugins 107-108) However, bank clerks may have been close to bankers, therefore shunning worker organizations often deemed illegal. Labor unions were severely restricted during this period because of precarious legality. Anti-conspiracy & combination laws were often used against them, and later, laws preventing injury to trade. The workers and trade unions of the US, unlike European counterparts, were at the complete mercy of court decisions made by unaccountable state judges. (Nicholson 47) Nevertheless, female mill workers led over a dozen major strikes from 1824 to 1837 (the famous Lowell struggles for example), sometimes facing intervention by the state militia and mass firings. (Nicholson 64 & 71) So it is possible that bank workers saw themselves in a privileged position compared to the union mill workers, or canal workers in the 1830s whose strikes faced federal intervention.

⁴⁷ Foner 1:123, quoting workers' press

advance of actual orders,” part of a process that helped the merchant-capitalist “to compel masters and journeymen to compete severely against each other.”⁴⁸ Small producers and manufacturers tried to join together to raise their own capital and provided loans, but their efforts were futile since merchant capitalists had much more capital and access to credit abroad.⁴⁹ The disadvantaged needed other means, such as trade unions and political action, to resist the merchant capitalists. The gains in voting rights, and the growing trade unionism of the 1820s and 1830s, facilitated interest in new efforts for worker political action as the Federalists had triumphed politically in this period, often with workers’ votes.

Farmers, mechanics, and journeymen parties united in Working Men’s parties in Philadelphia, New York, and Boston as well as in small towns and villages. Thomas Skidmore, a leader of the NY Working Men’s Party, proposed equal distribution of property to create a society based on the self-employed; a society with “no lenders, no borrowers, no landlords, no tenants; no masters, no journeymen; no Wealth, no Want.”⁵⁰ An advocate of land redistribution, he was eventually removed from the party for being too radical since moderate proponents of the republican ideal focused their opposition on the “array of government-conferred monopolies that propped up the system of merchants’ capital—the corporate charters regularly granted to private companies engaged in banking, insurance, transportation, communication, and certain fields of manufacturing.”⁵¹ These parties specifically wanted “to limit or outlaw corporate monopolies, of which chartered banks were deemed the most powerful and insidious.”⁵² Their calls for protections for small producers, cheap land for urban and rural wage laborers rather than speculators, and the end of paper money and debtors prisons, “enjoyed wide popular support [in the 1830s and 1840s], addressing the concerns not only of wage-earners but also of poor small masters and other petty proprietors.”⁵³

⁴⁸ Commons 243, and Hugins 55-62 on the breakdown of master-journeyman unity against the merchant capitalist, when journeymen associations increasingly acting like trade unions, and masters as bosses.

⁴⁹ Foner 1:68

⁵⁰ Gutman 327 and Nicholson 54-55

⁵¹ *ibid*

⁵² Gutman 329

⁵³ *ibid*

Workers resented wages being paid in bank notes, which often fluctuated depending on the solvency of the issuing bank. Merchants could discount the value to account for fluctuations, while workers were stuck with the face value, severely affecting their purchasing power. Workers saw banks as “part of a gigantic monopolistic conspiracy to stifle competition, reduce employment, and raise prices,”⁵⁴ leading them to resist the chartering of new banks, and calling for payment in specie rather than bank notes. Others called for the repeal of bank charters and other laws that regulated banks, and some advocated that “the government should take over control of banking and issuing of currency, thereby providing a stabilized currency system which would check inflation and at the same time prevent any domination of political life by banking monopolists.”⁵⁵ Still others advocated that they “destroy banks altogether.”⁵⁶

James Madison’s Second National Bank was a product of rising federalism even though Madison claimed he was a Jeffersonian. This resulted in the re-birth of the Jeffersonian tradition in opposition to federalism through the election of Andrew Jackson. Jackson’s populist victory resulted in the end of the Second National Bank. Just as Jeffersonians saw Federalists as traitors in their collaborations with the British prior to the War of 1812, the early labor party advocates saw their goals as a product of patriotism, and the completion “of the glorious work of the Revolution” that “Jefferson, if he yet lived would receive and recognize as his own” because he believed “the cause of

⁵⁴ Foner 1:125

⁵⁵ *ibid*, which he references to the Working Men’s Party’s press, the *Working Advocate*. It should be noted one Working Men’s Party leader, Stephen Simpson, was in favor of the Second Bank of the US, while maintaining “hostility to banking in general.” (Pessen 169) The Working Men’s Party resolution of 1834 stated “If Banking *is* necessary, it ought not to be carried on in a republic but by the *whole people*...Although we believe that Banking should be carried on by the Government, *if at all*, we believe that Government Banking would be attended with danger to our republican institutions; and we think that Banking would be rendered totally unnecessary...by the establishment of an institution with a branch or branches in each state, to receive specie on deposit, and to issue notes therefor, thereby to facilitate the exchange of property by the citizens of distant parts, and accomplish the *only* useful object now accomplished by *Banking* institutions.” (Hugins 199) This was the predecessor idea of separating bank and state that the Loco Focos adopted and that President Martin Van Buren implemented.

⁵⁶ Hugins 172 citing multiple Working Men’s Party Sources. He also notes in “The Banking Question,” an excellent source on the Working Men’s Party and the Bank War, that the party was generally for institutions with deposit and transfer functions, but against speculation, loans and interests built on fictitious capital. Some thought this would be possible through approving all charters to open banking to free competition rather than state granted monopolies. There were many views on paper money, but coinage was generally favored, or at least only bank notes backed by gold or silver.

the workingmen is the cause of the country.”⁵⁷ Labor parties were not strong enough to take power on their own. As a result, independent ideas such as total bank and currency nationalization were not sufficiently widespread. This enabled Jackson to control the reform efforts, which only resulted in short-lived solutions to the workers grievances. Jackson’s militarism and oppression of Native Americans also made him inferior to Jefferson from the viewpoint of the Working Men’s Party.⁵⁸

Nevertheless, these reform efforts led to the expansion of voting rights and the popular movement to elect Andrew Jackson, who despite defending inequality, was against the specific privileges of a federally chartered corporation. These reform efforts also propelled Jackson’s decision to abolish the second Bank of the US.⁵⁹ As result of this popular measure, the Whigs split from the Democrats in support of the bank, and the Democrats gained much of the Working Men’s base. Many of the activists were involved in the General Trades Union and National Trade Union, the first unions to organize unskilled workers, women, and clerks.⁶⁰ Farmers in the west and workers in the east gave much support to Jackson. They saw the Whigs as the defenders of the bank, as the aristocrats who restricted their voting rights, the traitors who opposed the War of 1812, and the candidate of their employers who had opposed their strikes and union organizing. From their perspective, the (second) National bank was an unaccountable organization of concentrated wealth aided by deposits from the government that ran contrary to the aspirations of Jeffersonian democracy. The idea of the national bank also resembled the Bank of England, which belonged to a country with a monarch, not the free American people. To make matters worse, a Congressional Investigating Committee found foreigners held nine million dollars in bank stock. The committee discovered the “nobility of Europe” held ownership as well, threatening the independence of the new nation. Some of the trade unionists drew support from English trade unionists and chartists, who backed Jackson’s efforts to boost their own movement to end “the cursed Banks in England.”⁶¹ Despite the intense resistance from Biddle and

⁵⁷ Foner 1:127, directly quoting *Mechanics Free Press* and *Working Men’s Advocate*

⁵⁸ Zinn 125-146

⁵⁹ Gutman 330-331

⁶⁰ Gutman 321-363

⁶¹ Foner 1:149, quoting workers’ press

the business community, workers defended Jackson's decision, still believing their action to limit the banking system would prevent making a "large number of men dependent upon a few employers."⁶²

A society of independent producers still seemed possible in the early 19th century, but the anti-corporate, anti-monopoly tradition continued to affect reform movements even when such a society became highly unlikely after the consolidation of industrial and financial power during the Civil War. The appeal of the Jeffersonian and Jacksonian republican ideal of "a society offering all Americans the chance to obtain or enhance their personal independence by accumulating wealth and ascending the social ladder,"⁶³ had already profoundly impacted the way popular movements approached the financial sector. The sentimental appeal of this republican ideal continues to the present day, visible in how labor and popular reform movements advocate curbing financial capital's power, while failing to build a labor party that could truly confront it, never mind a revolutionary party that could overthrow it.⁶⁴

It is difficult to know exactly what the attitude of bank workers may have been towards trade unions and the Working Men's Party in the Jacksonian era, but it is probable that the limited access to credit, and the role of the clerk as the gatekeeper working in close proximity with the merchant kept them separate from these movements. For example, one author found evidence of complaints of "rudeness of bank employees, even at the savings banks, towards members of "the laboring classes" and small businessmen:

⁶² Foner 1:148, quoting NY Working Men's Party. Foner 144-149 on Bank controversy. It was European merchants that lead the settlement of the US, created innovations in banking and finance in Europe starting in the 12th century, and created the Bank of England in 1694. Because of their control over the colonies, the using of financial tools to advance their interests, and failures of policies like price controls and set gold-silver exchange ratios, there was a history of distrust towards the merchant class (Markham 11)

⁶³ Gutman 331

⁶⁴ Although it had some victories in New York, Foner attributes the failure to form a labor party in this period to: the attacks and lies in the press against the Working Men's Party; insufficient funding; their "failure to unite the separate political associations into a statewide party;" (Foner 1:129) and the stage of capitalist development, where skilled workers could still start their own shops and insufficient linkages between the trade unions and the party. (Foner 1:129, 129-141) Not until 1880, despite the US being mostly rural, were most of the employed wage earners. (Moody J 83) See also Nicholson 60-62. Walter Hugins argues leaders of the party and its constituents were aspiring capitalists, whose interests were contrary to the old capitalists who had interests in the National Bank and state-chartered banks. (219-224)

...and apply to one of the banks...for a loan to that amount on the security of his next coming week's wages, he will have a refusal from the principals, and be quizzed...by the clerks, *because he is poor*. If a full-pursed, well-dressed, white-handed monopolizer applies at the bank for the loan of 1000 dollars for six months, and offers his promissory note, he will be "accommodated," *because he is rich*.⁶⁵

Perhaps the abolishment of the Second Bank of the US and ushering in of the "free banking period" was a victory in providing increased access to credit and possibly expanding the number of banks and employees in the sector. The period, however, was also prone to crises that damaged the working-class since the reformists did not realize "an unrestricted monetary system contained evils which were detrimental to the pursuit of sound business."⁶⁶ These reformists contributed to the increase in crises by focusing only on the problem of bank note issuing through eliminating restrictions on state banks, not realizing there could be a need to regulate deposit banking as well. The Working Men's Party "shared the general confusion concerning the nature of speculation, disagreeing among themselves as well as with others on where to draw the line between credit for legitimate investment and credit which encouraged unwholesome speculation."⁶⁷

Without the Working Men's Party, anti-monopoly workingmen within the Democratic Party resisted the Democrats who supported state bank charters, sometimes calling to "end entirely this standing army of non-producers called Bankers."⁶⁸ One such example were the "Loco-focos," who were named for after their matches used to light candles in late night meetings organized to resist party machine efforts to exclude them. Candidates in the "Loco-Foco" movement defeated Bank Democrats and Bank Whigs in New York State elections as a result of their organizing. The movement spread to other states, and after the Panic of 1837 caused severe price increases, the movement went national when banks refused to convert bank notes to hard money. Workers gathered in meetings of more than 20,000 to call for "the national government to end the power of financial institutions over the nation's economy." The

⁶⁵ Hugins 194 citing *Working Man's Advocate*, Oct 29, 1831, September 22, 1832, and *Sentinel*, September 26, 1832

⁶⁶ Hugins 194

⁶⁷ Hugins 202

⁶⁸ Foner 1:153, quoting *Workingmen's Advocate*

movement called “for a government banking system to check the tide of speculation fostered by private and state banks.”⁶⁹ As a result of their pressure, President Martin Van Buren, Jackson’s handpicked successor, responded by creating a government treasury system independent of the banks. This was a victory for “the separation of government and banking institutions, the limitation of the power and control of the banks and the adoption of a hard money policy.”⁷⁰ Legal restrictions, however, plus the depression of 1837 dealt severe blows to trade union organization.⁷¹

Many years passed before unions recuperated enough to lead the movement for a ten hour work day. The depression enabled the ownership of the new factories and machinery to concentrate in few hands, further damaging the hope of a producer’s society. At the same time, neither the leaders of Owenite and Fourierist efforts to form consumer and producer cooperatives nor those who led land reform movements were sufficiently supportive of trade union organization or its demands to build a broad social movement capable of resisting the growth of industrial capitalism.⁷² Several decades would pass before the working-class again built significant trade union and political organization to advance its interests.⁷³

From 1840-1860, the labor movement advocated for a ten hour day, and the average work day moved from 12.5 to 11 hours and even lower in industries with union activity.⁷⁴ The 1854 and 1857 crises were blows to labor, but unions had learned the importance of good finances to building permanent organizations, and more of them

⁶⁹ Foner 1:161-162

⁷⁰ Foner 1:162

⁷¹ See Appendix 1 for examples of legal restrictions applied to unions during this period

⁷² Foner 1:168-190. Some land reform movements were successful for landless white workers, at the expense of Native Americans, and excluding Black Americans. (Nicholson 77-78)

⁷³ This section was focused on the North because Southern planters did not begin to invest their profits in other sectors and create their own banks until the 1830s. (Gutman 214) The South also experienced class conflict, between the yeomanry and slaveholders, around banking and issuing of state charters for banks. (Wilentz 102-103) Banking and credit collapse in 1837 completely eliminated banks in some Southern states through the mid-1840s. (Wilentz 107) Trade union developments were principally in the North, with Southern capital not fully diversifying and labor organization facing much restriction until end of slavery and the beginning of the weakening of the slave economy during the Civil War. Racism kept unions from reaching their full potential by not organizing free Black workers: “From the time the first trade unions were formed by white workers in the 1790’s to the Civil War—in which period the free black population grew from 59,000 to 488,000—no free Negro wage earner was a member.” (Foner 4, 1974) See also Nicholson 66-67. For regional banking differences in Jackson era, see Sharp 35- 49 for prior to 1837, and 51-320 for after 1837.

⁷⁴ See Foner “The Ten Hour Movement, 1840-1860,” Vol 1

survived the latter crisis.⁷⁵ Unemployed workers also organized after the crisis of 1857, including a mass meeting of 15,000 workers in New York City that turned into a march on Wall Street where the unemployed “paraded around the Stock Exchange, shouting: ‘We Want Work.’”⁷⁶ Public works programs were created out of popular pressure, and the largest strike prior to the Civil War occurred shortly after the 1857 depression.⁷⁷

During this period of the ten hour work day movement, clerks began to organize and found popular support for their cause. Trade unionism has a rich history in the US as we have seen so far, with the craft-based model most predominant in the 1800s. If we were to conceive of the project of organizing workers and others in the financial sector from the craft unionist perspective, the organization of the clerks in retail trade would be their historical antecedent. The goods that clerks sold in the 1800s generally came from journeyman trade organizations organized for the mutual benefit of skilled craftsmen. Likely copying other workers in New York City (NYC), retail salesmen created the Dry Goods Clerks’ Mutual Benefit and Protective Association in 1849. Their primary objective was to shorten the working day, calling for stores to close at 8 PM not through strike threats, but through attempts to persuade employers and customers. They won the moral support of professionals such as doctors and lawyers, and appealed to working men and women through the help of the Industrial Congress.⁷⁸

The American Labor Union was a similar effort led by Germans, whose exiles from the 1848 revolution played an important role in the labor movement of the 1850s contemporaneously with English immigrants who brought Chartist and trade union experience to the US. These immigrant groups, even with their radical political experience, were not able to build labor based political movements as strong as those of the 1830s discussed above.⁷⁹ Nevertheless, they were successful in their goal of reducing their work week by 15 to 25 hours, and caused the movement to spread to

⁷⁵ Foner 1:218 and Wilentz 116

⁷⁶ Foner 1:239

⁷⁷ Foner 1:240, The strike of the shoemakers in New England included at least 20,000 men and women out for three months with community support. (Nicholson 88) The largest prior was probably the Philadelphia General Strike of 1835. (Nicholson 69-70)

⁷⁸ The Industrial congress was an effort from 1845 to 1856 to federate the labor movement at the national level. Foner 1:234

⁷⁹ Foner 1:227-235

other parts of NYC. For example, other workers, such as the hat and shoe clerks, formed their own unions of salesmen and won 8PM store closings from merchants.⁸⁰ Despite some local victories, efforts to create a national labor federation were not successful in the 1850s. Local craft unions were successful however in forming national and international organizations to maintain wage scales in the larger markets and increased urban populations, which were products of improved communication and transportation. These were mainly local craft unions based on specific skilled workers, with the exception of one building trade union organized on a multi-craft basis. The clerks' union was not among the locals that began to organize on a national scale at this time.⁸¹

The Civil War interrupted some of this growth in membership and militancy. During the Civil War, most workers contributed to the liberation of black slaves by supporting the North, although others denounced the conscription of workers as long as the rich were excluded. Some workers also feared freeing slaves was an attempt by northern abolitionists to replace militant workers with former slaves in order to drive wages down.⁸² Prior to the Civil War, state chartered banks issued their own bank notes, and the federal government used gold and silver to pay expenses. By the end of the war, the US had a national currency, federally chartered banks, huge budgets, debts, and federal employment; all of which were supported by northern manufacturers because of the stimulus war gave to the economy.⁸³ Measures taken during the Civil War, such as the Legal Tender Acts of 1862, helped stimulate industry and employment by putting 300 million greenbacks into circulation. Inflation, however, also resulted, and exceeded wage increases by 15 to 30 percent.⁸⁴ This situation led to increased trade union organization, and political action by labor. Despite their efforts, the lack of liquidity, and the outbreak of a recession and ensuing unemployment—an environment

⁸⁰ Stevens 27-31

⁸¹ Foner 1:235-236

⁸² Foner 1:323, on the "Copperheads"

⁸³ Gutman 442

⁸⁴ Commons 2:14-15

recognized as detrimental to strike action—caused new energy to be redirected towards building producer cooperatives.⁸⁵

One of the challenges faced by these cooperatives was obtaining credit, which led the National Labor Union (NLU) to place monetary reform at the center of its program in 1867. The NLU (1866-1872) was composed of trade unions and cooperatives federated to challenge the rise of nationally concentrated capital, and often took positions on national questions based on farmers' interests.⁸⁶ The NLU's *Address to the Workingmen of the United States* called for women and black workers to enter the unions and receive equal pay for equal work, agitated for the eight hour work day, and called for labor's political independence from capitalist parties. This address also directed political action towards the "abolition of 'our iniquitous monetary and financial system,' which reduced the 'producing classes' to a state of servitude."⁸⁷ During the Civil War, wage demands were central even as farmers and small manufacturers were satisfied with price increases. But the falling prices after the war brought these groups together as "producing classes" against the capitalist class. Some of the NLU leaders thought monetary reform could replace the need for unions, and focused on the "financial oligarchy" at a time when strikes and political struggle against an increasingly powerful industrial bourgeoisie were needed. The NLU wanted "to do away with Wall Street" and "the national banking system." They

...demanded that the rate of interest should be fixed by the government instead of by the banks, and called upon the government to reduce the rate of interest on its bonds to three per cent and at the same time make

⁸⁵ Commons 2:115

⁸⁶ After the depression of 1860, and despite losses during the Civil War, there were at least thirty-two national unions by 1870, based primarily on skilled crafts, some of them international with the inclusion of Canadian workers. Demands for the eight hour day began in the 1850s and grew during the 1860s in a still highly rural society. The NLU helped coordinate strikes to enforce newly won eight hour day legislation. (Foner 1:345, 363, and 381) It fell short of calling for women's suffrage and was inadequate on questions of the Southern reconstruction and organizing Black workers, but did advocate organizing female workers, and admitted women's unions, which were mostly unsuccessful since national unions excluded women. (Foner 1:385-408) Considering over 300,000 women were brought into the labor market as a result of the Civil War, and given the Republicans' gradual move to the right resulting in the end of the Southern reconstruction efforts to give former slaves full citizen rights, the NLU failed in two critical areas of labor organization and politics. (Wilentz 121) See also, Charlotte Todes, *William H Sylvius and the National Labor Union* (Hyperion, 1975)

⁸⁷ Commons 2:114

them convertible into greenbacks which would be legal tender at the option of the holder.⁸⁸

The idea was that cooperatives and small businesses could obtain loans directly from the government at one percent interest rates, which would help create jobs for the unemployed. Much of the NLU's political action focused in these areas instead of creating a labor party or strong industrial unionism.⁸⁹ The NLU was the first real national labor federation, and although composed of many craft unions based in the building trades, it aimed to organize the unorganized and establish "an international organization in every branch of industry."⁹⁰ However, the first national labor federation was too short-lived to affect the organization of financial sector workers or to form a labor party due to a political orientation overly influenced by Greenbackism, and not on the actual needs of the working class and their organization.⁹¹

Despite much of the labor movement of the 1870s being made up of ethnic and immigrant workers with "little direct connection to the Jacksonian labor movement," they "retrieved the established republican values of 'independence'" and "enunciated a distinctive producer ideology."⁹² The "producerist language of social conflict sometimes obscured class lines," but many workers had still risen through the trades at that time to become manufacturers with interests against "capital."⁹³ During this period, there was plenty of "middle-class sympathy for employers, and middle-class self-identification as distinct from workers," and "opportunities remained for some ambitious workers to set up on their own—as small shopkeepers, artisans, or subcontractors—or to advance through the ranks as foremen and managers."⁹⁴ Given "the ideal of self-improvement—an ideal central to the labor movement—could easily be turned toward improving one's individual

⁸⁸ Foner 1:422

⁸⁹ Foner 1:423-429, Two-thirds of the Labor Party's platform that the NLU proposed was focused on monetary reform, and because of opposition within the NLU, the party could only participate in local elections. See also Montgomery 1981, 425-447 "The People's Money."

⁹⁰ Foner 1:372

⁹¹ Foner 1:429, see also Nicholson 97-101. It should be noted, it is perhaps under the National Labor Union that the first women typists organized, in the Women's Typographical Union #1, which received a charter from the NLU in 1868 according to Wendy Stevens, "Women organizing the office," *Off Our Backs* 9.4, Apr 30, 1979: 10.

⁹² Wilentz 126-127

⁹³ Wilentz 127

⁹⁴ Wilentz 125

situation, at the expense of collective action,” it is not surprising the labor movement faced obstacles.⁹⁵ With many state and national chartered banks to offer opportunities for advancement, it is likely workers in the financial sector identified with an upwardly mobile middle class, which likely limited self-organization, or at best would have oriented them towards then predominant craft models of organization based on exclusivity.

The depression of 1873-1878, which was started by “the failure of the banking company of Jay Cooke and Company, was by every measure the worst and longest in duration in the nation’s history up to that time.”⁹⁶ Workers faced major setbacks in their struggles. Only nine of the thirty national unions that existed before the depression remained by the end of it, all having suffered significant membership loss.⁹⁷ Nevertheless, the unemployed organized, and smaller towns and cities would often erupt in rebellion as employers tried to deepen wage cuts. Industrialists turned to “the state government, the National Guard, [and] private police forces to bolster their authority” in the face of quite organized and militant local resistance, demonstrating its strongest expression in the great railroad strikes of 1877.⁹⁸ Reconstruction ended in 1877 with the Republicans’ turn to the right after the Civil War, a result of “northern industrialists and southern planters notic[ing] that they faced a potentially hazardous challenge from... [sic] freemen, displaced yeomen, and reconstituted labor movement.”⁹⁹ Reconstruction created railway development that helped to commercialize the South, but left it as “an under-developed sectional colony, ruled by an American planter capitalist elite.”¹⁰⁰ This reconsolidation of “the nation’s economic and political elites” enabled a full attack on labor reforms through the state and federal courts in the 1880s. It also led to calls for a national army to prevent further worker rebellion from threatening what they believed was still a “republican” capitalist state.¹⁰¹ While capital claimed to hold the future of the republican ideal and that such measures were needed to prevent a Paris commune type insurrection, labor “again raised doubts voiced by the Jacksonian

⁹⁵ Wilentz 125

⁹⁶ Nicholson 105; Wilentz 129 says it was a brokerage house

⁹⁷ Nicholson 105

⁹⁸ Wilentz 129-130

⁹⁹ Wilentz 126

¹⁰⁰ Wilentz 120

¹⁰¹ Wilentz 129-130

Journeymen” about the republic being corrupted by “a new oligarchy of capital.” For example, one labor leader wrote:

After a century of political independence, we find that our social system is not better than that of Europe and that labor in this Republic, as in the European monarchies, is the slave of capitalism, instead of being master of its own products.¹⁰²

It is against this background, during the period from 1880 to 1900 when nonagricultural workers more than doubled and went from 48 percent of the employed to 60, that the Knights of Labor and the American Federation of Labor formed.

The Knights of Labor started as a secret organization of multi-craft skilled and unskilled workers in 1873, but went on to embrace producer and consumer cooperatives, and even employers. It favored arbitration over strikes, and denounced socialism in preference for the anti-monopoly positions of the time. The Knights were more open to women and black workers than the trade unions.¹⁰³ This effort towards wider inclusiveness and solidarity was important since “the vast majority of workers outside the building trades in 1880 were either first- or second-generation immigrants or blacks, in major cities and smaller towns alike; in some places the figures ranged as high as 90 percent.”¹⁰⁴ Its secrecy had been a response to lost union struggles, but when it expanded into mining areas with many Catholics, and the Catholic Church finally accepted the right of workers to join, members decided to go public. While the National Trade Union of the 1830s excluded politics and the National Labor Union of the 1860s moved away from trade unionism exclusively to politics, the Knights of Labor was neither apolitical nor completely political in its outlook.¹⁰⁵ Terrence Powderly again carried the tradition of the republican dream, building the organization on a cooperative model to “make everyman his own master.”¹⁰⁶ Powderly excluded “drones,” saying “no lawyers,

¹⁰² Wilentz 131, labor leader quote from Irish-American Socialist J.P. McDonnell

¹⁰³ According to Devault in her study of an AFL and Knights of Labor “cross-gender” strike, the Knights ultimately believed “women and their work belonged at home.” This resulted in some Knights of Labor leaders to not recognize the agency and leadership of the women in struggle, along with rank-and-file men, who often came from different trades from the Knights leadership. The failure of the leadership to allow women and this rank-and-file in organizing struggles probably contributed to the Knights further decline, and the preference for the AFL’s emphasis on local autonomy. (Devault 2004, 73-74)

¹⁰⁴ Wilentz 119, citing Herbert Gutman

¹⁰⁵ Taft 62-91

¹⁰⁶ Taft 90 quoting Powderly

no bankers, no doctors, no professional politicians,” but included the clerks among those who “by the sweat of [their] brow shall eat bread” and could be included for membership alongside of “the machinist, the blacksmith, molder, pattern maker, laborer and miner.”¹⁰⁷ Women were also welcome. The Knights of Labor claimed in *The Labor Movement Today* “nearly every trade and occupation has had in the past, as most of them have in the present, some form of a trades organization,” but did not mention clerks or financial sector workers.¹⁰⁸

In the early 1900s, the industry organization of the bankers, the American Bankers Association (ABA), faced a challenge from below as bank workers, who were included in the organization at one time, began to organize from within. Bank clerks attempted to force the ABA to fund the bank worker created American Institute of Bank Clerks to provide training and education for them. Bankers, however, used the positions of the Knights of Labor to dissuade the bank clerks from turning to unions. Some of the bankers were nervous about the bank clerks, who were demanding in the thousands for better training, “and it began to whisper in the backrooms that we would have a labor union on our hands if we didn’t look out.” One banker told the clerks in response:

Personally, I did not lose sleep over that. In the first place, you are not fools, and in the second place, I don’t believe you could join the labor unions if you wanted to; they wouldn’t have you. When the present great labor movement in the US began with the Knights of Labor about thirty years ago, the constitution of the unions excluded two classes of workers: bartenders and bank clerks. Doubtless bank clerks were excluded for a different reasons than bartenders were. Mr. Powderly said, when asked about it, that bank clerks don’t need the assistance of unions. The real fight for labor unions is for the right of those who work with their hands to some little share in the better things of life. It is an effort to do away with child labor, with sweat shops, with pace makers, with unreasonable hours and unhealthy surroundings, with uncertainty and irregularity of employment, with the cutting down of wages to the lowest point at which human wages can be sustained under degrading conditions. In spite of the arrogance and the cowardice and the crimes that have made trade unionism hateful, it is essentially an effort to establish a fundamental principle, that all those who do honest work that is necessary to be done shall have a chance to live a decent, self-

¹⁰⁷ Taft 91 quoting Powderly; Also excluded were professional gamblers, stockbrokers and liquor businesses.

¹⁰⁸ ed McNeill, George E. NY: Hazen, 1887. pp 361

supporting lives. Bank clerks have nothing but a sympathetic interest in any of these questions. They are already getting about everything the labor unions are trying to get, or have any right to try to get, by the union method.¹⁰⁹

Ultimately, the officers of the ABA feared the clerks' independence, but also wanted them to self-fund their own institute of training and education. Their position towards the bank clerks resembled company unionism, which was not to become illegal until the 1930s in the US. The clerks were in fact treated with a certain amount of respect as professionals worthy of self-governance, reflecting the skills still necessary for the jobs in the first decade of the 20th century, the possibility of them being developed into officers, and limited fears of unionism given the attitude of unions and other popular movements towards the banker and bank clerk alike.¹¹⁰

The Knights of Labor wanted the post office to replace banks for deposits and exchange, and they made the following demand in their preamble: "The establishment of a national monetary system, in which a circulating medium in necessary quantity shall issue direct to the people, without the intervention of banks; that all the national issue shall be full legal tender in payment of all debts, public and private; and that the government shall not guarantee or recognize any private banks, or create any banking corporations."¹¹¹ Many of the Knights of Labor Leaders supported the Greenback-Labor Party, which grew out of the failed efforts of the NLU, and included in its program "repeal of the Resumption Act and the National Banking Act and restriction of the issuance of money to the government, a graduated income tax, complete control by the government over all corporate bodies, and abolition of paying wages in store scrip."¹¹²

Socialists in the labor movement, many of them German immigrants who were versed in Marx and formed the Workingmen's Party, the American section of the International Workingmen's Association, rejected the Greenbacks for not taking a stand for the black workers in the South who faced the white terrorism of the Ku Klux Klan, and

¹⁰⁹ Trust Companies, Volume 3, Part 2, Trust Companies Pub. Association: 1906, p 617-618. See also, Kocka 327.

¹¹⁰ Trust Companies, Volume 3, Part 2, Trust Companies Pub. Association: 1906, p 617-618. Kocka found in 1928 1.5 million workers belonged to company unions, at a time when all workers in non-company unions was about 3 million. (Kocka 172)

¹¹¹ www.6hourday.org/1886.html, accessed March 20, 2014.

¹¹² Foner 1:480

for advocating a financial reform program that instead of helping labor would mainly alleviate national debt, helping real estate speculators and politicians.¹¹³ The Knights of Labor believed legislative action was necessary to end monopolies, or “corporate tyranny,” through “government ownership of the railroads, telegraphs, and telephones; elimination of the private banking system, and substitution for it by a postal savings bank.”¹¹⁴ However, “its structure and methods were not suited towards the attainment of these objectives,” with Powderly discouraging strikes and boycotts, and instead arguing “only through self-employment could labor obtain lasting victories.”¹¹⁵ Nevertheless, the organization grew from less than 10,000 members in 1878, to more than 600,000 members by 1886. Although some members were sympathetic to the socialists, “the Knights sought a radical transformation of the nation in the continuing tradition of Jefferson and Paine, through educational enlightenment and the mobilization of all producers.”¹¹⁶ In fact, workers in the US were drawn less to alternative socialist visions of societies than Europeans, but “acted more militantly when they confronted their employers than their European counterparts in this era...Strikes in the US were more numerous, longer, and more often resulted in violent or legal clashes with police or military forces than the labor conflicts of their European and more outwardly socialist counterparts.”¹¹⁷

The 1880s were filled with massive strikes, culminating with the death of two workers in a march of 80,000 workers on May 1, 1886. The next day, a smaller protest in response to May first’s tragedy resulted in the death of a policeman after a bomb was thrown. Despite the lack of proof demonstrating who was responsible for the bomb, seven radical labor organizers were sentenced to death, an event known as the Haymarket Affair. Even though the Knights of Labor renounced socialism and even strikes in many cases, their organization, along with the rest of the labor and socialist movements of the time, was hurt by increasingly repressive conditions resulting from

¹¹³ Foner 1:478

¹¹⁴ Foner 1:507, check Powderly *Thirty Years of Labor* p 34

¹¹⁵ Foner 1:508

¹¹⁶ Nicholson 116

¹¹⁷ Nicholson 113

policy and policing trends resulting from the Haymarket Affair.¹¹⁸ The Knights of Labor did not replace the need for a labor federation, so many trade unions continued efforts throughout the 1880s to organize a central trade union federation even if they were also card carrying members of the Knights of Labor.¹¹⁹ The Knights of Labor was often ineffective in cases where strikes were necessary to address workers grievances and wage demands, which caused further support for the creation of a national trade union federation. The efforts of the national trade unions and the failure of the Knights of Labor, partly a product of the reaction to the Haymarket Affair and the aggressive actions and power of unrestrained employer associations, led to the conservative unionism developed by Samuel Gompers, in the founding of the American Federation of Labor (AFL).¹²⁰ These in conservative influences will be seen again in later chapter four, were they clearly had an impact on inhibiting the organization of financial sector workers.¹²¹

The tradition of populism, even if it promoted solutions antiquated to the conditions of capitalist development in which it existed, was quite influential in the US's labor movements, political formations and financial sector development. While populist struggles did build working-class movements and expand full citizenship rights, they also failed to build a labor party and promoted programs that contributed to the development of a fragmented financial sector prone to crises that undermined the labor movement's gains. After the Civil War, there was a series of crises. In 1907, JP Morgan had to save the financial sector, which led to the creation of the Federal Reserve System in 1913. Prior to this period, the financial sector was perhaps too tumultuous for unions to have

¹¹⁸ Nicholson 116-117. Four were executed and known as the "Haymarket Martyrs." One died in jail, and three received clemency.

¹¹⁹ Taft 93

¹²⁰ Voss 198-205, 223-228, 236-238. Kim Voss argues that it was not American exceptionalism, failed solidarity or the influence of the middle class that broke the Knights of Labor's project for working-class unity, but the power of unrestrained employer associations in country with large industrial power intent on destroying unions after their early successes. British trade unions did not meet nearly as much hostility, and France was dominated by smaller firms.

¹²¹ The AFL's locals were built on a solidarity that was about defending skilled workers, and in a sense manhood as a "common property," as Devault describes it, since perceptions of skill were bound with concepts of manhood. Gender perspectives in the AFL varied significantly, especially by region, but many locals learned to organize with women workers to avoid the employers' common tactic of using them to break strikes. Although this did not necessarily mean full inclusion of women and their demands in the craft unions' struggles since deskilling was the ultimate threat to a craft union; deskilling was in fact, synonymous with being replaced by women. (Devault 2004, 76, 83-87, 104, 152, 212-213)

gotten a serious foothold. The financial sector became more centralized and concentrated, until the depression and new regulations in 1933, which were eroded in 1980 and 1999. There may be something unique to the US in these repeated efforts to limit banking monopoly power. Since financial sector unions had more success in the insurance industry, perhaps they would have been more successful if Glass-Steagall never existed.¹²² Perhaps they could have had more leverage to enter the banking sector, and perhaps even Wall Street. Further exploration is needed to examine what options are best for labor around options such as nationalized banks, decentralized banks, credit unions, etc. The delay in the US establishing a central bank, and the fact that populist movements still manifest discontent through votes for presidential candidates that calls for abolishing it, should also be explored further.

The character of the financial sector's development and the populist political traditions in which the AFL arose would contribute to its eschewing both the organization of financial workers and the building of a labor party that could have helped create a social regulatory framework that would have made organizing all workers easier.¹²³ The next chapter explores the post-Civil War 19th century financial sector and the explosive growth and transformation of clerical workers, ultimately a challenge that neither the Knights of Labor nor the AFL effectively addressed.¹²⁴

¹²² Glass-Steagall is legislation that was part of the Banking Act of 1933, known most for separating the activities of commercial banks and security firms. The 1999 Gramm-Leach-Bliley Act (GLBA) repealed the Glass-Steagall provisions which restricted commercial bank and security firm affiliations, which had already been limited by loose regulator interpretations of Glass-Steagall from the 1960s onward.

¹²³ See Robin Archer, *Why is there no Labor Party in the US?*, Eric Thomas Chester, *True Mission: Socialists and the Labor Party Question in the U.S* and Eric Foner, "Why is there no Socialist Party in the US?" Robin Archer specifically studies the 1890s when the AFL could have created a labor party. He finds that state repression (and union leaderships' responses to it), religion, and the sectarianism of socialists and other radicals to be the biggest inhibitors to the creation of a labor party in the US during this period.

¹²⁴ For further reading on this period, see Ramirez, Bruno. *When Workers Fight: The Politics of Industrial Relations in the Progressive Era, 1898-1916*. Westport: Greenwood Press, 1978; Montgomery, David. *The Fall of the House of Labor: The Workplace, The State and American Labor Activism, 1865-1925*. Cambridge: Cambridge University Press, 1987; and Greene, Julie. *Pure and Simple Politics: The American Federation of Labor and Political Activism, 1881-1917*. Cambridge: Cambridge University Press, 1991.

Chapter 3

Clerks and the Financial Sector at the Turn of the Century

Before we continue with the central question of financial worker organization, or more broadly, clerical worker organization, let us discuss further the structure of the financial sector, and the position of clerks in the US in the 19th century. In some ways, early banking in the US was unique. In New England for example, there was little difference between the banker and the industrialist in the early 19th century since both had interests coalesced around the cotton textile industry. Often a banker would only lend to a company in which he had an ownership stake.¹²⁵ Scotland, on the other hand, had a banking environment that was quite competitive compared to both England and New England. By 1826 Scotland had 35 banks with 134 branches, making it one of the first countries to realize branching benefits such as “increased competition, greater diversification of bank portfolio risk, and ease of coordinating payment transfers within a small number of institutions.”¹²⁶ The US however, made greater use of limited-liability banking, which was considered useful for finance in a society that otherwise lacked large concentrations of wealth, and faced popular opposition and regulation when wealth became concentrated.

Popular opposition to concentrated wealth as discussed above in the section on Jacksonian populism led to the dual banking system: the chartering and regulating of banks at both the state and national level. This Supreme Court backed regulatory framework is at the historical roots of a modern banking system that has been highly fragmented, both politically and economically.¹²⁷ Dual banking created an incentive for states “to protect their own chartered institutions, effectively prevent[ing] interstate banking,” and “decentralization made it easier for certain special interests (unit bankers

¹²⁵ Calomiris 26

¹²⁶ Calomiris 227

¹²⁷ National banking charters helped finance the Civil War and create uniform currency, but nationally chartered banks still operated within “individual state boundaries.” The Comptrollers of currency did not allow national banks to branch until the McFadden Act of 1927, “which allowed national banks to branch only where state-chartered bank branching was also permitted.” It is important to note that: “The National Banking System did not alter the fragmented structure of the American banking system. The Comptrollers of the Currency, who oversaw national banks, interpreted Congress's intent as not to allow branching, and so branching by national banks was effectively prohibited until the McFadden Act of 1927, which allowed national banks to branch only where state-chartered bank branching was also permitted.” (Calomiris 231)

and landowning farmers) to succeed in restricting bank branching within states,” which was part of the movements in the 1880s mentioned above.¹²⁸ These circumstances are important to consider because although countries such as Scotland had branching in the early 19th century, the US was unique in that even with bank consolidation in certain periods such as the 1920s, the interests of “unit bankers and their allies succeeded in preventing significant changes in branching laws until the 1980s and 1990s.”¹²⁹ Other countries perhaps had more stable financial firm structures sooner. England had copied Scotland by the mid-19th century, while Germany allowed universal banking, the combining of commercial and investment banking, which perhaps created a lower risk environment and therefore more toleration of unionization.¹³⁰

Additionally, although industrialization did begin prior to the Civil War, the northern victory over southern plantation economic and political interests helped accelerate industrial advancements. Industrial manufacturing in New England produced mainly for regional markets prior to the Civil War. Trains did not travel significant distances until the 1850s, and the east and west coasts were not effectively connected

¹²⁸ Calomiris 228

¹²⁹ Calomiris 228

¹³⁰ Calomiris 231. Legal regulations explain the lack of national consolidation of the financial industry, as occurred in transportation and manufacturing industries where unions had more success, resulting in the following as US territory expanded: “The costs of unit banking became increasingly apparent in the United States during the late nineteenth century. It made the United States unusual in several important respects. As U.S. territorial expansion proceeded, new regions in the West remained isolated financially, as evidenced by large persistent interest rate differentials between the Eastern financial centers and the new territories and states. The high costs of establishing banks rather than low-cost branch offices made access to banking facilities difficult and made credit more costly. Industrial firms in the United States experienced increasing difficulty in raising funds from banks; as the size of industrial firms grew, small unit banks were unable to meet large-scale industrial financing needs and became increasingly focused on commercial lending. American banks, relative to those in other countries, were uniquely vulnerable to panics and to waves of bank failures.” (Calomiris 231-232) Others argue there were examples of universal banking in US history, as investment bankers that rose during and after the Civil War such as JP Morgan moved into commercial banking prior to Glass-Steagall prohibitions in 1933, and these too were more efficient: “Even in the United States some banks did engage in universal banking, and they seem to have been more successful than strictly commercial banks (De Long, 1992; Ramirez, 1995; Smith and Sylla, 1996). Therefore, here is a presumption that universal banking, represents an efficiency-enhancing aspect of capital market development.” (Tilly 331) These points raise interesting questions around the stability of an industry and its firms, and whether there is more of a basis for unionization in a universal bank than a commercial bank; and further, whether or not unions should support or not oppose moves towards more universal banking and branching in the US.

to allow for the formation of national markets until 1869.¹³¹ The first transcontinental rail line was completed and the amount of railroad track tripled in the twenty-five years after the Civil War. Then, from 1890 to WWI, the amount of track doubled. Immigration increased, and the westward expansion of settlers, combined with military campaigns, forced the indigenous population into a reservation system at the same time the factory system expanded and produced for new regional and national markets.¹³² Industrial production more than quadrupled from the end of the Civil War to the turn of the century, and then almost doubled from the turn of the century to WWI. Likewise, the percentage of the labor force involved in industry increased from 20% in 1860 to 28% in 1890, and to about a third of the population at the start of WWI.¹³³ The GDP increased from 9 to 26 billion dollars from 1870 to 1890 (\$223 to \$405 per capita), and to another 71 billion (\$683 per capita) by 1917.¹³⁴ From 1840 to 1920, the native population increased almost six times over, from 14 to 83 million, and the immigrant population more than 13 times, from 3 to 40 million. These immigrants, who were first from northern and western Europe, then from southern, eastern and southwestern Europe, made up about 40% of the population in the US's 12 largest cities at the turn of century, with their children making up an additional 20%.¹³⁵ A large national market (in land and people, unified by an expanding transportation system), significant mineral wealth, and policies favorable to industry such as "protective tariffs, favorable taxation absence of direct intervention, and land grants" contributed to this rapid economic growth.¹³⁶

During this period of industrial growth, great mergers took place despite populist movements achieving the implementation of anti-trust laws (as discussed in the previous chapter). The insurance industry provided capital for much of this growth, and large banks "such as J. P. Morgan, Kuhn & Loeb, and the National City Bank of New York

¹³¹ Davies 10-12. Two exceptions were the national bank experiments that ended by 1836 as mentioned previously, and maritime insurance companies, which competed for business on the entire eastern coast as early as 1800, consisting of the national market for the industry at the time.

¹³² See Dee Brown, *Bury My Heart at Wounded Knee: An Indian History of the American West*. The late 1800s were a period where "sharecropping, convict labor, legal racial segregation, and lynch law" upheld white supremacy, while the same troops sometimes used against labor, placed Native Americans on reservations, killing or defeating all of those who resisted. (Nicholson 96)

¹³³ Kocka 35

¹³⁴ Kocka 36, in 1929 constant prices

¹³⁵ Kocka 37

¹³⁶ Kocka 36

often played a directing and coordinating role in these combinations; they thus attained great and lasting influence on these industrial concerns.”¹³⁷ Along with the growth of the firm, new layers of management and planning departments grew apart from the production process. In between production and planning were the clerical workers, who “serviced both the ‘brain’ and the ‘hands’ of a firm and often connected these two functions.”¹³⁸ As consumer demand increased, so did the final goods of the manufacturing process, as well as clerical output as an intermediate good. Braverman describes much of the financial sector as “pure clerical industries,” noting:

Banks and credit agencies conduct only one mode of labor, the clerical, and below the managerial level the labor employed consists almost entirely of clerks who work in offices and service workers who clean offices. The only thing that prevents this from being the case with brokerage and investment houses and insurance companies is the need for a large number of salespeople.¹³⁹

For clerical industries such as banking and insurance, “their primary tangible product was financial capital, and their main production process the generation of paper records.”¹⁴⁰

This chapter explores clerical workers against a backdrop of industrial development creating unprecedented opportunities in the financial industries for financing corporate growth and investment. First, manufacturing and retail increasingly merged and consolidated, creating new opportunities for commercial loans to businesses. The population increased dramatically through immigration, and new

¹³⁷ Kocka 43; Insurance companies were among the first businesses in the US, with 50 existing by 1806, and worth \$15 million, composed of workers who collected premiums and settled claims. By the end of the century, the industry had grown substantially because of innovation in technology and new products, requiring larger offices and companies with multiple branches, employing staff “with greater levels of technical expertise in underwriting, large bodies of clerical staff processing policies and claims, and large marketing operations to spread risk as widely as possible.” (Pearson 86) The US was the largest market in the world for fire and marine insurance, with over 2,300 companies and at least a hundred foreign, many with a substantial market share. (Pearson 92) Life insurance companies grew from 18 in 1840 to 135 in 1870, with mergers reducing the total to 85 by 1900 with \$1.8 billion in assets, or 2.9% of the national income. Firm structure varied between mutual and stock companies, with the differences less significant in the early 1900s as policyholders interests benefitted from new legal protections. (Johnson 93-94) Health and accident insurance was provided mainly by mutual-aid societies in the 19th century; private insurance as we think of it and failed efforts for national health insurance were issues of the 20th century. (Whiteside 97)

¹³⁸ Fine 1990, 11-12

¹³⁹ Braverman 300

¹⁴⁰ Kwolek-Folland 29

opportunities for selling financial products such as home mortgages, automobile loans, checking, and saving accounts expanded. Bank failures, especially in rural areas in the 1920s, caused an increase of mergers and consolidations, giving growing cities new importance to an increasingly powerful financial sector. Branch banking increased by seven in the 1920s, new loan opportunities abounded, and buying on credit surged in popularity; half of all retail purchases were made on credit by 1930.¹⁴¹ The middle class grew, and the popularity of life insurance products as a savings mechanism increased substantially. Small companies of the late 19th century moved into the tallest skyscrapers of growing urban centers, and over half of all clerical workers were employed in offices with at least 50 office workers in 1930.¹⁴² Government regulation of the bank's accounting system and the need to process the paperwork involved in expanding commercial and consumer credit demanded increased hiring of clerical workers. The defeat of the 19th century workers of the "producer class" described in chapter two shook up the ideal of men earning a family wage along with Victorian era notions of a segregated gender space, sending many women into the workplace for their first time, made possible by the engendered technological developments of new office machinery.

C Wright Mills described the highly visible white-collar middle class that emerged after WWII, and Harry Braverman described how only 25 years later the clerical workers among them faced even more alienating conditions as deskilling increasingly made white-collar clerical jobs like factory work. Building on the contributions of these authors, economists, labor historians, and women's studies scholars have intensely studied the dramatic increase of the clerical workforce during the period of 1870-1930 (see Table 1 below).¹⁴³ The US workforce more than tripled, but grew at least 14 times in iron and

¹⁴¹ Strom 1994, 231; Branch banking reduced the number of executive positions and increased clerical positions. (Mills 68)

¹⁴² "By 1920 almost 10 percent of the population of the United States lived in New York, Chicago, or Philadelphia, and these major cities grew by more than a third in the next decade. New York City went from 1.5 million to 7 million. By 1930 Chicago had 3.5 million, and Detroit and Los Angeles 1.5 million each. Dozens of smaller cities also grew substantially, and by 1930 nearly four hundred buildings of more than twenty stories-"skyscrapers"-had been added to the American landscape. The growth of cities-especially in the Northeast, along the Pacific Coast, across the Great Lakes region, and in southern commercial centers-was in part a result of the increased importance of cities as regional centers of trade and finance and their expanding paperwork industries." (Strom 1994,230-231)

¹⁴³ Studies (cited below) on DC, LA, Chicago, Pittsburgh, and Philadelphia exist, but none on New York City, which would be significant for the financial sector in general and financial sector unionism in

steel and 35 times in rubber, with clerical work increasing the most, at over 35 times.¹⁴⁴ Women entered the workforce in unprecedented numbers, leading to many of the scholars of this period to analyze how the Victorian era ideal of a separate public (male) and private (female) sphere was challenged at the same time it was brought into the workplace.¹⁴⁵ It is the period when the increase in white-collar work first outpaced that of manual work, and is as the root of understanding white-collar jobs which became the dominant form of work in the US in the post-WWII era. These workers typically had more education than blue-collar workers, but usually in the form of technical training rather than college education. This enabled even lower-level sales and clerical workers to sometimes earn more than blue-collar workers, to enjoy safer work conditions, and to escape unemployment in economic downturns, at least until the Great Depression.

particular. *Engendering Business* examines the insurance industry, offering more insight into employment relations in the financial sector than other works cited, but is limited in its examination of unionization. Lisa M Fine notes that this “scholarship has focused on (1) the effects of technology and scientific management on office and clerical work and those who perform it; (2) the relationship between women and office work; (3) unionization; and (4) economic transformations of late twentieth century capitalism.” (Fine 2007, 261-262) These studies are thorough on most of these points in regards to the clerical work and social history of the time, but with the exception of Sharon Hartman Strom’s *Beyond the Typewriter*, are limited on questions of formal organization and clerical workers, especially prior to the rise of UOPWA, which is the period most of this scholarship focuses on. These works are excellent in addressing Fine’s second point, although the banking industry is an exception since feminization occurred later, therefore warranting an additional industry specific study.

¹⁴⁴ Devault 1990, 12

¹⁴⁵ Architect Charles Loring noted: “The offices of our grandfathers were without steel frames and files, without elevators and radiators, without telephones,—and without skirts.” (Kwolek-Folland 94)

Table 1

Growth of Clerical Workforce and Female Clerks, 1870-1930 (in thousands)

<i>Non-Agricultural Labor Force (NALF)</i>				<i>Clerical Labor Force (CLF)*</i>						
Total	Female	Male	Total	tCLF % of NALF	fCLF % of Female	fNALF	Males	mCLF % of mNALF	F % of CLF	
1870	6,075	1,463	4,613	74.2	1.2	1.8	0.1	72.4	1.6	2.4
1880	8,807	2,021	6,786	150.4	1.7	6.6	0.3	143.8	2.1	4.4
1890	13,380	3,210	10,170	380.8	2.8	73.4	2.3	307.4	3.0	19.3
1900	18,161	4,311	13,850	708.2	3.9	214.2	5.0	494.0	3.6	30.2
1910	25,779	6,269	19,510	1,523.9	5.9	573.1	9.1	950.8	4.9	37.6
1920	30,985	7,466	23,518	2,837.7	9.2	1,396.0	18.7	1,441.7	6.1	49.2
1930	38,358	9,842	28,516	3,738.8	9.7	1,964.4	20.0	1,774.4	6.2	52.5

Source: Adapted from Elyce J Rotella, *From Home to Office: US Women at Work, 1870-1930* (Ann Arbor: UMI Press, 1981), Table 4.1. *CLF includes bookkeepers, accountants, cashiers, stenographers, types, and clerks (excluding stores)

The first half of the period, 1870 to 1900, known mainly for the industrialization of the US, also marks significant shifts within the white-collar category. Prior to the accelerated industrialization after the Civil War, the proprietary and professional sections of the white-collar category outnumbered the clerical section, but this shifted by 1900 in urban areas.¹⁴⁶ Clerical occupations grew faster than any other occupation in every decade from 1870 to 1930, growing from “1.3% to 10.5% of the total non-agricultural labor force in just 60 years.”¹⁴⁷ Women contributed greatly to this growth, as “in 1870 less than .2% of all women in the non-agricultural labor force were employed as clerical workers: by 1930 this had risen to 20%.”¹⁴⁸

¹⁴⁶ Bjelopera 2-3

¹⁴⁷ Rotella 27; Mills 1-15; The average clerical worker growth rate for 1870-1930 was 6.75% , and during the 1910s “grew at 3.5 times the rate experienced by the non-agricultural labor force ” while in the 1880s “the female clerical labor force grew at 5.75 times the growth rate of the female non-agricultural labor force.” (Rotella 65-66)

¹⁴⁸ Rotella 61; “From 1870 to 1930 the size of the non-agricultural labor force increased by over 32 million; more than 3.6 million (11.35%) of these additional workers were in clerical pursuits. Up until 1920 the clerical share of additional workers increased each decade. The most dramatic change took place from 1910 to 1920 when fully one-quarter of all added workers went into clerical occupations. For women the clerical sector was even more important for nonagricultural labor force growth, with 23.43% of the 60-year increase coming in the clerical sector.” (Rotella 65)

The sector most based on clerical work, the Finance/Insurance/Real Estate (FIRE) sector, was among the fastest-growing industries in late 19th century. A record number of women entered the financial industries between 1870 and 1930.¹⁴⁹ This was due to the increase of women customers in financial product markets, which helped increase the hiring of women employees in banking and insurance. Banking and insurance industries “were the first clerical sector industries to evolve to a national scale and to incorporate the new technologies and systems of the modern office,” which contributed to the feminization of the clerical workforce.¹⁵⁰ The following chapter summarizes the significant developments within clerical work during this period, highlighting the experience of the workers in the FIRE sector where specific data is available, as relevant to understanding its lack of union organization during the period of this study, and the obstacles that would be faced by later efforts.

Prior to the Civil War and the subsequent industrialization, the US was primarily agrarian, with most businesses operating on a small scale. The family economy was still important, and what was not consumed was sold in the market to help with the purchase of needed goods. Farmers were 75% of the US labor force in 1820, but were reduced to 50% by 1880 and continued to decline thereafter.¹⁵¹ The small independent farmer, important in the US class structure from the American Revolution to the Civil War, declined with the rise of industrial capitalism and was almost completely eliminated by price falls and mortgage defaults in the 1920s and 1940s. Since then, large capitalist farms have dominated the agricultural sector.¹⁵² Many of these displaced workers and their families supplied the labor for expanding urban office work.¹⁵³ Men moved “from agriculture to non-agriculture at approximately the same rate that women were moving from being outside the measured labor force into nonagricultural gainful employment” (see Table 2 below).¹⁵⁴ Middle-class women entered the workforce to help their families

¹⁴⁹ Kwolek-Folland 2

¹⁵⁰ Kwolek-Folland 3

¹⁵¹ “Although the final debacle of the American yeomanry would not arrive until the 1890s, capitalist agriculture had clearly overtaken independent rural production in large areas of the countryside by the late 1870s.” (Wilentz 132)

¹⁵² Davies 59-60; Mills 13-20

¹⁵³ Davies 60-61

¹⁵⁴ Rotella 5

during crisis, and working class women found the opportunities in clerical work to offer better pay and working conditions than the factory jobs available to women.¹⁵⁵

Similarly, Antebellum clerical staffing was minimal, and often involved a variety of tasks that facilitated learning the business.¹⁵⁶ For example, a copyist was perhaps necessary only in a lawyer’s office. Many of the richest businessmen went without not only copyists, but even bookkeepers. And when they were employed, bookkeepers learned all aspects of the business, and did not experience divisions of labor in maintaining the books. The most entry level job for a business career was the message boy, who in addition to deliveries, ordered supplies and sometimes cleaned the office. A clerk in the early 19th century office had a wide range of duties that enabled him to master office operations as a craftsman in a workshop would master all aspects of producing a product.¹⁵⁷

A typical office of this era may have had only 3 or 4 clerks all of whom had proximity to the employer, facilitating closer relationships than even the small factories that had began to develop. A clerk in a bank, for example, could

Table 2

Employment by Industry as Percent of Total Labor Force, 1870-1930

	1870	1880	1890	1900	1910	1920	1930
Agriculture, Forestry, Fishing	50.2	50.1	42.8	37.6	31.6	27.4	22
Manufacturing	17.4	18.2	20	21.8	22.4	26.1	22.5
Trade	6.1	6.7	7.7	8.5	9.2	9.8	12.3
Domestic/Personal Service	9.2	8.3	9.1	9.3	10	8	9.9
Transportation/Public Utilities	5	4.9	6.4	7.2	8.7	10.1	9.9
Construction	5.8	4.8	6.1	5.7	6.3	5.2	6.2
Professional Services	2.6	3	3.6	4	4.5	5.4	7

¹⁵⁵ Davies 64-68. Mills notes that the protagonist in three novels about office workers, *The Job*, *Alice Adams*, and *Kitty Foyle*, were forced to enter the office “after the death or failure of her father and in each case the father was an old middle-class [as opposed to Mill’s new middle class concept, not age] man who had not been doing well.” (200)

¹⁵⁶ Mills 190-192

¹⁵⁷ Davies 11-17

Finance/Insurance/Real Estate	0.3	0.4	0.7	1	1.4	1.9	2.9
Mining	1.5	1.8	2	2.6	2.9	3	2.4
Government	0.8	0.8	0.8	1	1.5	2.2	2.1
Not Allocated	1.1	1.1	0.7	1.3	1.6	0.9	2.7
Commodity Producing	75	74.8	70.9	67.7	63.1	61.7	53
Service Producing	23.9	24	28.3	31	35.3	37.4	44.2
Not Allocated	1.1	1.1	0.7	1.3	1.6	0.9	2.7

Source: Adapted from Elyce J. Rotella, *From Home to Office: US Women at Work, 1870-1930* (Ann Arbor: UMI Press, 1981), Table 4.5.

expect promotion to a teller position, resulting in important relationships with the business community. The example of the Massachusetts National Bank in 1864 was typical, with an accountant, teller, clerk, and messenger counting as the only four employees, and demonstrating the proximity of the clerk to bank management and ownership. Trust was an important part of the relationship since supervision would demand unwanted time and costs at the expense of the employer. This relationship was similar to other apprenticeships during the period; reduced wages might be paid to learn the trade, but sacrifices in wages often led to the apprentice becoming a manager or even an owner.¹⁵⁸ In short, a clerical worker was a male apprentice to the petit bourgeoisie or the capitalist, with realistic expectations to move up in the business or become an independent businessman.

The craftsman- and apprentice-like qualities of the relationship did not lead to trade union organization as occurred in other crafts, as discussed in the previous chapter. The personal relationship with the employer triumphed, and if the clerk had problems with his employer, he would simply look for a kinder employer. He was likely to be white, native, and from a middle to upper class background that could afford some education when public high school education was not universal. Even at the end of the

¹⁵⁸ Davies 21-22; According to David Lockwood, the name clerk was synonymous with manager, and clerks were often paid from the managers salaries as assistants. One British observer of the same time period in the UK noted the clerk-employer was feudal-like, and he was more of a "family servant than a wage labourer." (Braverman 294)

19th century, one commentator observed: “For clerks a trade union has no attraction. Its advantages are not apparent, the relationship between employer and employed being in this case essentially personal.”¹⁵⁹ Building trust and avoiding conflict benefitted this personal relationship, resulting in promotion, and sometimes, even equality. One business manager who started his career in a small office in 1869 later recalled:

There were no telephones, stenographers or typewriters, and business was done face to face. A man would travel hundreds of miles to buy a carload of iron (15 tons), rather than write because he could see all the iron manufacturers, and felt he could more than save his expenses in getting the lowest price. There were probably more callers at our office then than there are today. Business hours began at seven in the morning and six in the evening was recognized as quitting time only if the day's work was finished. And it was not unusual to continue work after supper.¹⁶⁰

These personal relationships, the proximity to the employer-owner, and the lack of technology and the lack of scientific management created real opportunities for promotion.¹⁶¹ These types of employer-employee relationships continued even after the Civil War to a significant degree despite the drastic growth of office work and decreased opportunities for advancement.¹⁶² The first clerks seemed to be more like “the ancestors of modern professional management than of the present classification of clerical workers, and despite “a new stratum created in the last decades of the nineteenth century and tremendously enlarged since,”¹⁶³ success of some early managers and owners who started out as clerks “created an ideology about clerks that survived long after the facts no longer warranted it.”¹⁶⁴ Rags to riches stories based on real upward mobility and fictionalized events abounded. Financial magnate Jay Cooke is an example of a clerk who rose through the ranks quickly. Andrew Carnegie started as a messenger

¹⁵⁹ Davies 23 quoting Charles Booth in Lockwood 32

¹⁶⁰ Willis Larimer King quoted in Devault 1990, 9

¹⁶¹ See Daniel Nelson's books (1975 and 1980 55-78) for more on Federick W. Taylor's development of scientific management: the replacing of traditional entrepreneurs and managers based on “wealth, social and familial ties, or business acumen” with management “based on technical knowledge, education, and organizational skills,” which radically altered the factory system.(Nelson 1980, ix)

¹⁶² Davies 23-24

¹⁶³ Braverman 293

¹⁶⁴ Davies 27

boy, John D. Rockefeller as a bookkeeper. Likewise, many clerks and bookkeepers commonly expected upward mobility.¹⁶⁵

By the turn of the century, however, the gender and class position of the typical clerical worker was rapidly changing, along with the potential for advancement. Clerical work expanded in multiple industries, new machinery deskilled many office jobs, and most workers starting in clerical work remained in clerical work, with the few who received promotions remaining in lower management.¹⁶⁶ Combined with increasing managerial hierarchy, many typists and other office workers were quite distant from upper management and owners. Promotions and upward mobility common prior to the Civil War likewise decreased, leaving women at the bottom of the hierarchy.¹⁶⁷ Women often accepted the preferential promotions of men, believing a transitory presence in the workforce was a means to uphold the Victorian era ideal of men earning the family wage; others however complained about receiving lower salaries when performing the same work. Men on the other hand, could be comforted by the fact that they earned 25-45% more than women, and their low salaries would be temporary since they had opportunities for promotion, while, women faced “discrimination at every turn in the office.”¹⁶⁸ In the 20th century, promotions to upper management or ownership were quite rare.¹⁶⁹ Upward mobility still existed occasionally in limited clerical positions still reserved

¹⁶⁵ Bjelopera 10-12

¹⁶⁶ Davies 5; Mills 192-209; “Virtually all clerical workers were men, and clerical positions often served as entry points into management careers. While many who entered the business world as clerks never rose above that position, pamphlets of the day make it clear that most who entered clerical positions did so with the hope of rising through the ranks to become managers or partners. The distinction between clerical and managerial functions was not as clearly drawn as it is today, and clerks and bookkeepers were regularly expected to assume responsibilities that would now be classified as managerial.” (Rotella 67)

¹⁶⁷ Davies 39-50; “The idea of a young male boss employing a female secretary upset both the traditional age hierarchy and notions of male dominance; the proper role for an older woman was that of mother.” (Kwolek-Folland 169)

¹⁶⁸ Strom 1994, 290; Bjelopera 57-58; On discrimination of women for promotions, Rotella found “men were preferred for supervisory positions because women were expected to have lower productivity as supervisors because of discrimination by fellow employees. After noting that most chief clerks were men, the National Industrial Conference Board explained: ‘It is generally recognized that employers are reluctant to place women in positions involving supervision of a large number of male employees. It is also true, as a general rule, that women employees work more willingly and contentedly under the supervision of a man than under that of a woman.’” (167)

¹⁶⁹ “Many industrial-era male clerks still clung to dreams of business ownership. Unfortunately for them, the small counting-floor setting in which a shopkeeper passed on the secrets of his trade to his only clerk became harder to find. These more intimate settings had made it easier to learn the tricks of the trade, so to speak. The administrative revolution made it a growing rarity for clerks to work directly with business

for men, but it increasingly required ambitious climbing up the corporate ladder through new layers of middle management rather than simply working an apprenticeship as a clerk.¹⁷⁰

The pioneers of the “new middle class” were the federal government workers of the late 19th century, who expanded from 1,268 in 1869 to 25,000 in 1900, nearly half of them working as clerks.¹⁷¹ The Civil War created a shortage of hireable men, leading to the hiring of high school educated middle class women by the federal government. In total, about half of the approximately 2,000 women clerical workers in 1870 worked for the federal government.¹⁷² One government employer commented: “some of the females are doing more and better work for \$900 per annum than many male clerks who were paid double that amount.”¹⁷³ Cindy Sodnik Aron gives an account of the first “old middle-class” creating a “new middle-class” and describes the first major expansion of salaried employees in the federal government during a period when clerical work remained sexually segregated. After examining archives and constructing a profile of these applicants and workers, Aron concluded the old middle-class was formerly dependent on a self-employment that afforded autonomy and leisure, but financial and family crisis largely propelled them to search for new employment as opportunities in salaried clerical work expanded. She also notes bureaucratic advancement and security replaced traditional middle-class goals of becoming rich as a result of this transformation. Occasionally, women also entered private sector positions during the Civil War, with one businessman from New York bragging he “had replaced his \$1,800 a year male bookkeeper with a woman earning \$500 a year.”¹⁷⁴ The effectiveness of the women and the reduced labor costs contributed to their continued and increased employment in clerical work after the Civil War in both the public and private sector.

owners. Rather, they interacted with a wide variety of middle-level managers and received much of their training in specialized schools. Replacing apprenticeship, educational institutions such as clerical high-school programs and business colleges arose to instruct the emerging clerical workforce.” (Bjelopera 14)

¹⁷⁰ Bjelopera 15

¹⁷¹ Civil service jobs also provided the first white-collar opportunities for women in Western Europe. (Kwolek-Folland 7)

¹⁷² Rotella 128; Strom 1994, 176-178

¹⁷³ Davies 51 quoting US Treasurer General Francis Elias Spinner in 1869

¹⁷⁴ Davies 52

Women most rapidly replaced men in jobs that were new and not defined as “men’s jobs” prior to the Civil War, such as stenographer and typist positions. Telephone operators, almost exclusively women, also came about after the Civil War and replaced the need for messenger boys. Bookkeepers, accountants, cashiers, and clerks became significantly feminized by 1930, but at a slower rate than jobs defined as “women’s work” from their creation.¹⁷⁵ According to Margery W. Davies, the typewriter was not “sex-typed as masculine,” and “women were claimed to be more manually dexterous and tolerant of routine than men and therefore more suited, by virtue of their very natures, to operate typewriters,”¹⁷⁶ which were compared to the sewing machine by early producers. The inventor of the typewriter, C Latham Sholes, used his daughter to demonstrate his machine. Using attractive young women for its marketing was replicated elsewhere.¹⁷⁷ In fact, many middle-class women had some piano training, which was considered a transferable skill for a typewriter, and sometimes required in early hiring of typists.¹⁷⁸

A prototype for a functioning typewriter existed as early as 1830, but it was not until after the Civil War that the changes in the office enticed investors to finance further development by inventors. Success was achieved in 1869, and the first mass production and distribution of the typewriter began in 1872. It still had problems and faced cultural obstacles since businesses still preferred handwriting in the 1870s. By the late 1880s, however, when offices work grew significantly, Remington could not keep up with the demand even as its factory produced at least 1,500 a month.¹⁷⁹ The typewriter began to be produced on a large scale by the Remington company in 1874, and as noted above, it became a machine associated with female operators from the beginning of its mass production. Remington promoted the typewriter in demonstrations with female operators, and offered to provide one with the purchase of the typewriter.¹⁸⁰ In 1874, Mark Twain purchased one after seeing a woman demonstrating it typing faster than he could handwrite, and advertisements as early as 1875 celebrated the invention for creating

¹⁷⁵ Davies 52-53

¹⁷⁶ Davies 55; For more on the origins of sex-typing by job classification, see Matthaei 192-223.

¹⁷⁷ Rotella 128

¹⁷⁸ Fine 2007, 265

¹⁷⁹ Davies 32-38

¹⁸⁰ Devault 1990, 17; Davies 53-55

good employment for women.¹⁸¹ In 1886 US businesses produced 15,000 typewriters per year, and by 1890 the US census listed typewriters (typists) as a women's occupation.¹⁸² The FIRE sector's growth was greatly aided by this technology. For example, Metropolitan Life Insurance company grew from just 6 officer workers supporting 21 agents in 1867 to having "more typewriters than any other office building in the world" by 1900, and 40,000 workers in what was the tallest building in the world by 1929.¹⁸³

As a result of the typewriter, much of the early growth of women in clerical work was due to the increase in typists (see Table 3 below). The typewriter changed the office and the possibilities for clerical output and the pace of feminization. The highest employment of men in the occupation was in 1910, when 5.6% of male clerical workers were stenographers or typists, but they rapidly declined in absolute number thereafter. After 1910, overall hiring of men into white-collar work also increased, but they were more likely to find opportunities in management due to the new gender hierarchy in the office.¹⁸⁴ Women, on the other hand, worked as typists and stenographers more than any other clerical occupation after 1900.¹⁸⁵

¹⁸¹ Davies 33; An example of an advertisement: "And the benevolent can, by the gift of a 'Type-Writer' to a poor, deserving, young woman, put her at once on the way of earning a good living as a copyist or corresponding clerk. No invention has opened for women so broad and easy an avenue to profitable and suitable employment as the 'Type-Writer' and it merits the careful consideration of all thoughtful and charitable persons interested in the subject of employment for women." (Rotella 128)

¹⁸² Bjelopera 44

¹⁸³ Kwolek-Folland 15

¹⁸⁴ Strom 1994, 212

¹⁸⁵ Strom 1994, 21; Rotella 125; Rotella states the decline occurs in 1910, while Strom says 1930. (Strom 1994, 48)

Table 3
Stenographer and Typist Feminization, 1870-1930

	Men	Women	Total	% Women
1870	147	7	154	5
1880	3,000	2,000	5000	40
1890	12,148	21,270	33,418	64
1900	26,246	86,118	112,364	77
1910	53,378	263,315	316,693	83
1920	50,410	564,744	615,154	92
1930	36,050	775,140	811,190	96

Source: Adapted from Angel Kwolek-Folland,
*Engendering Business: Men and Women
in the Corporate Office, 1870-1930*
(Baltimore: JHU Press, 1994), Table 3.

Along with the increase in technology, Taylorism and concepts of scientific management, a capitalist effort to gain control over “time repeatedly lost to job actions, strikes, and walkouts” according to Sharon Hartman Strom, began to affect office work in the 1890s.¹⁸⁶ It was a period of mergers where corporations in various industries integrated vertically and horizontally. As the scale and scope of markets increased, correspondence increased, as did the need for improved record keeping. Business became larger, operations became centralized, and managers began to rely on data and record keeping for both planning and loss prevention. The four basic office work positions that existed prior to the Civil War increasingly became subdivided into multiple semi-skilled positions. For example, stenographers and typists replaced copyists, and clerks became specialized. A bookkeeper often supervised multiple assistants.¹⁸⁷

There also was what Alfred D. Chandler, Jr called a managerial revolution in business control when ownership of the business became separate from professional management because of rising administrative needs to coordinate information between

¹⁸⁶ Devault 1990, 20-21; Bjelopera 20; Braverman 305-312, describing the pioneering work of William Henry Leffingwell (*Scientific Office Management*) and Lee Galloway to bring Taylorism methods of scientific management into the office.

¹⁸⁷ Davies 28-30

managers of different divisions and owners for decision making.¹⁸⁸ Precise statistics and accounting, which increased clerical staffing, were essential for managerial control, decision-making, and increasing profits. The number of bookkeepers and accountants grew from less than 39,000 in 1870 to almost 735,000 in 1920.¹⁸⁹ Clerical workers originally had jobs and skill sets that would be considered managerial today, including enough job control to make significant decisions affecting the business. Training was firm-specific rather than firm-general, creating the apprenticeship type relationship discussed above.¹⁹⁰ Scientific management concepts and methods elevated accountants to middle management for their analysis role, while bookkeepers maintained the books as non-management clerical workers.¹⁹¹ Clerical workers lost job control along with promotional opportunities, and as education increased and office technology improved in the rapidly expanding post-Civil War economy, clerical worker skillsets became firm-general rather than firm-specific.¹⁹² Women filled jobs requiring firm-general skills, while the remaining clerical jobs with firm-specific skills were primarily reserved for men by employers who were grooming them for career advancement.¹⁹³

¹⁸⁸ According to Rosabeth Moss Kanter, the process of entrepreneurs trusting and delegating to managers was a major change in capitalist firms from the 18th to the 20th century that faced challenges along the way. (Kanter 50-52)

¹⁸⁹ Chandler 6-8, 10 9 and Devault 1990, 12-13. At the same time, the proportion of both male and female accountants, bookkeepers, and cashiers declined in relation to the clerical work total because of mechanization and scientific management along with growth of clerks and typists. Rotella sites a 1926 study that explained “bookkeepers had been replaced by ‘many clerks who each do a small part of the bookkeeping and are called ledger clerks, billing clerks, billing machine operators, pay roll clerks and others according to the nature of the business of the employer. The results? The work of these many clerks are collected and combined by one bookkeeper, usually a man.’” (125)

¹⁹⁰ Rotella 166

¹⁹¹ Devault 1990, 22

¹⁹² In studying this distinction, Rotella uses the work of Gary Becker, and explains its relevance to the feminization of clerical work: “Specific skills are those that increase a worker’s productivity more in the firm providing the training. General skills are those that increase productivity in all firms. The theory predicts that whenever skills are firm-specific, the individual firm will be willing to absorb at least part of the investment in training and will pay a premium over the wage that the employee could command in other firms. However, the willingness of the firm to offer specific training and absorb the costs is inversely related to the expected turnover rate of the employee.

Since women were expected to have shorter tenure with an employer because they usually left the labor force when they married, the theory predicts that women would most likely be hired for occupations in which the required skills were general rather than specific and that women would be expected to move into jobs whenever the required skills became more general.” (166)

¹⁹³ Rotella concludes Becker’s theory fits well: “The changes which took place in clerical work during this period fit the model very well. Mechanization and routinization reduced the specific skill component of most clerical jobs. Training in the new general skills could take place in schools where costs would be borne by the students (and by the public in the case of commercial education in public schools).

In the 1890s, stenography also started shifting to become a largely feminized occupation, causing it to become associated with low-paying women's work.¹⁹⁴ The typewriter in turn facilitated the division of labor by department and job classification, in line with other production and managerial innovations of the late 19th century related to scientific management and the lowering of labor costs.¹⁹⁵ As a consequence, according to Braverman, even more than manufacturing jobs affected by new labor processes, office work was able to be

parceled out among a great many detail workers, who now lose all comprehension of the process as a whole and the policies which underlie it. The special privilege of the clerk of old, that of being witness to the operation of the enterprise as a whole and gaining a view of its progress toward its end and its condition at any moment, disappears. Each of the activities requiring interpretation of policy or contact beyond the department or section becomes the province of a higher functionary.¹⁹⁶

Braverman notes the methods of scientific management to rationalize work were even easier to apply to the financial sector since no actual physical commodities are moved, making the office "just as much a site of manual labor as the factory floor."¹⁹⁷

Employers would be willing to hire women, despite their high expected turnover, for jobs in which the on-the-job training requirement was low. Since women's wages were lower than men's, women would be expected to completely dominate in jobs with the lowest firm-specific skill component. This appears to be the case in the most mechanical and routine jobs such as typing and filing which were rapidly taken over by women. When men were observed to be working in these jobs, they were often serving as entry points to high level positions." (166) Strom, along with many sociologists and economists challenge reliance on human capital theory to explain feminization of the labor market and low wages. See for example, sociologists Samuel Cohn, *The Process of Occupational Sex-Typing: The Feminization of Clerical Labor in Great Britain* (Philadelphia: Temple University Press, 1985), 5-13 and Graham S. Lowe, *Women in the Administrative Revolution: The Feminization of Clerical Work* (Toronto: University of Toronto Press, 1987) 21-22. The following economists also recognize the important role sexual discrimination has in relation to women receiving low wages:

Mark Aldrich and Randy Albelda, "Determinants of Working Women's Wages during the Progressive Era," *Explorations in Economic History* 17 (1980):323-41; Mary Corcoran, Greg J. Duncan, and Michael Panza, "A Longitudinal Analysis of White Women's Wages," *Journal of Human Resources* 18(Fall1983): 497-520; Paula England, "The Failure of Human Capital Theory to Explain Occupational Sex Segregation," *Journal of Human Resources* 17 (Summer 1982): 358-70; Mary Huff Stevenson, *Determinants of Low Wages for Women Workers* (New York: Praeger, 1984), SO-57; and Mary Huff Stevenson, "Wage Differences between Men and Women: Economic Theories," in *Women Working*, ed. Ann H. Stromberg and Shirley Harkess [Palo Alto: Mayfield Publishing, 1986], 89-107.

¹⁹⁴ Bjelopera 46-47

¹⁹⁵ Braverman 299-300

¹⁹⁶ Braverman 314

¹⁹⁷ Braverman 316; Braverman notes later that even so, "the use of the brain is never entirely done away with—any more than it is entirely done away with in any form of manual work. The mental processes are rendered repetitious and routine, or they are reduced to so small a factor in the work process that the speed and dexterity with which the manual portion of the operation can be performed dominates the labor

(See Appendix 3 for more on scientific management and office automation in the financial sector)

Less reliance on personal relationships in business and increasing correspondence facilitated by first the typewriter and then the telephone also created more demand for clerical workers. This included correspondence between manufacturers and suppliers or wholesalers, as well as between the business and clients, especially as retail mail-orders increased.¹⁹⁸ Elyce J. Rotella summarizes all of the demand-side reasons for clerical worker growth:

larger, multi-plant, vertically integrated firms whose complex organizational structures depended on collection, transmission, and analysis of unprecedented amounts of information; increased interregional and international trade which stimulated more long distance communication; spread of scientific management techniques which required more measuring and record keeping; increased role of government, which demanded more record keeping of businesses because of regulation and tax laws, and which used greater numbers of clerical workers within its own growing bureaucracy...Increased scale of the economy (greater population and income) led to increases in the demand for all final goods and services and therefore resulted in the hiring of more clerical labor.¹⁹⁹

As large corporations replaced small business, the managerial bureaucracies grew and required more accountants and clerical output to process paperwork. Financial disclosure laws and the New York Stock Exchange required financial statements and other reports to be prepared for the government and shareholders. The more complex the divisions within the business as a result of mergers and multiple plants, the more data was required for records and communications for decision making. A corporate income tax law passed in 1909, and the ratification of sixteenth amendment to allow personal income taxes in 1913, the result of the need to finance WWI, also increased clerical worker demand. The Federal Reserve Board also began in 1913, which increased bank accountability to submit paperwork to government regulators. Therefore,

process as a whole,” making the manual/blue-collar and white-collar distinction a representation of a past that has disappeared from clerical work. (325-326)

¹⁹⁸ Devault 1990, 15

¹⁹⁹ Rotella 95

the government can be seen as a major cause for an increase in clerical worker output after 1910.²⁰⁰

In the FIRE sector, industry innovations and growth in demand for new products also stimulated clerical worker hiring. For example, according to Angel Kwolek-Folland, “calculated life-expectancy tables (actuarial science), mass marketing, and specialized types of insurance and banking products broadened the market for financial services and rationalized financial products.”²⁰¹ The growth of urban workers disconnected from the security of agricultural land ownership and white-collar workers who lacked mutual support from unions also increased the demand for these products.²⁰² Rotella estimates that this population and income growth alone explains 34% of clerical worker growth “from 1870 to 1880, 12% from 1880 to 1910, and 28% from 1920 to 1930.”²⁰³ This was especially true in the FIRE sector, which grew the fastest and employed the most clerical workers due consumer demand for insurance, loans to buy cars, and later homes as new transportation allowed suburbanization (see Table 4 below).²⁰⁴

Table 4
Clerical Employment as Percent of Labor Force by Industry,
1870-1930

	1870	1880	1910	1930
Agriculture, Forestry, Fishing	0.0	0.0	0.0	0.1
Manufacturing	0.3	0.3	5.0	8.6
Trade	4.0	5.2	12.6	11.1
Domestic/Personal Service	9.2	8.3	10.0	9.9
Transportation/Public Utilities	1.3	1.7	7.7	10.3
Construction	0.0	0.0	0.6	1.2
Professional Services	1.9	4.9	3.8	7.3
Finance/Insurance/Real Estate	20.2	20.8	38.6	41.2
Mining	0.0	0.0	1.1	2.1
Government	0.8	0.8	1.5	2.1
As percent of total Labor Force	0.6	0.9	4.2	7.6
As percent of NALF	1.1	1.7	6.2	9.6

Source: Adapted from Elyce J. Rotella, *From Home to Office: US Women at Work, 1870-1930* (Ann Arbor: UMI Press, 1981), Table 4.7.

²⁰⁰ Rotella 98-99; Strom 1994, 22-24 and 28-32

²⁰¹ Kwolek-Folland 20

²⁰² Kwolek-Folland 24

²⁰³ Rotella 95

²⁰⁴ Rotella 98

The above data in Table 2 and 4 shows how the clerical labor force changed across industries, revealing the manufacturing sector had significant growth in total hiring of clerical workers, and in its share of clerical workers. The FIRE sector was the fastest growing employer of clerical labor and “had the highest proportion of its labor force in clerical occupations on all dates. Over 20% of all workers in that industry were employed in clerical jobs in 1870, when only 1% of the total labor force was in clerical work. By 1930 over 40% of all workers in the finance industry were classified as clerical.”²⁰⁵ Accounting for contributions from the general growth in the labor force, Rotella calculated that manufacturing and trade contributed substantially to the growth of the clerical work force because of a disproportionate growth of the clerical work force as the industry grew. On the other hand, the FIRE sector’s contribution to the increase of the clerical workforce was primarily due to the expansion of the sector: the clerical workers increased in the sector proportionately to its growth.²⁰⁶ The clerical labor force grew most rapidly, and in excess of the average growth of the urban population in the 1880s because of the growing use of the typewriter, and in the 1910s because of the “vastly expanding role of government through regulation and tax laws and by changes in business organization associated with the spread of Taylorism.”²⁰⁷

Ileen A. Devault notes that although “the clerical sector may have appeared monolithic in its growth,” it actually “echoed, transformed, or reinforced division in the world beyond the office walls,” including divisions “by gender, by workers’ expectations, by the work performed, and by the training necessary to perform it.”²⁰⁸ Until 1920, female clerical workers tended to be younger than average female workers, most likely because of their higher levels of education.²⁰⁹ Business colleges were popular from the 1850s to 1880s, and public high schools began to take on the same role in training clerical workers by the 1890s. High schools shifting from an exclusive college preparation orientation to a business preparation model expanded their eligibility for tax revenues, facilitating an increase of high school education, especially among women,

²⁰⁵ Rotella 83-86

²⁰⁶ Rotella 88-89

²⁰⁷ Rotella 103

²⁰⁸ Devault 1990, 23

²⁰⁹ See Strom 1994, 273-274 to read what these young women thought about their career options.

who had higher graduation rates than men in the late 19th century.²¹⁰ As education levels increased and skills for clerical worker employment were introduced in public schools, more women over 25 were employed. However, they still tended to be younger than the average female worker, which may have been due to employer preferences for younger women as a “partly decorative” office feature.²¹¹

Demand was not the only factor that increased female clerical workers. Supply side factors include the fact that literacy was the only job requirement, and women were more likely to have completed high school than men. Furthermore, their labor was cheaper since they were not expected to provide for the entire family, and they were seen as a transient part of the labor force. The economic growth of the late 19th century also expanded managerial and professional opportunities for men in office work, meaning literate male labor could not meet the demand for workers at the bottom of the office hierarchy.²¹² Once the example of women in government jobs during the Civil War proved to be successful, women began to enter copying positions in private offices. Since male stenographers never successfully organized on the craft-union model, they could not control the entrance of women into their field. Job tasks broken down and rationalized by scientific management became less desirable to male workers who had other opportunities, and as discussed above, the typewriter position was able to be coded as “female work” from the beginning of its technological innovation.²¹³ This coding occurred “not only because a majority of those engaging in it were female, but also because clerical work became intimately associated with so-called feminine qualities

²¹⁰ Devault 1990, 24-25

²¹¹ Rotella 115

²¹² Davies 55-57

²¹³ “Just as function were divided into specific job categories for the sake of efficiency in the office, so too the sexes in the offices were increasingly divided into two organizational hierarchies because of the proscription against promoting women into managerial ranks. There was (and is) nothing natural about this evolving sexual division of labor within the office; it was the construction of those in the positions of power to construct it and was entirely consistent with the general sexual division of labor in the larger society. The sexual division of labor in the world of the office was the result of the interaction between a set of evolving contemporaneous social/cultural assumptions held by male employers and managers about women’s position in the world of office work, and the actions of women themselves. The transformation of office jobs and the clerical sector in any individual firm was affected as much, therefore, by the sex of the people taking these jobs as it was by economic and structural trends.” (Fine 1990, 102-103)

and was not considered a threat to women's domestic roles.”²¹⁴ Private business colleges saw a new market and profit-making opportunities and further promoted entry of women into the office work.

The entry of married women into the workforce was delayed compared to the entry of single women. Less than “1% of all married working women were clerical workers” in 1890, but this rose to 13% by 1930.²¹⁵ Rates of entry into the clerical workforce were highest for single women until 1910, at which point they began to equalize with the rates of entry of married women. After 1920, married women’s participation in the clerical labor force began to increase more rapidly than single women, and they constituted 41% of new female clerical workers in the 1920s. Rotella states this was due to earlier marriages and increasing levels of education for women accompanied by rising demand for clerical workers in the 1910s. This process was further facilitated by the increase of women from lower socio-economic backgrounds entering the labor force and decreasing family sizes due to the disappearing family economy. Still, many firms would not hire married women, and others fired women upon marriage. For many firms, however, married women provided an attractive alternative to raising wages to attract more men or single women.²¹⁶

Regarding the marriage bar, the policy or practice of firing women who married, Sharon Hartman Strom observed that “banks and insurance companies remained relatively inflexible on the issue of hiring married women workers” more often and longer than companies in other industries.²¹⁷ Strom interviewed May, who after leaving her bank job in 1930 to get married later missed her job and friends, remembered: “When I was married ... I would walk downtown. Oh, I wanted to go into the bank the worst way and see if I couldn't get a position. But women didn't work after they were married then... It wasn't allowed.”²¹⁸ A worker from a large bank, Alice, said clerks “felt it was ... unnecessary to leave because you got married. But that was the rule and everybody just

²¹⁴ Fine 1990, 168

²¹⁵ Rotella 120

²¹⁶ Rotella 16-23, 39-60, 120-123

²¹⁷ Strom 1994, 389

²¹⁸ Strom 1994, 389-390

took it."²¹⁹ Another worker Strom interviewed, Gertrude, "had worked as a typist and filer at an insurance firm since 1915, was fired when she married in 1923" despite feeling her family could use the extra money.²²⁰ The Rhode Island Insurance Company fired Martha in 1924 for marrying, which she felt was selective since a few women managed to stay with the company despite being married.²²¹ Arnica was an insurance company in Rhode Island that allowed married women, enabling Rose to have a thirty year career, but she remembered many other women were forced to leave because they met their husbands at work, which was not allowed.²²²

Many single women were against married women entering or remaining in the workplace for the same reason 19th century male clerks first opposed the entry of young single women. They expressed the need to defend the family wage, claimed single women were more focused than married women, and believed "married women took positions away from women who were truly dependent upon their salaries for supporting not only themselves, but also, frequently, parents and siblings."²²³ Others even expressed fears that married women, supported by the income of their husbands, would drive down wages since "she can or does work for a more or less low wage,...lowering the salaries of all secretaries."²²⁴

Women's entry into clerical work not only changed the office of the Victorian era, but also the very notion of public space and the city:

Between the 1870s and the 1890s, women's entrance into clerical positions posed a direct challenge to the commonly held belief that not only was the office a male space, and office jobs men's work, but also that all sorts of urban settings-elevators, street cars, restaurants, boarding-houses-were inappropriate for working women. Women's entrance into these places set in motion a redefinition of women's sphere within the world of work and the city that continued throughout the twentieth century.²²⁵

²¹⁹ Strom 1994, 390

²²⁰ Strom 1994, 390

²²¹ Strom 1994, 390

²²² Strom 1994, 390

²²³ Strom 1994, 392

²²⁴ Strom 1994, 393

²²⁵ Fine 1990, 25-26

Women “entering this previously forbidden world” of men’s work “had to isolate their own space, forge a code of behavior, and legitimize their presence in these male environments.”²²⁶ The large number of women entering clerical work “provoked employers to provide for a separate female occupational hierarchy within many firms,” which included limited promotional opportunities, less pay for the same work, and routinized labor sometimes lacking dignity and satisfaction compared to the working conditions of male office workers. Lisa M. Fine suggests that “women helped to make clerical work ‘women’s work’ and in the process, clerical work lost its promise of remunerative employment and advancement.”²²⁷ As a result, Fine considers the new occupational opportunities for women a “Pyrrhic victory” by first having a “powerful symbolic and material effect,” but limited when “by the 1920s, women were no longer imposing themselves on a male space and occupation and could no longer harbor the mistaken expectation of self-sufficiency and promotion.”²²⁸ In fact, women were stuck in work that “could no longer offer the promise of escape from the sexual division of labor and the consequences of ghettoized female employment.”²²⁹ Table 5, below, shows the increase of female hires during the period of study.

Table 5

New Clerical Work Positions and Hires by Gender, 1880-1930

	1880	1890	1900	1910	1920	1930
New						
Positions	966	39,895	33,851	30,391	85,358	47,509
Male hires	851	31,395	20,085	10,063	31,113	17,580
Female hires	115	8,500	13,766	20,328	54,245	29,929
% Male	88.1	78.7	59.3	33.1	36.5	37
% Female	11.9	21.3	40.7	66.9	63.5	63

Source: Adapted from Lisa M Fine, *The Souls of the Skyscraper: Female Clerical Workers in Chicago, 1870-1930* (TU Press: Philadelphia, 1990), Table 2.

²²⁶ Fine 1990, 25-26

²²⁷ Fine 1990, 187

²²⁸ Fine 1990, 168

²²⁹ Fine 1990, 168

In the Victorian era, strict gender beliefs limited the entry of women into the work force, especially members of the white middle-class. Despite these beliefs, women were first able to work by providing labor for tasks they did within the home, “usually within a closely monitored, ‘family’ setting.”²³⁰ Domestic service therefore was the most common source of employment for women in most of the 19th century.²³¹ If women did not threaten the concept of the “family wage,” the idea that the man earns a wage sufficient to support the whole family, she could also work. Working temporarily to aid their families or for a limited time before marriage was accepted, while self-supporting employment was frowned upon. Because of these beliefs, women were not expected to make the same wages as men, and promotions were limited since it was “considered unnatural for a man to work in a position subordinate to a woman.”²³² Since certain clerical worker positions, such as machine operators, mail clerks, and order clerks were usually “entry-level jobs for young men, women may have found it easier to enter a clerk position when their competition was a younger man.”²³³ Job functions “such as opening, distributing, and dispatching the mail, filing correspondence, and composing and typing bills and orders” that “became segregated, rationalized, and mechanized” in large firms may have caused women to “dominate certain clerk occupations (and not others) because these functions had already become ‘women’s work.’”²³⁴ Also, “it was women themselves, in their relentless pursuit of good employment, who began the process of redefining clerical work as a woman’s job.”²³⁵ Strom notes that

Women did not take over or de-skill men’s jobs so much as they took jobs created by the revolution in new methods of communicating, cost accounting, and record keeping. And without what the novelist Sinclair Lewis had described as a “revolution in the attitude” toward women, that is, an end to discrimination in hiring and promotion, the opening of other occupations to them, and the end of the marriage bar, women continued to make perfect candidates for these new jobs.²³⁶

²³⁰ Fine 1990, 53

²³¹ At the same time, “domestic and personal service [mainly in private households] showed a much more precipitous decline from 67% of all female non-agricultural employment in 1870 to 32% in 1930.” (Rotella 27)

²³² Fine 1990, 53

²³³ Fine 1990, 102

²³⁴ Fine 1990, 102

²³⁵ Fine 1990, 118-119

²³⁶ Strom 1994, 212

Once accepted as women's work, social services by the 1920s aided women entering clerical work and helped them "transition from rural to urban life, from school to office, and from work to marriage. And, in recognition of the diversity of backgrounds from which office workers came, they attempted to provide this new occupational group with a code of middle-class morality."²³⁷

Prior to 1920, a private secretary position was still seen as a viable path to executive positions. Handbooks for private secretaries were addressed to men in 1917, both men and women in 1924, but only women by the 1930s.²³⁸ Secretaries retained enough autonomy and control over the work process that even as clerk positions became highly feminized, some businessmen were reluctant to trust hiring women for higher skilled positions. As these positions became less upwardly mobile, hiring of women, or "office wives" as they were often called, became preferred since it was easier to extract deference and acceptance from them to remain in the same position without promotion.²³⁹ One publication directed towards aspiring women professional workers warned in 1921 that "the days are fast passing when the office boy, the junior clerk, or the stenographer with little education can forge ahead and become a manager or an official of the company," and therefore women seeking advancement in business should "ask themselves whether secretarial training as now given is the best approach to management."²⁴⁰

From 1870-1930, approximately 77% of women worked in the following nine categories: "clothing manufacture, textile manufacture, telephone operators, saleswomen and clerks in stores, teachers and professors, trained nurses, laundry workers, servants (largely domestic workers in private households), and clerical workers

²³⁷ Fine 1990, 186

²³⁸ In Massachusetts for example, only 34% of private secretaries were women in 1902, but by 1926, 84% were women (Davies 158).

²³⁹ Davies 154-155, 159; The "good mannered" quality of femininity of the "office wife" became preferable to the "unrestrained and independent nature" of masculinity: "Some male secretaries have the belief that it is business-like to be curt and brusque in their speech and actions; that in this democratic country everybody is equal and that they therefore do not need to show proper deference to superiors, older persons, and women; and that, in general, gentility in manners is an indication of weakness and not becoming to a real man" (Davies 151) See Kanter 89-91 for more on the "office wife."

²⁴⁰ Davies 159 quoting Women Professional Workers. See Kanter 98-99 for more on secretaries limited mobility.

(bookkeepers, clerks, accountants, clerks, stenographers, and typists).”²⁴¹ Most of these categories already became women’s jobs by 1870 and experienced significant growth at the turn of the century as the economy expanded. Telephone operators first became a significant part of the labor force in the 1900 census, and it was a women’s occupation from the beginning. What makes sales and clerical employment unique is “the growth in the female labor force be seen as due to the movement of women into occupations formerly held by men,” with clerical occupations “changed from ‘men’s work’ to ‘women’s work’ by 1930 and constituting 23.43% of total female nonagricultural labor force growth over the period [1870-1930].”²⁴² By 1930, 20% of all working women were clerks. Only 50 years earlier, almost no women could be found in these positions.²⁴³ Women increased to about “80% of all clerical workers, and 35% of all employed women were working in clerical jobs” in 1979, with the figure dropping only by one percent and ten percent respectively in the last 30 years even as women have increased to half of the labor force.²⁴⁴

Multiple professions and institutions contributed to Victorian-era cultural presumptions of women’s natural place in the home:

respected physicians argued that physical or mental labor destroyed women’s reproductive organs; moralists argued that women were coarsened by encounters with the workshop and office so that employment threatened to destroy their femininity and the institution of the family; the courts held that women’s proper place was in the home; economic observers and the Bureau of Labor found that women’s employment threatened men’s jobs and wages; the employment of wives and daughters was regarded as a sign of masculine failure. Within this social framework it is unlikely that many women engaged in market work because of preferences for being in the paid labor force.²⁴⁵

While such attitudes may have lingered longer within the certain occupations in the financial sector, they significantly changed with the increase of women in the workforce, especially during World War I.²⁴⁶

²⁴¹ Rotella 30

²⁴² Rotella 37

²⁴³ Rotella 30

²⁴⁴ Rotella 37, England & Boyer 309 fact check for last 10 years, England stats to 2000

²⁴⁵ Rotella 45

²⁴⁶ “The war both increased the role of clerical labor in total employment and increased women’s role in the clerical labor force. The national figures suggest that this was mainly due to the hiring of women in

Banking and insurance companies, such as Aetna Life, sometimes held onto Victorian era ideals longer than other companies because of older management. They used “male clerks well into the twentieth century and did not hire its first woman office worker, a telephone operator, until 1908.”²⁴⁷ When thirty-five female machine operators successfully completed a project in 1911, three continued with the company permanently, “but were asked to use the back elevators so they would not be seen by the company president, who did not approve of women working in the insurance business.”²⁴⁸ In 1916 there were finally 150 women, but they were sex-segregated to all female departments for “typing, filing, and machine operating.”²⁴⁹ Strom cites a study of Cleveland from 1914 that showed women made up the largest share of clerical workers in small offices and a significant share in manufacturing and insurance, while reforms were creating openings for local government hiring. In the railroads, accounting, and banking, however, clerks remained predominantly male. Women were only 15% of clerical workers in Cleveland’s five banks, putting it in last place among the 11 categories surveyed.²⁵⁰

World War I changed this for the remaining banks, railroad, and insurance companies that resisted feminization. Due to the shortage of men during WWI, office machine companies consciously pushed sales of new office technology and the advantages of recruiting and training women for routinized work. One advertisement said, “Uncle Sam took my experienced clerks. In their place I have willing workers but inexperienced. So I must have simple office machines.... inexperienced operators soon become lightning fast on the 10-key Dalton.”²⁵¹ The ad went on to claim that new hires only need to know how to read, and “with a little practice a girl...does the figure work of

clerk positions previously held by men. We can also see that women did not lose their gains in the clerical sector when the war ended. This differs from the situation in some other occupations such as streetcar conducting, which women entered during the war but in which they were quickly replaced by men when the war ended.” (Rotella 128) See also, Maurine Weiner Greenwald, *Women, War, and Work: The Impact of World War I on Women Workers in the US*, Westport: Greenwood Press, 1980.

²⁴⁷ Strom 1994, 197

²⁴⁸ Strom 1994, 197

²⁴⁹ Strom 1994, 197

²⁵⁰ Eaton and Steven’s survey, Strom 1994, 197 and 221

²⁵¹ Strom 1994, 102

three or more experienced men.”²⁵² The managers of the Lincoln Insurance Company faced workload pressures as staff were drafted to WWI, so they reported that they “advanced junior clerks to positions of responsibility, and trained large groups of gals to perform duties formerly considered as strictly male jobs.”²⁵³ The war forced even Aetna Insurance Company to change; it had women working alongside men in the same department, and they comprised 44% of the central office staff by the end of the war.²⁵⁴ According to a study from the Women’s Bureau, WWI caused banks to increase their use of women as bookkeeping machine operators, and they took over the position by the end of the war. One company, Guarantee Trust of New York, said that “due to the demand upon our men for Government Service, opportunities for bookkeeping and clerical work..., private secretaryships and other junior clerical positions formerly held by men, are now being filled by women.”²⁵⁵

After WWI a cultural shift accelerated, and “it was no longer regarded as socially disgraceful for unmarried women to work for pay and to lead much more independent lives.”²⁵⁶ Cultural mediums such as movies, short stories and novels now resolved controversies of women entering the workplace with “happy ending” stories of female office clerks finding a husband to marry through their entry in the workplace. Fine finds movies where

female clerical workers are rarely victims or vamps, but are everyday women who act as office or day-time wives. These female clerical workers, because of their loyalty, virtue, and initiative, are able to help some man, either the boss, a fellow employee, or a sweetheart, because of the contacts, money, and independence she has by engaging in clerical work.²⁵⁷

While post-WWI cultural mediums “still dwelled on the complications that ensued when the classes and sexes mingled in the office,”²⁵⁸ Fine found an increasing acceptance and even desire for the new office women in the cultural images she

²⁵² Strom 1994, 102

²⁵³ Strom 1994, 201

²⁵⁴ Strom 1994, 201

²⁵⁵ Strom 1994, 201

²⁵⁶ Rotella 45

²⁵⁷ Fine 1990, 141

²⁵⁸ Fine 1990, 141; See for example Sinclair Lewis, *The Job: An American Novel* (1917).

examined. The female office worker was perhaps the middle road between the nineteenth century conservative Victorian woman and the

sexually liberated and, perhaps, threatening flapper of the 1920s. The female clerical worker of the 1920s appeared as a fun-loving, attractive, resourceful, and good girl... In many of these films and stories the female clerical worker was a woman of respectable, middle-class' background who found love by becoming a more sexual, "natural," or "modern" woman.²⁵⁹

Fine compares the cultural shift to the story of Cinderella's magical transformation, but with the modern office woman transforming through "her own initiative" rather than magic.²⁶⁰

In 1860, clerks were like other middle-class men, such as farmers, professionals and small business men, in their desire for independence.²⁶¹ The clerks were employees of these men, "businessmen in training—young men learning the ropes, aspiring to partnership or hoping to begin business of their own."²⁶² Besides some writers and teachers, middle-class women tended to have limited access to employment and pressure to attend to domestic responsibilities, meaning most clerks were men. This changed by the end of the century as a result of the Civil War and the resulting transformation of an economy primarily reliant on small business to one increasingly dependent on large, industrial capital. In 1880, however, only .9% of workers were clerks.²⁶³ A significant expansion of clerks in the federal government and the hiring of women occurred first during the Civil War, and was followed by increasingly complex white-collar administration of business as it expanded to national scales in the end of the 19th century. By 1900, women had become 25-30% of the clerical workforce, and reached 50% by 1930.²⁶⁴ Proprietors made up almost the majority of the white-collar workforce in 1860, but this flipped by 1900, and employees greatly exceeded owners by

²⁵⁹ Fine 1990, 141; See for example *The Office Wife* (1930).

²⁶⁰ Fine 1990, 141

²⁶¹ "The typical clerk in the early 19th century office was an aspiring businessman, apprenticed to the petite bourgeoisie or the capitalist class. By 1930 office workers were no longer apprentice capitalists." (Davies 5)

²⁶² Aron 3

²⁶³ There were 7,000 female clerical workers in 1860, and 187,000 by 1900.

²⁶⁴ Aron 5-6, 189

1920.²⁶⁵ In the financial sector, however, regulation that fragmented the business structure delayed the expansion of the clerical workforce, and feminization of employment also occurred later than other sectors.

Several supply side changes caused growth in the female clerical labor force as well. The end of the family economy caused an increase of women entering the labor force in every decade from 1870 to 1930, especially in clerical work which was considered attractive compared to factory work for both better conditions and wages, although the wage difference each decade relative to women in other occupations and to the manufacturing sector as a whole narrowed.²⁶⁶ Women faced limited choices due to discrimination, while employers therefore had new choices in hiring. These women usually were the daughters of the old 19th century middle-class prior to WWI, and had more education than the average person. In the period studied, women fluctuated between 55-60% of high school graduates and half of business school graduates after 1918, which Rotella sees as a reaction to an increased hiring of women rather than a cause.²⁶⁷ Women's growth in participation in the non-agricultural labor force grew steadily from 1870-1930, with the fastest growth in the 1880s and 1910s. Female clerical work did not grow as steadily, and grew the most in the 1880s and 1900-1910, meaning an increasing supply of women's labor is not the only explanation of female clerical worker growth according to Rotella.²⁶⁸ The supply of women willing to work office jobs at wages lower than men was greater than the demand, which provided an incentive for employers "to adopt the mechanized and routine production techniques" that further "increased employment of women in clerical jobs" in conjunction with downward wage pressures.²⁶⁹ The pace of feminization, however, was caused by the demand factors, such economic growth, perceptions that women were more "fit" for detailed clerical work, and wage differentials, according to Rotella. The 1880s saw accelerated feminization because of the typewriter, and the 1910s because of the shortage of men due to WWI, and the increased implementation of mechanization and

²⁶⁵ See for example, Bjelopera 2-3, 20

²⁶⁶ Rotella 186

²⁶⁷ Rotella 157

²⁶⁸ Rotella 152

²⁶⁹ Rotella 169 and 186

routinization through the application of scientific method techniques to the office. These methods, along with the increased public education funding, further reduced the costs of employing women since the move from firm-specific to firm-general skill requirements meant less investment costs in training from employers even if a women's time in the labor force was short and turnover was high.²⁷⁰ Rotella suggests it is supply factors that contributed most to long term growth of female clerical workers, but demand factors were most important for short term growth.²⁷¹

In 1870, women's share of clerical employment was only 2.5%, but they were 11% of government clerical workers. Besides government, they were only over 2% of clerical workers in manufacturing and professional services. Most female clerical workers at this time were in fact employed by the government. In the 1880s, trade became the largest employer of female clerical workers due to the growth of retail and the early acceptance of the typewriter and women in sales.²⁷² The propensity to hire women grew in professional services, while the increase in women in the government sector was due more to its expansion than an increased propensity to hire women after 1870. The highest increase in the tendency to hire women occurred in the private sector between 1880 and 1910. Rotella attributes 93% of the growth to propensity to hire female clerical workers, as opposed to overall growth of the labor force or industry growth.²⁷³ In 1910, the FIRE sector was on par with other industries in the feminization of stenographer and typist positions, but retained a much higher percentage of men in bookkeeper, accountant, cashier, and clerk positions than most other sectors.²⁷⁴

²⁷⁰ Rotella 168; Strom 1994, 275-277; "Employers wanted the best of all possible worlds. They expected clerks, especially women clerks, to accept jobs in the office that paid minimal wages and to perform routine work with no complaint. But because most office jobs required sophisticated skills in thinking, organization, and written English, they wanted public schools to train people in these as though they were 'natural' traits. Business people also thought that women and men who were graduates of high school made better candidates for office positions that required everyday contact with executives and office professionals. It was not just more education that employers were after, but also the class characteristics that investment in longer educations implied. In other words, business people were in support of systems of education that would produce larger numbers of skilled, white, native-born workers at relatively low cost. The state's assumption of responsibility for the production of these workers allowed employers to argue that their skills were inherent. As requirements for entry-level positions they need not be rewarded with job titles or salaries reflecting skilled work." (Strom 1994, 286)

²⁷¹ Rotella 191

²⁷² Rotella 130

²⁷³ Rotella 133

²⁷⁴ Rotella 140-142

Transportation and finance, “which also contributed significantly to overall clerical growth, were less important in the hiring of women in this period. Women's share of clerical employment increased less in these two important industries than it did overall.”²⁷⁵ Feminization of clerical work in these industries came later, likely because of positions in clerical employment still being used to promote firm-specific skills development and upward mobility. Finance was much more important for increasing female clerical employment from the period of 1910 to 1930. While manufacturing contributed to the growth of female clerical employment because of the overall expansion of the industry, FIRE sector growth was the result of

a change in the propensity to hire women for clerical jobs within the industry. This change in hiring practices was extremely important because the financial sector had a higher proportion of its labor force in clerical occupations than did any other industry. However, as late as 1910, this industry showed a relatively low propensity to hire women for clerical jobs. Therefore, even though the finance sector was small in terms of total employment, the change in women's share of clerical employment in this sector contributed 12% of the total increase over these 20 years.²⁷⁶

Kwolek-Folland explains the 19th century roots of delayed feminization of clerical workers in the FIRE sector compared to other industries:

Because of their ideological roots in fraternal organizations, mutual aid societies, and family mercantile business, the financial industries relied on gendered conceptions of management—of the relation between the family and business—and on an ideal of patrician service that gave these industries a special language to describe the work experience. That language was deeply imbedded in the gender concept of the nineteenth century, and it shaped the development of twentieth-century corporate culture.²⁷⁷

Nevertheless, life insurance companies began to hire women as agents to increase insurance sales as early as the 1880s. Banks increased the hiring of women during World War I and after when women had “new-found economic clout...a byproduct of their increased earnings during the war years combined with gains in education and

²⁷⁵ Rotella 136

²⁷⁶ Rotella 136

²⁷⁷ Kwolek-Folland 39-40; Perhaps an indication of bankers conservatism, “John W. Weeks, a banker and former Massachusetts senator, one of two senators in the country chosen for defeat by the woman suffrage movement in 1918 because of his long-standing opposition to votes for women.” (Strom 1994, 5)

literacy among women of all classes...” which “created a new customer base for banks and trust companies.”²⁷⁸ By the 1920s, women’s departments were common in most banks in major US cities.²⁷⁹

The FIRE sector’s delayed feminization and the special job security and promotional opportunities for male clerical workers in the banking industry compared to clerical workers in other sectors may have contributed to the delay in the gender transformation of bank teller jobs until WWII, and the little, if no, unionization. Employer associations in the banking industry encouraged employee loyalty at the end of the 19th century in exchange for job security in single-branch banks where firm-specific skills still mattered. Moving from clerk to owner was increasingly difficult, but job security was still an advantage compared to other industries. By the 1910s and 1920s, however, “the size, systematization, and dominance of the big banks and other corporations” created layers of middle management that in turn created new opportunities for men to be promoted within a firm and across the industry.²⁸⁰ During this period, many local banks expanded to have multiple branches. Personnel departments were created in these larger banks, and company newsletters listed names of those who were recently promoted to motivate others.²⁸¹ Davis explains the particular aspects of the banking industry that contributed to the maintenance of male dominance and promotional opportunities:

Banks became strong advocates of career employees, not only because of the cost benefits of a stable workforce, but also because career personnel helped to gain depositors' confidence. Bank leaders knew that the presence of familiar employees would heighten customer comfort and trust. The lure of promotions became a centerpiece of bank efforts to retain staff. Internal promotion systems took on a notably familiar character in many banks because banks tended to be smaller more

²⁷⁸ Kwolek-Folland 171

²⁷⁹ Strom 93-94; See also Anne Seward’s *The Women’s Department* [New York: Bankers Publishing, 1924)

²⁸⁰ Davis 150; See also Davis 46-47

²⁸¹ “This practice of promoting corporate careers with both mobility editorials and real-life accounts of corporate success occurred in most large firms. The Los Angeles First National Bank repeatedly published articles promising promotions for meritorious service, including an adaptation of a Shakespeare line that began, ‘All The Bank’s A Ladder.’ Banks also actively publicized their executives’ mobility and used such stories as a major theme in their employee publications. The Farmers and Merchants National Bank, for instance, noted in 1927 that four of its top officers had risen through the ranks; three had started in the entry-level position of messenger, in the years 1894, 1901, and 1904. The celebration of promotion policies became a central theme of most corporate cultures.” (Davis 153)

localized operations than many other corporations. Leaders could become quite familiar with employees and their qualifications for vacant positions.²⁸²

Davis repeatedly emphasizes the importance of tellers in gaining new depositors in the banking industry.²⁸³ Banking was providing a service rather than a product, and it was a service highly dependent on customer trust, especial given the history of the financial sector's periodic crisis.²⁸⁴ The banker to bank worker proximity decreased within the growing institutions, but the importance of the personal relationship between bank worker to the customer and the bank to the community helped maintain male privileges and create a corporate environment hostile to unionization.²⁸⁵

Bank teller positions were first opened to women during WWI, and deskilling of the position began shortly after throughout the 1920s. Men perhaps remained in these positions despite the deskilling (responsibilities moving from paying tellers to head

²⁸² Davis 150

²⁸³ "Bank leaders wrote extensively about employees' critical role in recruiting depositors'. While most firms assigned specific agents to find new customers, executives knew an important source of clients would be local residents who knew and respected bank employees. People wanted their money handled by those they trusted. A Pacific Southwest Savings Bank development manager explained: 'There is no doubt that making friends is considered one of the best means of securing new business that is known...we have found in checking the location of our customers that many of them are living in localities entirely outside our area served. They are coming for a manager or teller who is particularly friendly or they have known or done business with.' Many banks asked employees to seek new customers through formal campaigns. Successful employees often received special prizes, or at least their boss's high praise and good favor." (Davis 50-51)

²⁸⁴ Davis 63-64

²⁸⁵ Strom gives the following example from a former bank worker: "Banks in particular remained bastions of male privilege. At most, women could aspire to be private secretaries or assistants to powerful men, a reality that caused smoldering resentment in women the professional training and aspirations like a California woman interviewed in 1925. She received a B.S. degree from Stanford in 1915, taught high school in Santa Barbara for three years, and then served in Paris during the war doing emergency relief work as a YMCA officer. After the war she trained in office work at a business college and secured a position as a secretary to a vice president at a large San Francisco bank. After a year of evening courses at the American Institute of Banking she and her immediate boss had hoped she might become a bank officer. 'But the policies of the bank were against women,' she reported. Although she thought the banking industry provided 'an almost unlimited chance to study and grow in usefulness,... in most secretary positions the limit is reached all too soon. The time comes where there is nothing to improve, nothing new to learn....The salaries are shockingly inadequate.' Instead of taking center stage, the private secretary was forced to orchestrate a puppet show, pulling strings while the boss received the applause. When asked to list the qualities required for secretarial work, she responded that the secretary must have 'the mind to conceive and do, but the wit to make your superior believe he is doing it all. Many men in executive positions (especially in banks) are of mediocre intelligence: they like to have a secretary who will do all their work, but not rub it in: as it were.' She left her job in late 1924, listing 'poor salary, no future,' as her reason for quitting, and took a job with a community arts association." (Strom 94-95, quoting Genieve N. Childersleeve, *Women in Banking: A History of the National Association of Bank Women*, Washington, D.C.: Public Affairs Press, 1929, 49-83)

tellers) because of the onset of the Great Depression in the 1930s.²⁸⁶ Although banks had female clerical workers, a study of fifty banks in 1935 demonstrated that bank tellers were still all men since “many of the banks’ patrons do not have as much confidence in a woman’s financial ability as in a man’s. This may be a foolish prejudice, but since it is so the bank hesitates to risk business by advancing women to positions where they deal with the public.”²⁸⁷ This “foolish prejudice” was quickly overcome due to a shortage of male tellers during WWII (See Figure 2 below), resulting in changed attitudes of bank managers:

Women are capably filling key positions in all of our internal departments and their performance as tellers is surprisingly satisfactory. The speed, accuracy and general ability of the girls in the tellers’ cages compare favorably with those of the men who formerly occupied these positions. We now have more women tellers than we have men tellers, and so far as I am concerned there will be no hesitancy on the part of our bank when it comes to putting women tellers all the way down the line.²⁸⁸

Although the banks did not guarantee women these jobs, men coming back from WWII had a preference for higher-waged unionized jobs in the expanding manufacturing sector, resulting in most banks not only retaining female tellers, but also hiring more as banking expanded. In fact, “by the 1950 census, 45 percent of all tellers were women.”²⁸⁹ Women in wartime manufacturing and other sectors predominantly filled by men prior to the war were often pushed out of these jobs as men came back to claim them, while teller positions provided opportunities as one of the few jobs men did not reclaim. By 1960, women filled 70% of teller jobs, and compose over 90% today.²⁹⁰ Another factor that facilitated this change after WWII was that “simultaneously the types of customers and services became much more common and less elite” and female tellers were willing to “work for wages lower than most men’s but comparable to other women’s.”²⁹¹ Although a common explanation for the shift of clerical work and other jobs that move from female to male dominated is deskilling, Strober and Arnold argue this does not appear to be the case with bank tellers:

²⁸⁶ Strober 121-124

²⁸⁷ Princeton University study, cited in Strober and Arnold 119

²⁸⁸ Wartime personnel study, cited in Strober and Arnold 119

²⁸⁹ Strober/Rotella 152

²⁹⁰ Strober and Arnold 121-122

²⁹¹ Strober and Arnold 132

And now the tasks tellers have done for years, whether women or men—checking an account balance and a customer's identification, paying out funds, taking deposits and payments, and recording it all accurately and speedily—are being done by electronic machines, a fate common to de-skilled jobs after they have been inhabited by women or minorities. However, the teller job description did not change for forty years (1939-79). It seems to have maintained its skill and judgment levels right up to the time it was mechanized. What changed was the financial status and gender of the customers, the age and gender of the people doing the job, and, perhaps consequently, the image and the status of the job. This loss of image and status for bank telling was a more important change in the job than any intrinsic de-skilling, of which we can find little evidence during the crucial years when the occupation was tipping from men to women.²⁹²

Even though the decline of the image and status of the teller position was accompanied by decreasing wages for male and female tellers “relative to the average earnings of all men and women,” the salary ratio between male and female tellers “remained remarkably stable.”²⁹³

The growth of women in the FIRE sector was primarily due to an increase in hiring women as clerks and bookkeepers; the feminization of the teller positions occurring only after 1930.²⁹⁴ Also, women in the FIRE sector “made up a smaller proportion of bookkeepers and accountants but a larger proportion of stenographers and typists than they did nationally.”²⁹⁵ Overall, from 1870-1930, Rotella found that actual propensity to hire women was the most important source of female clerical worker growth, especially in manufacturing, trade, and finance. The professional services sector had the highest propensity to higher dominated, such as teaching, but the “expanded employment of women in clerical jobs accounted for nearly one-quarter of the 60-year growth in the size of the female non-agricultural labor force.”²⁹⁶

The next chapter explores this data in relation to clerical workers' salary, benefits, and unionization.

²⁹² Strober 132-133

²⁹³ Strober 148

²⁹⁴ Rotella 148; Banks “did not hire large numbers of female clerical workers until WWI.” (Kwolek-Folland 115)

²⁹⁵ Rotella 141

²⁹⁶ Rotella 151

Figure 2
Cartoon: Women Tellers during WII



Source: Strober 119, from *Banking*, August 1942, p. 3.

Chapter 4

The Rise of the First Clerical Worker Unions to the Present

Industrial engineers documented worker resistance to changes in the workplace discussed in the previous chapter, but usually it was older clerks and bookkeepers with many years in a position who individually resisted scientific management measures that reduced their autonomy or habitual work processes. Clerical workers often resented the closer supervision ushered in by scientific management, and managers often complained about office staff not working every minute for which they were paid. Workers efforts to shave minutes off their work day were met with the implementation of time sheets as well as disciplinary and incentive systems to increase productivity.²⁹⁷ While scientific management created reasons for resistance, it did not lead directly to unionization. In fact, Mills considered the mere threat of unionization of the office workers to be enough of an impetus for the development and use of new office machinery.²⁹⁸

The drastic changes in attitudes in gender from the Victorian Era to the 20th century perhaps seemed to diminish the boss or the corporation as the target of discontent. As one former bank executive commented, “the old timers resented the influx of the women as they had always considered the banking business an Eve-less paradise” where they did not have to worry about their language and dress.²⁹⁹ Workers were experiencing a lot of changes, but the change in gender relations was perhaps the most obvious and confronting one for clerical workers since “women were, after all, one

²⁹⁷ Davies 103-105; “Taylorist shop discipline” could include “no talking to neighbors; only one person to the water cooler or bathroom at a time; the submission of all questions and comments about work to department heads; the deductions of errors from wages; the submission of daily records of output; and ‘instant dismissal’ for tardiness or other rule infractions.” (Strom 200)

²⁹⁸ Mills 195; Mills also indicated job routinization is a cause of white-collar dissatisfaction that could encourage workers to choose unionization. (Mills 307)

²⁹⁹ Kwolek-Folland 166; Strom describes the effects of segmentation of labor on unionization: “Originally more the product of larger economic and cultural forces than conspiratorial planning, segmentation among office workers nonetheless constituted a golden opportunity for managers to prevent union organizing and the development of a collective consciousness among office workers well into the 1930s, even among women and men who were working class and came from union families.” (Strom 1994, 4) Separating the sexes and wage systems aided the employers, and even though “some bold feminists were raising the banner of equal pay for equal work, their rhetoric was nearly impossible to execute in the workplace without the help of strong unions and state or federal equal pay acts.” (Strom 1994, 290)

of the most visible signs of the changed business environment.”³⁰⁰ Rather than blame their employers and see unionizing as a potential solution, “male clerks in the 1880 and 1890s often pointed to female office workers as the cause of all their problems—their lower wages, the diminishing status of clerical work, its increasingly mundane and dead-end character.”³⁰¹ As firm bureaucracy increased due to the shift from entrepreneurial control to managerial control, and scientific management diminished workers’ job control, there was of course discontent. But Kwolek-Folland observed that overall, “women and men, workers and managers alike often described their dissatisfaction with fragmentation and lack of control as a function of gender relationships rather than job, position, or corporate structure.”³⁰²

When stenographers first organized in 1886 in Chicago through the creation of the National Union of Stenographer’s, they approached the defense of their wage and conditions as an effort to defend their craft. Officially, they included women who were “competent workers and of good character.”³⁰³ But they also complained of “scab schools,” “which every three months are turning out swarms of rats” who depressed their wages. Of course, these “scab schools” were reference to the new commercial schools linked with the invention of the typewriter and the promotion of women’s entry into the workplace, making these women “the rats.”³⁰⁴ They tried futilely to control their profession by pushing for licensing and encourage employers to contract through their union hiring hall. The male stenographers linked skill with manhood, meaning machinery and women of commercial stenography were a threat:

³⁰⁰ Kwolek-Folland 166

³⁰¹ Kwolek-Folland 39

³⁰² Kwolek-Folland 167; Strom comes to a similar conclusion: “Many ambitious women office workers, the “career women” of their day, wanted the right to compete for better jobs. They criticized discrimination in employment and the marriage bar. But they took an individualist, not a collective, view of their own oppression. They often blamed the office flapper, the working-class clerk with a grammar school education, or the woman who left work to be married for the failure of business elites to take working women seriously. Because there really were expanding [but limited] opportunities for women in clerical work positions, blaming other women for their own lack of success was a predictable response of ambitious women. A different paradigm based on both feminism and unionism might have acknowledged that the marriage bar was largely a smokescreen, that women were excluded from the upper ranks on the basis of their sex, not their qualifications, and that most women would remain in the lower ranks no matter how ambitious and hardworking they were.” (Strom 1994, 9-10)

³⁰³ Fine 1990, 15

³⁰⁴ Fine 1990, 15

But who is this silent man, the shorthand reporter, this man who quietly records court proceedings? Is he not a man of ability? Is he not a different person than a commercial stenographer? Does he not possess the educational qualifications beyond the scope of the clerical employee? Is it not time that you cease measuring the highly skillful work of the artist by the eight dollar a week stenographer?³⁰⁵

With the force of industrial growth and the impact of the new technology in the office, the craft model offered little hope in protecting the stenographer's craft, and employers were more than willing to hire the women willing to work in the expanding office. With the support of the AFL's Women's Trade Union League (WTUL), the Stenographers and Typists Association formed in 1908, with locals in four other cities. It had at most a couple hundred members. They believed the problem was the large influx of young workers into the field, who supposedly were willing to accept any wage, and requested the WTUL help it by providing an organizer. The organizing campaign had little success, and the union soon crumbled.³⁰⁶

Most workers in unions around the turn of the century, however, were craft unions based on manual work and quite separate from white collar workers. Bjelopera, drawing on a study of bank architecture in Philadelphia during the period of the industry's late 19th century expansion in residential and commercial areas, provides additional insight into the unique features of banks that separated bank workers from industrial workers:

Many of the city's banks conveyed grandeur, permanence, and security through the construction of massive stone facades. Themes of security influenced the work lives of a bank's staff. Architects placed executive officers near the banking room to allow management easy supervision of tellers and cashiers enclosed in cages. The cages separated the bank's employees from one another as well as from customers. Unlike that of department stores, the banking workforce was largely male from 1870 to 1920. Just as department-store saleswomen toiled in a segmented world, however, bank clerks found themselves laboring in an environment that distinguished them from both customers and management. Like their counterparts in the store, bank clerks could not help feeling the class distinctions of their workplace.³⁰⁷

³⁰⁵ Male stenographer quoted in Fine 1990, 15

³⁰⁶ Fine 1990, 133-134

³⁰⁷ Bjelopera 54; for more on department store clerks in the 19th century, see Susan Benson Porter, *Counter Cultures*.

While the federal government and private sector began hiring female clerks after the Civil War, banks only began to significantly hire women after WWI, at which point they also created departments to specifically serve female clients as female consumers increasingly became more important in the rise of mass consumer culture.³⁰⁸ Compared to modern clerical work, clerical workers in the late 19th century, especially in the federal government, tended to be more skilled with more control over their work, even sharing class and culture with their supervisors, which promoted close social relations. This differed from industrial workers of that era, who also enjoyed fewer privileges than these clerks. This began to change after 1900 when clerical work became increasingly subdivided and rationalized to create assembly-line like work conditions and industrial workers increasingly organized and won better wages and conditions.³⁰⁹ Even though conditions and pay of white-collar workers increasingly became proletarianized and even often offered lower wages than blue-collar work, white-collar workers “continued to think of themselves as members of the middle class and to derive middle-class status from the white-collar labor in which they engaged.”³¹⁰ Mills also emphasized these employee-employer relationships as a hindrance to unionization, resulting in “loyalty to management” as “an insecure cover-up or fear of reprisal.”³¹¹ Even when skilled workers organized and commanded significant economic and political power in some cities, bank clerks, even if from the same neighborhood and families, may not have followed their lead. And if they did indeed materially achieve middle-class status, their social circles would move them further from contact with unionized workers, making their receptivity to unionization even lower.³¹²

In a study of Pittsburgh’s clerical workers in the late 19th century, Devault found only one example of an entry level clerk (Harry Donnally) moving from bookkeeper, to teller in 1905, to president in 1933, which had been more frequent prior to industrialization. Devault characterized more typical expectations in the latter period in banking:

³⁰⁸ Bjelopera citing p 171 of *Engendering Business*

³⁰⁹ Aron 189

³¹⁰ Aron 191

³¹¹ Mills 305

³¹² Mills 306

By the turn of the century, few expected to enter banking employment as a clerk, teller, or bookkeeper and end up owning a bank. While stories such as that of Donnally kept this dream alive to some extent, banks were best known for their job security; once employed by a bank, logical steps through its departments could be expected. The other side of the bank-employment coding, however, was that job security and bureaucratic promotions were often guaranteed only within a single bank.³¹³

Such mobility offered more opportunities than typical blue-collar work, and would have been a hindrance to unionization. Many workers, especially male workers raised in the culture of the 19th century, struggled with the changes that by 1910 meant “the size, systemization, and dominance of the big banks and other corporations” could limit their fulfillment at work:

Although business historians today write of the modern business enterprise as a "logical" development in the evolution of economic structures, aspiring young men did not always see the logic in the lack of autonomy, authority, or control typical of bureaucratic employment. Many white-collar employees seemed entangled in complex operational hierarchies and subordinated to a rigid chain of command, and they lacked any realistic opportunity to direct the enterprise.³¹⁴

As mentioned in the previous chapter, feminization of the banking industry was delayed compared to other industries, due to a combination of the firms' histories, perceived market needs, promotional opportunities still available to men that required clerk apprenticeships, and active union avoidance. Since the decentralized structure of banking still allowed some proximity between the banker and the bank workers along with some upward mobility, this perhaps could explain the slightly delayed entry of women into clerical work in this industry. FIRE sector companies helped maintain “loyalty” through organizing social activities that reinforced the employers' needs and values.³¹⁵

Devault's study of Pittsburgh challenges some of the ideas of a new middle class. The expanding clerical work force of the late 19th century required so much labor that the workforce came most often from the urban working-class, often the children of

³¹³ Devault 1990, 158, referencing p 198-199 of Fiske, *The Modern Bank*. NY: D. Appleton, 1904

³¹⁴ Davis 80-81

³¹⁵ Kwolek-Folland 153-155; Bjelopera 82 gives an example of the Philadelphia Bank Clerks' Beneficial Association

immigrants and manual workers.³¹⁶ Even when clerical workers were close to the most unionized sectors of skilled workers, it did not necessarily lead to clerical worker organizing. Devault argues that despite coming from parents who were union members, skilled workers and part of the labor aristocracy, they had legitimate reasons to encourage their children to enter commercial schools to pursue non-union and deskilled clerical work. Monopoly capitalism had begun to cause an erosion in the economic privileges and job control of industrial workers, so to maintain their social status and distinguish themselves from newly arriving immigrants, they encouraged their children to enter the expanding white-collar workforce. Why children coming from working-class families and communities with much union consciousness—especially in Pittsburgh which had a rich history of labor struggle—did not build unions in their workplaces, is a question that remains to be answered.³¹⁷ What is clear though, many people in the US have had contradictory attitudes about which kinds of work are a source of pride and respect:

At the same time, ambiguous (and often contradictory) distinctions between manual and non-manual labor contributed to society's perceptions of the social status of office employment for men. North American culture had always fostered a schizophrenic view of manual labor. One set of traditions glorified those who worked with their hands and scorned those who didn't—lawyers, politicians, financiers. Certainly Pittsburgh's workers upheld a working-class version of this tradition in the late nineteenth century, basing trade union and political power on their belief that it was their labor which created the city's and the nation's-wealth. However, even the city's "aristocracy" of skilled labor often tried to escape from the very work they glorified, becoming full-time unionists, politicians or, in the case of clerical training, seeking something better for their sons. Less skilled industrial workers found less to glorify in their work and more to gain from having their sons escape it.³¹⁸

The erosion of skilled worker power, the defeat of the Homestead Strike in 1892, and economic downturns meant that even in cities considered union strong-holds, traditional methods of building working class power did not necessarily impact office workers who came from union families and grew up in union cities.³¹⁹ The very corporations that

³¹⁶ Devault 1990, 174-177

³¹⁷ Devault 1990, 95-97

³¹⁸ Devault 1990, 70

³¹⁹ Devault 1990, 92-93, 95, 96-98

destroyed the material privileges of the skilled male workers of the 19th century, along with their dreams of a workingmen's republic, provided the new machinery and jobs to their sons and daughters, instilling a less independent, business-oriented version of the American Dream, a distant departure from the Jeffersonian ideals of the working-class as discussed in chapter two.

Regarding salaries and benefits, railroad clerks, one of the few examples of unionized white-collared workers, earned 13% more than skilled blue-collar workers in railroad transportation. But this was not the case in all white collar work; "by the 1920s the gap had completely vanished, and clerical workers increasingly relied on different measures to differentiate themselves from those in the blue-collar realm."³²⁰ Such measures at the turn of the century included more job security, lack of physical exertion, office location and cleanliness.³²¹ Workers in the 1920s benefitted from economic growth in general with "median salaries ranging from twenty-four dollars to twenty-five dollars per week to eighteen dollars to nineteen dollars per week."³²² At the higher end of the pay scales were bookkeepers and stenographers, while general clerks and typists were in the middle of the pay scale, and file clerks the lowest paid. A study of female clerical workers in Chicago demonstrated wage improvements even at the onset of the Great Depression. The study also found variation in median weekly salaries for these workers depending on the industry of the establishment: "mail order houses (\$75), insurance companies (\$93), public utilities (\$100), publishers (\$106), banks (\$114), advertising companies (\$117)" and investment houses (\$318).³²³ These female clerical workers averaged 42 hour work weeks (including a half-day on Saturday), and provided

³²⁰ Bjelopera 17

³²¹ "During the depressions of the early 1920s and the 1930s, the share of clerical workers in the total labor force rose, indicating that clerical employment fell less drastically during business downturns. Clearly, clerical employment was less volatile than employment in other sectors. Women's share of clerical employment did not fall in 1921 when the economy underwent a sharp downturn. This seems to indicate that women clerical workers were not more likely to be let go during slack conditions than were men clerical workers. Indeed, many early writers who emphasized the virtues of clerical employment for women mentioned that clerical workers were less likely to suffer unemployment than were workers in other occupations." (Rotella 128)

³²² Fine Chicago 168

³²³ Fine Chicago 169. Women tended to be excluded from higher clerical positions outside of NYC, where most investment houses were located; especially in LA, where they occupied the lowest paying positions into the early 20th century. (Davis 8-9 See also Kocka 172.) For wages this period: Douglas, Paul H. *Real Wages in the United States, 1890-1926*. Houghton Mifflin, 1930.

vacation pay usually for two weeks with the exception of one office out of the eighty-one studied. Most office workers' hours were less than those who worked in trade and industry, and perhaps only professional work offered better wages and conditions. Filing and typing, however, received lower wages. Women who became bookkeepers or office supervisors earned the highest wages, but these jobs remained highly dominated by men. Women were most likely to find the best wages by becoming secretarial stenographers or senior stenographers with job experience. The majority of the 9,735 workers studied received sick days and had employer-employee paid group insurance plans. Several banks were noted for "providing free lunch and pension and retirement plans to their employees."³²⁴ Paying wages and providing benefits to clerical workers above the standards of other industries served as an effective means to union avoidance, especially during World War I when women factory worker and telephone operators struck for union recognition and wage increases to keep pace with inflation.³²⁵ Men's clerical wages began to stagnate starting in 1900, a product of the feminization of the labor force and new office technology. Also quite important was the expansion of universal free public high school, which provided commercial education that reduced businesses' training costs and created a larger labor supply.³²⁶ The surge of industrial organizing in the 1930s and wage gains during WWII created blue-collar work with wages and conditions better than what clerical workers received, especially in the clerical industries that remained for the most part unorganized.

The Bank Clerks Athletic Association formed in Philadelphia in 1887, which reflected the growing relation between sports and masculinity in the US at the time. It

³²⁴ Fine Chicago 169; "Both Security Trust and Savings Bank of Los Angeles and Los Angeles First National introduced pensions and group insurance plans in the '910S and 1920S. The Pacific Southwest Savings Bank offered employees access to group insurance, a subsidized cafeteria, and a fully-equipped medical facility that provided professional care and medicine at no cost. Bank workers took advantage of the hospital, making over nine thousand visits in 1926. The appearance of these programs in Los Angeles area banks testifies to their popularity... Though facing different challenges, each sought to attract, motivate, and retain employees who would work diligently for the firm's long-term success. These safety nets, when combined with the general stability and security possible in working for a large enterprise rather than running one's own business, promised to make corporate employment an attractive proposition for many Americans." (Davis 139-140)

³²⁵ Strom 1994, 228 and Strom 1994, 204: "the unionization of women office workers before 1930 was probably undercut by relatively high wages and good working conditions in offices." Strom 22

³²⁶ Strom 1994, 205-208

was first opposed by employers, and then eventually accepted.³²⁷ This suggests that some forms of collective identity as bank clerks, as well as self-organization occurred in this early period, and should be investigated further. From 1870 to 1910 Bjelopera considers accountants clerical workers, but says by 1920 their occupation was professionalized and could not be considered in the same category as other clerical work, which perhaps explains later office worker organizing efforts taking broader craft approaches compared to traditional AFL unions from the trades.³²⁸ He also considered insurance agents, who mostly worked for large firms in Philadelphia, to fit in the category of clerical workers rather than professional workers, which helps explain the earlier organizing efforts of industrial insurance agents.

The Knights of Labor had clerks organized in the Salespeople's Local Assembly No. 4907 from the mid-1880s to 1905.³²⁹ At its peak in 1902, it had agreements with twenty five stores in Pittsburgh, and 1,200 members.³³⁰ These were salespeople of the retail industry, not the financial sector. Perhaps due to retail stores locations in traditional strongholds of the old republicanist unionism of the 19th century or because of the rapid growth in trade and department stores in the 19th century, clerks in retail were the first to organize unions. In 1870, trade consisted of almost 42% of all clerical employment, while the FIRE sector encompassed only 12%. Therefore, it is understandable why unions may have focused first on retail clerks in the 19th century. By 1930, however, clerical work in manufacturing encompassed about 25% of clerical employment, and the FIRE sector at about 16%, making it almost equal to Trade, which was then at 18%.³³¹ The biggest contributor to clerical worker growth was manufacturing and trade, making union emphasis on such industries also understandable.

In 1890, the Retail Clerks National Protective Union (later the Retail Clerks International Association/Union - RCIA), comprised of clothing and shoe store workers,

³²⁷ Bjelopera 88

³²⁸ Bjelopera 163

³²⁹ Some of these affiliates, such as the New York Mercantile Library Association, existed since 1820. By 1845, it claimed to have 20% of the 10,000 wholesale and retail trade clerks as members, many who fought and struck for earlier closing times and reduced work days. One difference Kocka found with these associations in comparing them with German equivalents was that they played a less significant role in satisfying social needs since many other types of social organizations existed in the US. (Kocka 55)

³³⁰ Devault 1990, 64

³³¹ Rotella 85

was chartered by the American Federation of Labor. It spread throughout the Midwest in the first couple of years, and within ten years was international due to a new local in Canada. Boycotts were frequently used to improve wages and reduce hours, and the retail clerks were among the first to win overtime premium pay in their contracts. It grew from 3,000 members in 1890, to 50,000 in 1904, but they were reduced to 5,000 in the Great Depression before surging again during WWII.³³² Bjelopera suggests additional explanations for the challenge of building clerk unions, especially in retail. Many clerical workers were removed enough from what they considered to be menial work to validate feelings of being middle-class, and believed opportunities for promotion could become available even as they became further out of reach. Because of this mentality, there was little unionization prior to the 1920s, and a lack of worker struggles for job control as was common within the US working class in the 19th century:

Rather, lower-level white-collar workers tended to identify with those higher on the social and economic scale. In particular, men who aspired to rise into the professionalized managerial hierarchy or to become small business owners eschewed collective anti-management agitation. Poignantly, in 1905 the Retail Clerks' International Protective Association (RCIPA), one of the few clerical unions, lamented that one-half of America's male sales clerks dreamed of becoming small-business owners.³³³

Saleswomen tended to change jobs rather than fight the boss, as union activity was not tolerated “bosses quickly fired dissenters,” and “enough men [at least until 1920] received promotions to fuel the mobility dreams of their brothers in the office and stores of Philadelphia.”³³⁴ So informal resistance was perhaps more common, and was expressed through breaking rules such as dress codes, mostly through workers acting as individuals rather than a group.

³³² United Food and Commercial Workers International Union (UFCW), www.ufcw.org/about/ufcw-history/retail-clerks, accessed March 20, 2014. The RCIA later merged with shoe worker unions and then the Amalgamated Meat Cutters Union to form the UFCW in 1979. The Trade Union Unity Leagues work through the Office Workers Union in NYC retail led to two RCIA locals leaving to form the RWDSU in the CIO between 1935 and 1937. The RWDSU later merged into the UFCW. RWDSU Local 1-S website, www.local1srwdsu.org/pagedetail.php?id=7, accessed March 20, 2014. For more information, see Michael Harrington, *The Retail Clerks* (New York: Wiley, 1962) and Daniel Opler, *For All White-Collar Workers: The Possibilities of Radicalism in New York City's Department Store Unions, 1934–1953*, (Columbus: Ohio State University Press, 2007). Brundage, David Thomas. *The Making of Western Labor Radicalism: Denver's Organized Workers, 1878-1905*, Urbana: University of Illinois press, 1994 p 83.

³³³ Bjelopera 18

³³⁴ Bjelopera 122-123

The WTUL supported clerical workers in the Office Employees Association in Chicago as early as 1912, and these workers' associations became the basis of trade unions. Most of their success was based on male civil servant worker membership.³³⁵ A labor report published by the Rand Institute in 1920 said that "up to very recently office workers as a class were impossible to organize into trade unions. Within the last two years, an impetus has been given to organizing various kinds of office employees."³³⁶ Most successful was the Federal Employees Union, and the Brotherhood of Railway Clerks is mentioned as well. The WTUL, however, had shortcomings and limits in its organizing efforts that diminished its impact on organizing women and the clerical industries:

Like the quasi-professional shorthand reporters' associations, these organizers attempted to control, limit, and grade new entrants into the field to keep wages high. They envisioned a strictly regulated craft union. Because of the influx of women into the field and the increased mechanization and rationalization in many newer clerical fields, however, this style of union organizing was inappropriate. The dispersal of small numbers of clerical workers in a larger number of offices may have made union organizing logistically difficult and expensive. It is also possible that the Women's Trade Union League did not commit enough resources to get the organizing drive going. The league abandoned the 1912 drive in Chicago after just one year. Poor, immigrant women who worked in unsanitary, unsafe, low-paid, factory jobs probably merited more immediate attention from the league. There were certainly some limited successes in organizing clerical workers during this period in other cities, most notably New York City, but most were short-lived and did not receive the support from the male-dominated trade union movement necessary to achieve success.³³⁷

The first and most successful office workers union, Bookkeepers, Stenographers and Accountants Union No. 12646 (BSAU) was formed in New York City in 1908, and was considered one of the most progressive unions in NYC. Workers in Indianapolis and Washington, DC were the next to become chartered by the American Federation of Labor, and by 1920 locals were chartered in the US's 20 largest cities.³³⁸ Most were named the Stenographers', Typists', Bookkeepers' and Assistants' Union, but they were open to "operators of the multigraph, stenotype, and all other office machines, and all

³³⁵ National Women's Trade Union League, *Life and Labor*, Volume 2, 1912, p 128

³³⁶ Leonard Bright, VP of the BSAU in 188

³³⁷ Fine 1990, 135-136; See also Strom 1994, 203-204

³³⁸ Mary Elizabeth Adams found 40 office worker union locals in 1919

kinds of clerical workers.”³³⁹ The fastest growing office workers union was in Schenectady, NY. Clerks in a General Electric manufacturing plant started with 50 members in June 1918, and grew to over 900 members by September with the support of the Metals Trades Federations. Together with other plant workers, they went on strike and over 2,000 office workers won cost of living adjustments of 15-20% through a War Labor Board appeal.³⁴⁰ This demonstrated the potentially favorable climate for organizing clerical workers, especially given relative wages at the time; between 1914 and 1918, the cost of food rose 73% during the war, factory wages over 81%, and clerical wages, which were already low, only 26%. Another sign of the favorable climate was inter-union conflicts over territory when organizing clerks. The BSAU sought the assistance of the AFL to rule in their favor against the International Brotherhood of Teamsters and the Brotherhood of Railroad clerks to win jurisdiction rights to the Express Clerks in New York City.³⁴¹

Despite being recognized as the strongest office worker union in the country at the time and leading the call for the formation of a national office workers union, Samuel Gompers revoked the BSAU’s charter in 1922. Both the AFL and local leaders complained of a communist take-over because of union delegates’ participation and support for the Communist led Trade Union Education League. They claimed that just a hundred communists in the union were able control outcomes of meetings through their disciplined attendance. Gompers and other leaders claimed their will was not that of the other 500 or more members.³⁴² Twenty-three communists were expelled from the union, after which it was immediately re-chartered by the AFL.

Nevertheless, the BSAU continued to grow, and even started a campaign to organize bank workers in 1923. A garment workers’ union newspaper reported that “New York’s bank employees long scornful of trade unionism” were starting “to realize

³³⁹ Leonard Bright, VP of the BSAU in Rand 188. Philip S. Foner cites Lucy P Carner, *Unionizing New York City Women Office Workers* (Master’s thesis, Columbia University, 1925), p. 6-12, as finding only 1,654 workers in 29 locals in 1925. Carner examined the AFL’s records from 1907 to 1924, but found nothing specifically on the question of organizing women office workers (Foner 1979, p. 294)

³⁴⁰ Leonard Bright, VP of the BSAU in Rand 189

³⁴¹ American Federation of Labor, Report of the Proceedings of the Annual Convention of the American Federation of Labor, Volume 39, Washington, DC: Law Reporter Printing Company, 1919, p 468.

³⁴² Foner 1991, 138; “Gompers Outlaws a Union or Reds,” July 11, 1922, New York Times; “Gompers Outlaws 100 Reds,” July 25, 1922. New York Times

they that they need organization as much as the plumber or baker or other common laborer.”³⁴³ Another newspaper commented that skilled miners were starting to live in the homes on “the Hill” once occupied by white-collar workers, and the white-collar workers were moving to the working class neighborhoods in “the Valley” near the mines. While it was looked upon favorably by many that skilled blue-collar workers were improving their standard of living, a writer for an industrial journal noted “that there is something wrong when skilled head-workers have to live in worse homes, wear cheaper clothes, and eat cheaper cuts of beef than hand-workers.”³⁴⁴ Some bankers apparently recognized the wages were low, with one saying “We have men who are financiers on \$150 a month. It is perfectly amazing how they get along—and in most cases save a little on that salary.”³⁴⁵ The Federal Reserve Board investigated the conditions of the 10,000 bank employees and found that “the great majority of the employees were not paid enough to meet living expenses.”³⁴⁶

³⁴³ International Labor News Service New York (ILNSNY), “Discontented Employees Fast Joining Clerical Union,” *The Garment Worker* VOL XXII NO 41, August 3, 1923, page 3.

³⁴⁴ “A Union for Bank Clerks,” *The Literary Digest*, November 17, 1923, p 16.

www.unz.org/Pub/LiteraryDigest-1923nov17-00016?View=PDF, accessed March 20, 2014

³⁴⁵ “A Union for Bank Clerks,” *ibid*

³⁴⁶ “A Union for Bank Clerks,” *ibid*. Banks, on the other hand, often claimed they paid competitive or higher salaries when targeted by unions. See for example, when the UOPWA targeted Farmer’s and Merchant’s Bank in Los Angeles: “Union Pickets Downtown Bank,” *Los Angeles Times (1923-Current File)*, May 1, 1940, ProQuest Historical Newspapers Los Angeles Times (1881-1987), p A10.

Figure 3
 Bookkeepers, Stenographers and Accountants Union No. 12646 (BSAU-AFL)
 in New York City 1935



The men in the barrels have signs that say “Office workers! Your white collar is all you have! You have nothing to lose! Organize!” and the others tell office workers to “Wake up!” and come to the next open meeting. Second from the left is Harry Avrutin, who later was a secretary of the NYC Central Labor Council.

Source: Robert F. Wagner Labor Archives, *Union Label Collection*, Item no. 22006, NY. www.laborarts.org/collections/item.cfm?itemid=84

Thus the AFL’s BSAU, with 3,000 members in 1924, a couple years after the expulsion of the communist members, took on the task of organizing the 20,000 bank workers in New York City. A nucleus was built in a few union-owned banks, and picketing occurred on Wall Street. The union used pamphlets with the wages of skilled workers, who perhaps had less education than bank clerks, to agitate them to press for wage demands: “Bricklayers, \$66; carpenters, \$55; plumbers, \$55; stone masons, \$63; building laborers, \$45; compositors, book and job, \$50; newspaper compositors, \$55; photo-engravers, \$55 bakers, \$47, \$49 and \$50 machinists, \$49.50 to \$55 pattern-makers, \$50; cloak-makers, \$50; cloak-operators, \$50; clothing-cutters, \$51.”³⁴⁷ Workers were apparently encouraged to accept low wages for the “gentility” of the job and the opportunities for promotion. Bankers gave multiple reasons against unionization:

³⁴⁷ “A Union for Bank Clerks,” *ibid*

The Magazine of Wall Street: banking is not a good field for trades-union organization. There are few occupations in which the application of a rigid scheme of hours is less warrantable or less feasible. Neither are there many occupations in which perfect standardization of work is as difficult to attain as it is in banking. What is very desirable is to establish in our banks a much better general basis of pay adjusted to capacity and performance, and with a fairly definite system of promotion resulting from efficiency and (to a moderate extent) seniority or length of service.

The American Banker: men go into banking because they prefer it, and banks proverbially are among the most considerate of employers... banks have to pay just about the going wage for clerical work to meet the competition of other banks and other businesses...The 'closed-shop' policy in banking conceivably may bring a regulation of wages to the benefit of a few, but of a surety it foreshadows a result with catastrophic consequences to the brightest and therefore the most deserving among the men themselves. It will mean the 'closed door' to ambition, to worth and intelligence. Bank work will fall to the dead level of mediocrity, with antagonism and rebuke to him who sets out to excel and rise. Do the coming bankers of the country want this stumbling-block placed in their path?³⁴⁸

One bank tried to avoid unionization by reinstating Christmas bonuses and raising wages. BSAU secretary Ernest Bohm was quoted saying:

Great discontent exists among bank employees because of the miserable salaries they are paid, but small raises of \$5 or \$10 a month will not accomplish what the bankers are aiming at. Just imagine expecting a married man with an education and brains and working fifty hours a week to get along on \$30 or \$35 a week. Is it any wonder that so many defalcations occur?³⁴⁹

In addition to “defalcations” (embezzlement), another article reported a bank clerk guilty of forgery said that despite working at large bank in New York, “his thirty dollars a week pay was not enough to support his mother.”³⁵⁰ Rather than engage in collective action, “disgruntled men and women in the office and on the selling floor turned to more individualistic forms of rebellion, breaking work rules and sometimes embezzling company funds.”³⁵¹ Jerome P Bjelopera considers these actions as a type of informal

³⁴⁸ “A Union for Bank Clerks,” *ibid*

³⁴⁹ *ibid* ILNSNY

³⁵⁰ “A Union for Bank Clerks,” *ibid*

³⁵¹ Bjelopera 116; Bjelopera describes “criminal assaults against the ideal of loyalty to the firm. In 1897 Fourth Street National realized that George DaCosta, hired in 1886 when the bank opened, had gradually embezzled \$12,000 and then fled. DaCosta had repeatedly shifted money from several accounts to cover

resistance, which he documents for several pages in accounts of multiple instances of workers who “illegally jump-start their socioeconomic ascent.”³⁵² These workers apparently subscribed to “get rich quick” ideas of the time, but rejected the employer class’s imposition of “temperance and thrift.”³⁵³ The banks used the Pinkerton Detective agency, which was also used for union-busting, to find culprits, but many workers were not caught. Workers were encouraged in some trade journals to avoid both the theft and secrecy described above, and to deal with problems individually:

Rather, a manly confrontation of individuals was the preferred recourse. This individualization of conflict helps to explain the lack of unionization among clerical workers, especially men. Their dreams of eventually moving into management or small-business ownership allied them too closely to their bosses to contemplate collective action or unionization. Protest, if necessary, became a contest between two individuals- the overreaching boss and the aggrieved male worker—over their divergent understandings of the workplace virtues. Otherwise, it had to be shunted into veiled, behind-the-scenes deeds. Collective action meant challenging the individualism underlying the dream of mobility out of the clerical workforce and sacrificing this dream remained too difficult for most employees.³⁵⁴

In addition to these obstacles, the AFL had a limited vision of family and work that expected the male wage earner to provide for the family while his wife was at home raising their children. Male trade-unionist support for clerical worker organizing was limited, and, even with the formation of the Women’s Trade Union League through the AFL’s support, was based on a view of women as a transient part of the labor force to be kept limited in defense of men earning the family wage. The AFL’s male leadership’s perspective on gender and its limited belief in the potential of women clerical workers to organize resulted in weak support for clerical workers forming unions. The AFL failed to challenge workers support for and employers use of the marriage bar, undermining worker solidarity and the potential of union struggle:

his tracks. In cases such as this, banks had a way of recouping some or all of their losses and the image of the ideal employee.” (Bjelopera 125)

³⁵² Bjelopera 128

³⁵³ Bjelopera 128; Kocka 89 also points to this individualism as a hindrance to clerk organizing.

³⁵⁴ Bjelopera 128

The marriage bar was especially useful to employers in creating the office labor force they and their male workers desired: one segmented primarily by gender. Employers and male employees used the marriage bar, perhaps both consciously and unconsciously, to regulate women's employment and also to discredit women workers. Although women left jobs for a variety of reasons, employers insisted that women could not be counted upon because they married. This convenient cultural convention had important economic benefits. By firing most women upon marriage, employers helped to ensure that women would continue to "fail" to live up to the ideal male model of a "career" and thus make the convention a reality. Women who left jobs because they were restless and unsatisfied could be shunted into the "women leave jobs to get married" category, thus confirming predisposed prejudices. At the same time, male employees may have been happy to countenance a system that secured their breadwinner dominance in the culture at large and their own specific families and eliminated an entire gender from the competition for better-paying and more rewarding jobs. Stylized discussions of labor turnover diverted attention from women's real grievances in the office and served to reinforce the application of the marriage bar.³⁵⁵

In addition to The marriage bar was also used as a mask to avoid job security for workers with grievances. Strom documented a case from 1923 where the marriage bar was used as an excuse by a bank to refuse the rehiring of a telephone operator who had left the bank on good terms, and wanted to return to work after marrying. The telephone operator believed she was in reality not hired because the company thought she was a union activist. This demonstrates how the marriage bar was a hindrance to the job security that can facilitate workers taking the risk to union organize.³⁵⁶ In another case, male union members pushed a company to enforce the marriage bar to protect themselves against dismissals in the railroad. The influence of feminist organizations that had recently won women the right to vote, however, helped push the male clerks to drop their demands.³⁵⁷ The high turnover rates of young clerical workers, which was used an excuse for low wages, was falsely assigned to marriage, when their voluntary departures were likely due more to their age; men in jobs with low skill levels had comparable turnover rates. Women actually left jobs for a variety of reasons just as men did, but suffered the additional burden of temporary employment that led to involuntary departure, no opportunities for advancement, and sometimes, sexual harassment. When

³⁵⁵ Strom 1994, 192

³⁵⁶ Strom 1994, 390

³⁵⁷ Strom 1994, 397

they received higher salaries and promotions, they had lower turnover rates, comparable to men in similar positions.³⁵⁸

Despite the growing importance of gender, during the period of 1900-1930, it was most likely the AFL's attitude towards clerical workers in general rather than their attitudes towards women in particular that most hindered the growth of clerical unionism.

Mary Elizabeth Adams, in her study of clerical workers and the BSAU, concluded:

Regardless of the contributions of early locals like the BS&AU to an analysis of the position of male and female clerical workers, and to the development of organizing tactics, these early locals worked largely in isolation from the support of the mainstream labor movement. The presence of so many women within the clerical ranks suggests an implicit reason for AFL reluctance to organize these workers, but the record reflects more explicitly the AFL bias against clerical workers generally and internal political conflicts as cause for inaction in the clerical sector. By contributing to the isolation of women clerical workers from the labor movement, however, the AFL reinforced the containment of women in the low status, low paid sectors of the business labor force, just as it had in the trades.³⁵⁹

The AFL repeatedly rejected requests for international charters of the local clerical worker unions. The leadership justified their rejection based on the lower membership numbers in the locals, but the AFL did little to increase resources and organizing staff to increase the membership.³⁶⁰ Adams does not consider the example of women telephone operators successfully organizing during this period, or the unionization of railroad clerks, and also admits that gender even if not the primary factor, was a significant factor since women in the office had to confront the boss as both a class and a male authority.³⁶¹

Fortunately, many of the worker leaders and organizers instrumental in the struggles of the Industrial Workers of the World helped form the Communist Party (CP) in the USA after the Bolshevik revolution in 1917. The Trade Union Educational League (TUEL), formed in 1922, was a means to organize a left-wing within the American Federation of Labor, with candidates who eventually challenged the AFL officialdom.

³⁵⁸ Strom 1994, 192-196, 220; Women often held two to three jobs at the same time because of temporary contracting and insufficient hours. (Strom 195)

³⁵⁹ Adams 324

³⁶⁰ Adams 327

³⁶¹ Adams 334

Growing success within the first year led to the communists' expulsion from the AFL on charges of dual unionism. Many Communist Party members were forced to renounce their TUEL membership to remain AFL members. When the COMINTERN entered the "Third Period" in 1928, expecting an upsurge in revolutionary activity worldwide, CP-USA members formed dual "red" unions through the Trade Union Unity League (TUUL), which continued until 1935 and transitioned to the popular front period.³⁶² Lewis Merrill led the CP's Office Workers Union, and then joined BSAU No 12646 in NYC when the OWU was dissolved along with the TUUL. Merrill became a delegate in the AFL local shortly after.³⁶³

At first the AFL ignored local unions' requests for a national charter, so at the 1936 AFL convention, Lewis Merill, who became president of the BSAU, organized with others to form the National Committee of Office and Professional Workers. When the AFL threatened to expel them, fourteen of these white-collar union locals, as well nine independent unions created the UOPWA. They started with about 8,600 members, and received a charter from the CIO on May 30, 1937.³⁶⁴ Trotskyists were active in these unions in at least New York and Chicago, but faced obstacles from the CP as the CP faced with the AFL. As a result, the Trotskyists were driven out of the leadership by 1938. The CP expected to maintain its dominance in using the UOPWA as a pipeline for recruiting to the party, and influencing the union's direction.³⁶⁵ During this period the AFL continued to charter office worker locals, reaching 150 by 1942. This led to the creation of an international charter which federated them in 1945.³⁶⁶

The Great Depression, in addition to inciting an upsurge of union organization in the 1930s, created ethnic tensions and competition, especially in New York City, the

³⁶² Kampelman 9-10

³⁶³ Kampelman 96-97

³⁶⁴ For more on the UOPWA, see: Eileen Boris's *Home to Work: Motherhood and the politics of industrial homework in the United States*, pp. 306-31, "With a keyboard in one hand': White collars in the home" on UOPWA Local 16 NYC organizing. McColloch, Mark. *White Collar Workers in Transition: The Boom Years, 1940-1970*. "Lewis Hails New Union," *New York Times (1923-Current-file)*; Jun 3, 1937; ProQuest Historical Newspapers New York Times 1851-2007) w/ Index (1851-1993), p 16. The following year at its convention, in May 1938, the UOPWA committed to expand its organizing in finance, insurance, and social service. "CIO Office Union Plans Wider Drive," *The Washington Post (1923-1954)*, May 24, 1938, Proquest Historical Newspapers The Washington Post (1877-1994) p X14.

³⁶⁵ Duncan, Leonard; "Organizational Development Among Clerical Workers," *The Communist*, April 1938 pp. 367-368. www.unz.org/Pub/Communist-1938apr-00359?View=PDF, accessed March 20, 2014.

³⁶⁶ Barry Enclly 1435

center of the FIRE sector. As mentioned in the previous chapter, clerical work was at first the primary option of the daughters of the old middle-class, but increasingly became an option for second-generation white immigrants. Irish women were particularly successful in obtaining clerical jobs in the banking and insurance industries.³⁶⁷ These workers came from neighborhoods where the Communist Party faced extreme opposition due to racist and anti-Semitic sentiment. Another obstacle for the CP was the influence of anti-communist church leaders. Since the UOPWA included Jewish leadership with anti-racist commitments and communist sympathies, they faced considerable organizing challenges in the FIRE sector. The UOPWA vocally denounced the racist hiring practices of banks and insurance companies, challenged traditional seniority rights that would leave black people to be the last hired and first fired, and even accused companies like MetLife of being pillars of support for the rule of Jim Crow in the South.³⁶⁸ Many Irish-Americans who may have been uncomfortable with the UOPWA's anti-racist struggle in the workplace may have been even more irked by the UOPWA's efforts to challenge housing segregation, such as in the MetLife Stuyvesant Town housing projects.³⁶⁹ Efforts towards integration and interracial unity met spontaneous praise from the black community, but likely met resistance from many white communities.³⁷⁰ Conservative AFL unions played on the these communities' parochialism, and often organized almost exclusively on a program based on red-baiting: "the OEIU largely relied for its appeal to clerical workers on simply being an anti-Communist alternative to the left-leaning UOPWA."³⁷¹ Unfortunately for the UOPWA, the strategy worked and was especially effective at destroying the union after the passage

³⁶⁷ McColloch '83, p 96

³⁶⁸ "Demands Attackers in Recy Taylor Matter Be Punished," *New York Amsterdam News (1943-1961)*; Feb 10, 1945; ProQuest Historical Newspapers New York Amsterdam News: 1922-1993, p A14. "White Collar Occupations Cited for Racist Tendency," *Atlanta Daily World (1932-2003)*; May 21, 1949, p 3. "All-Out Fight for Hiring: Upgrading in White Collar Field," *Atlanta Daily World (1932-2003)*; Aug 19, 1949; ProQuest Historical Newspapers Atlanta Daily World: 1931-2003, p 1. "IWO Contract With Workers Prevents Bias," *New York Amsterdam News (1943-1961)*; Aug 6, 1949; ProQuest Historical Newspapers New York Amsterdam News 1922-1993, p 28.

³⁶⁹ "New Yorkers Pleased with Fall of Housing bias," *Atlanta Daily World (1932-2003)*; Aug 31, 1950; ProQuest Historical Newspapers Atlanta Daily World: 1931-2003, p. 3. For more on the roots of Irish-American racism, see Noel Igatiev, *How the Irish Became White*, New York: Routledge, 1995.

³⁷⁰ "Labor Delegates' Unity Wins Cash from Hotel Employees," *New York Amsterdam News (1943-1961)*; May 2, 1946; ProQuest Historical Newspapers New York Amsterdam : 1922-1993, p 2.

³⁷¹ Barry 1435

of the Taft-Hartley Act in 1947. The OEIU bragged in its campaign literature to be the first union to sign anti-communist affidavits to comply with Taft-Hartley since it was a “real American union.”³⁷² (See Figure 4 below) The OEIU counted on Catholic institutions and priests to direct workers to the anti-communist union:

A number of Irish-Catholic girls worked in an office where the UOPW A, CIO, started an organizing drive. The girls told their parish priest of what was happening. He referred them to a Catholic [Xavier] Labor School in the neighborhood. The experienced leaders of the Catholic Labor School urged them to join the anticommunist OEIU, AFL. Other groups that often assist the OEIU in their organizational campaign are the anticommunist Association of Catholic Trade Unionists, and occasionally the leaders of the anticommunist veterans' groups.³⁷³

Communist led unions such as the United Public Workers Union and the New York City Teacher’s Union were more effective because of their ties and influence in neighborhoods and sectors with Black and Jewish workers, but even they faced major set-backs due to Cold War politics.

The CIO did not permit the UOPWA to organize in manufacturing, reserving jurisdiction for the industrial unions within those industries. It still went after some small manufacturing office workers, but also targeted sectors with little to no history of union organization, including “banking, insurance, nonprofits, graphic arts, publishing, and advertising.”³⁷⁴ Most effort was placed in the insurance industry, which the BSAU had previously attempted to organize without success in 1927. Metropolitan, John Hancock

³⁷² Kampelman notes the importance of previous red-baiting and forced signing of non-communist affidavit oaths that ultimately destroyed CP members union work: “The affidavit shifted the anti-Communist struggle from the political to the economic level. Communists within unions had been attacked by congressional committees, employers, the press, and within the unions themselves. The issues, however, had been political-i.e., ‘Red fascism,’ Marshall Plan, third party-but these issues did not seem to cause many union members too great a concern. With the Taft-Hartley affidavit, however, the union’s welfare itself was at stake. If the officers did not sign, it could mean economic hardship, union raiding, loss of contracts, perhaps strikes.” (Kampelman 264) For the campaign literature, see NICB 15-16. The UOPWA did, in fact, suffer raiding from the Paper workers union in its 25,00 member insurance division as a result of not signing initially. “Leftwing Office Union Suspends Six Locals,” *The Washington Post (1923-1954)*, June 4, 1948, ProQuest Historical Newspapers The Washington Post (1877-1994), p 8. After the raids and companies refusing to negotiate, the UOPWA rearranged its leadership to protect those who wanted to take a stand and refuse to sign, while other signed to protect the union’s legal status. “Office Union Plans to File Affidavits,” *New York Times (1923-Current file)*, Nov 9, 1948, ProQuest Historical Newspapers NYT (1851-2007), p 20.

³⁷³ NICB 16

³⁷⁴ Barry 1435 encyc. UAW office workers were among the first brought into the UOPWA: “Union Petitions UAW in Rear Guard Action,” *Wall Street Journal (1923-Current file)*; Jul 27, 1937; ProQuest Historical Newspapers The Wall Street Journal (1889-1993), p 3.

Mutual Life Insurance, and Prudential Insurance Company of America were targeted, with the UOPWA winning a national agreement covering 18,000 Prudential workers in 30 states on February 1, 1943.³⁷⁵ Organizing victories were also achieved in Metropolitan and Hancock in the New York City area.³⁷⁶ In 1946, 500 insurance agents went on strike with the UOPWA in the Midwest, and after four weeks, won their demands.

Figure 4

OEIU Campaign Literature Using Taft-Hartley Act against the UOPWA

Your contract is illegal:

The basic reason the Office Employees International Union, AFL, has challenged the UOPWA in a brief file before the National Labor Relations Board was that

- (1) We didn't believe you cared to continue to have any more of UOPWA, a communist-controlled union,
- (2) That you preferred to operate under the banner of the AFL, and
- (3) That you preferred to work under a legal contract.

Whether or not you give a hoot about the first two reasons is unimportant. It is important, however, to have a *legal contract*.

Why isn't your contract legal?

First of all just so you can get the picture straight—UOPWA is a noncomplying union—they have failed to file noncommunist affidavits as required by the Taft-Hartley Law. They are, therefore, ineligible to use the NLRB. Now in order for a labor union to have a maintenance of membership or any kind of union security clause, it is necessary for them to petition the NLRB for an election. This the UOPWA is unable to do. Remember—they can have no recourse to the NLRB because they have not complied with the law.

You claim you *do* have a legal contract. Turn to the article which outlines the manner in which your dues are to be checked off. The first two sections are O.K. But, section C—oh brother! here is the cagiest piece of contract writing we have ever seen palmed off on the members of any union. Just read it carefully and see if you don't agree.

Any employee who is a member of the union will be permitted to resign from the union during the seven-day period immediately preceding each anniversary date of this agreement.

How the Chase Brass management ever allowed this clause to be sneaked in on them and their employees without insisting on a maintenance of membership election conducted by the NLRB we can't understand. The fact remains that it is there—signed by both parties of the contract—but *cannot be upheld or enforced in any court of law at any price*. That is a maintenance of membership clause and we defy the UOPWA to prove otherwise!

It is upon this basis that we are challenging the right of the UOPWA to continue to represent you.

(cont)

³⁷⁵ "Prudential Signs with Office Union," *New York Times* (1923-Current file), Feb 4, 1943, ProQuest Historical Newspapers New York Times (1851-2007) p 19.

³⁷⁶ Of 2,577 MetLife Industrial Insurance Agents eligible to vote, over 98% voted, and by 36 votes over the simple majority, the union was certified, demonstrating the polarization among financial sector workers that were easier to organize "Insurance Men Vote CIO," *New York Times* (1923-Currentfile), Apr 14, 1938, ProQuest Historical News-papers NYT (1851-2007), p 2.

“combination monetary-geographic unit,” with an average agent having an area with 250 to 300 families. The agent had to collect the payments, and during the depression would sometimes pay payments for clients to avoid lapses since his commission was based on the total value of the debit plus the net increase in the debit, minus the lapses, which were quite high. The agents were responsible for paying for lapsed policies, or re-selling them to avoid salary loss, until NY passed a law in 1938 that limited their responsibility to three years. There were also laws eventually passed that gave them a minimum salary for going around and collecting the payments.

Since there were frequent lapses, the rates often ended up being higher than the actual payouts, leading to reforms to protect policyholders. The agents experiencing minimum protection from the laws decided to unionize first with independent associations, some resembling company unions, and then with the Insurance Workers International Union.³⁷⁷ They were probably the worst paid and most exploited insurance agents, perhaps from the communities of their customers who were mostly unionized at that time, different from agents selling financial products to the upper class.³⁷⁸ The Knights of Labor and AFL rejected them since the unions advocated creating better group life insurance policies for their members; policies closer in resemblance to what the wealthy bought rather than what was considered an inferior, predatory product: “As late as 1895, the American Federation of Labor refused to admit life insurance agents into the union on the grounds that insurance was a scam perpetrated by salesmen on working people.”³⁷⁹ During the upsurge of unions in the 1930s, some of the left-wing leaders of white collar worker unions had a vision of organizing the insurance industry, and tried convincing the agents they could only have a strong union if they united with the office workers. They were not successful with other types of insurance agents who were higher paid. Membership peaked at about 35,000 in the late 50s, and declined as the type of insurance they sold became less popular as a variety of better insurance policies became available to a broader section of the population.³⁸⁰ The important effect

³⁷⁷ Kwolek-Folland 160; See also Clermont, cited in the works consulted.

³⁷⁸ Kwolek-Folland 81-82

³⁷⁹ Kwolek-Folland 80

³⁸⁰ Clermont, Harvey J. *Organizing the Insurance Worker: A History of Labor Unions of Insurance Employees*, Washington, D.C.: The Catholic University of America Press, 1966. Strikes were strongest in

organizing successes in insurance companies could have had on bank workers is told in this account from a UOPWA organizer:

Sometimes organization develops through activities in ways we do not always realize. In St. Louis, a bank of 125 employees has been organized because the teller in that bank had a friend who is a Metropolitan agent. This agent was in the business for about fifteen years. The bank teller told me that when he first went to his house his friend could never engage in friendly conversation or relax because he was always uncertain about his job, always on the case for the applications that would decide the attitude of the management to him. Then the teller noticed that his friend became more relaxed, seemed happy with his family. He found out why when his friend produced a copy of Insurance Career [formerly published by UOPWA Insurance Division]. When the teller found out what our union was doing for insurance men, he decided that if this could be done at the \$7 billion Metropolitan Life, it could be done for the bank's employees. So they came down to organize.³⁸¹

In other cases, however, male insurance agents were an obstacle to creating one big office workers union since they preferred their own locals on a craft basis, excluding women clerical workers.³⁸²

The UOPWA also had "small but notable foothold in the nonunion world of banks" by the 1940s.³⁸³ The first bank was organized in 1937, when the majority of the banks' 44 workers demanded collective bargaining rights despite the press calling the campaign an "invasion" and the bank's effort to exclude itself from New York State's Labor Relations Act.³⁸⁴ This same year the UOPWA also opened an office on 79 Wall

Prudential and in NY and NJ, as late as 1952. See Box 3 "Labor Movement – 1940-1988," Folder 61 "Insurance Agents International Union – Strike Against Prudential Insurance Company – 1952" from the Xavier Labor Archives.

³⁸¹ NCIB 8-9

³⁸² Strom 1985, 216-217

³⁸³ Barry 1436

³⁸⁴ Organizing drives started initially in New York, San Francisco and Milwaukee in 1937, and Chicago and Los Angeles in 1938. "Union Attempts to Organize NY City Bank Employees," *Wall Street Journal (1923-Current file)*; Jun 8, 1937; ProQuest Historical Newspapers The Wall Street Journal (1889-1993), p 2. "Bank of Yorktown First Financial Unit Openly Invaded by CIO," *Wall Street Journal(1923-Current file)*; Oct 26, 1937; ProQuest Historical Newspapers The Wall Street Journal (1889-1993) p. 5. "Banks and Bankers," *Wall Street Journal(1923-Current file)*; Oct 30, 1937; ProQuest Historical Newspapers The Wall Street Journal (1889-1993) p. 7. "Bank Unionization Campaign Started by CIO Affiliate," *Wall Street Journal (Chicago Bureau)*; Jan 12, 1938; ProQuest Historical Newspapers The Wall Street Journal (1889-1993), p. 7. In Los Angeles, Bank of America, with its founder A.P. Giannini representing it in court, also tried to claim banks were "instruments of the government," and therefore outside jurisdiction of the NLRB: "Gianninis Contend Banks are Outside NLRB Jurisdiction," *The Washington Post (1923-1954)*, Jun 25,

Street, and staffed five full time organizers to start the Financial Employees Organizing Committee among the 130,000 Wall Street workers in in banks, brokerage houses, and stock exchanges.³⁸⁵ Seven hundred bank workers from the Brooklyn Trust Company went on strike for a month in 1947. The UOPWA also had some success in the “factory-like offices of credit bureaus, direct-mail houses, and directory and catalog publishers.”³⁸⁶

A variety of tactics were used to organize these targets. Generally, the UOPWA would build a secret contact network in the targeted company, or they would “salt” the workplace by sending trusted workers to get jobs. These underground networks would become the basis of worker “organizing committees” that would organize the union through agitating workers about their grievances and leading them to resolve them.³⁸⁷ Because of the anti-communism sentiment among bank workers, the UOPWA sometimes used creative tactics to get into the banks. A bank official, whose anti-union interests may have distorted his perceptions of UOPWA tactics, reported that an “UOPWA organizer set up a dummy independent union” to win the union vote, and then “on the eve of contract negotiations” with the bank, “the planted leaders of the dummy independent union announced that they and the union had affiliated with the UOPWA.”³⁸⁸ Leaflets, pamphlets and literature in color and with cartoons were often used, and social activities were organized. (See Figure 5 below)

1939, ProQuest Historical Newspapers The Washington Post (1877-1994), p 12. See also McColloch 82 p. 42-45

³⁸⁵ “CIO to Open Wall St Drive,” *New York Times* (1923-Current file); Sep 16, 1937, ProQuest, p. 42. “CIO Opens Wall St Drive,” *Wall Street Journal* (1923-Current file); Sep 23, 1937, ProQuest, p. 11.

³⁸⁶ Barry 1436

³⁸⁷ NCIB 6

³⁸⁸ NCIB 7

Figure 5
UOPWA fights salary inequities through job classification demands



Source: NCIB, *White Collar Unionization: Union Strategy and Tactics Analysis of Contract Problems After Unionization*, Studies in Personnel Policy No. 101, NY: NICB 1949, p 12.

According to a UOPWA organizer, they also used house visits to workers to talk to them personally about the power union organizing could have to help them win better wages and conditions, and found this approach was effective with female clerical workers:

One of the organizing activities of our local consists of home contact. It takes a lot of nerve to go into a strange neighborhood and ring a strange door bell. We feel that the results we get are good. We talk to girls, clerical workers, who are underpaid and know that they cannot get along on what they are making. Sometimes they feel they are not worth any more. Our job is to sell them to themselves and let them know what the union will give them.³⁸⁹

UOPWA Organizing Director Richard Lewis³⁹⁰ also noted that white-collar workers did not always attend union meetings, so it was a useful to organize social events such as cocktail parties to get workers together to discuss union issues.³⁹¹

³⁸⁹ NCIB 7

³⁹⁰ Richard (Dick) Lewis secured the UOPWA archives for many years before donating them to UCLA. He had plans to write a book about the UOPWA, but never found the time. Some of his notes and additional material that did not make it into the UCLA archives were passed on to his daughter Lucy. Lewis was from

The union more than doubled its size in its first year, building from 8,600 to 22,000 members among 40 locals by 1940. It nearly doubled again by 1943 with 43,000 members in 118 locals.³⁹² Its growth was limited during WWII because of no-strike pledges and CP popular front policies during the war, but it almost doubled its membership again between 1946 and 1948, when it reached 75,000 members. Strom has documented that

trying to represent both higher-status professionals and lower-level clericals in the same industry and even workplace, as UOPWA did in many cases led to a pattern of privileging largely male professionals' goals and needs over those of largely female clericals. Though in social work locals the professionals were often female and low-paid themselves and eager to make common cause with their colleagues, in insurance locals, at the other extreme, male agents insisted on organizing separately from clerical coworkers and rarely supported them in dealing with management.³⁹³

This provides insight into the UOPWA's limited bank worker organizing. Although the organization claimed to have a nucleus in every bank in New York City prior to being destroyed by the Taft-Hartley Act,³⁹⁴ what is documented, by Mark McColloch, one of the only researchers to specifically examine bank worker organizing, is about 2,500 Bank workers unionized in NYC during the war, and an additional 5,000 joining the UOPWA after war, creating a union density of about 10% in NYC's financial sector, with unionization spreading to banks in New Jersey and Albany by the middle of 1947.³⁹⁵ Concurrent with these efforts at expansion, the UOPWA confronted the additional challenge of government repression through FBI labor spies who monitored its

NYC, a founding member of UOPWA, part of the Manhattan Labor Campaign in the 1930s, and regional director of the West Coast UOPWA from 1947 to 1951. He was also a delegate for the Progressive Party at its 1948 convention, when it supported Henry Wallace for president. He was a publisher and active in the Democrats afterwards. He died at 88, survived by his wife Mary, son Richard, Jr and daughter Lucy. Schwartz, Stephen. "Richard Lewis." *San Francisco Chronicle*. October 12, 1998. www.sfgate.com/cgi-bin/article.cgi?f=/c/a/1998/10/12/MN45997.DTL (accessed February 22, 2012)

³⁹¹ United Press. "Unions May Hold Cocktail Parties," *The Miami News*, March 20, 1938. P 7-A.

³⁹² The 21,000 new members were covered under 138 new contracts mostly insurance, along with graphic arts and finance. "White Collar Union," *Wall Street Journal (1923-Current file)*, Aug 26, 1942, Proquest Historical Newspapers (1889-1993), p 2.

³⁹³ Barry 1436; See Strom 1985, 218-220

³⁹⁴ Bleiberg, Robert M, "Employee Loyalty Blocks Wall Street Union Drive," *Barron's National Business and Financial Weekly (1942-Current file)*; Oct 28, 1946; 26, 43; ABI/INFORM Global p 11.

³⁹⁵ McColloch 82 p411; McColloch 83 p43

organizing drive in John Hancock and other companies out of growing fear of communist influence.³⁹⁶

The banks quickly smashed the growth of unionization once Taft-Hartley passed, and the UOPWA was down to only five bank contracts in 1948, and none by 1950.³⁹⁷ So it is likely government and employer repression were more significant in limiting the union's growth than its attitudes on race and gender. The union was better in dealing with race issues than gender, as it did advocate for racial equality, organized black insurance workers, and challenged hiring practices in the industries it organized. (See Appendix 4 on Race and the Financial Sector to understand the significance of the UOPWA's efforts to confront racism.) Conflict within and outside UOPWA over its leadership's support for Communist popular front organizations and causes ultimately destroyed the union.³⁹⁸ The UOPWA refused to sign non-communist affidavits, causing difficulty for negotiations.³⁹⁹ It was on the verge of organizing a strike of 14,000 Prudential Insurance workers in 31 states when the lack of CIO support, government repression, and the company's refusal to negotiate weakened the UOPWA's membership's support of its leaders.⁴⁰⁰ It also endorsed Henry Wallace for president in 1948, which many members and CIO leadership did not support.

The Communist Party influenced about 40% of the membership of the CIO in 1938, and was able to get about a third of the convention votes. This dropped down to 15% of the CIO membership by the Portland convention in 1948, where the CP had only

³⁹⁶ "Union Denounces 'Spying By Government Agencies,'" *The Christian Science Monitor (1908-Current file)*; Apr 15, 1949; ProQuest Historical Newspapers Christian Science Monitor (1908-1997) p 6. "Union Asks US to Halt Labor Spying," *The Washington Post (1923-1954)*; Apr 16, 1949; ProQuest Historical Newspapers The Washington Post (1877-1994) p 4. It was also monitored by the right-wing group Counterattack, whose research archives for the *Red Journal* are available in the NYU archives.

³⁹⁷ McColloch 82/83 418

³⁹⁸ Raskin, A.H. "Office Union Plans Organizing Drive," *New York Times (1923-Current file)*; Dec 28, 1948; ProQuest Historical Newspapers New York Times (1851-2007) w/ Index (1851-1993) p 40.

³⁹⁹ "Union Head Denies Saying a Thing to Prudential about Communists," *New York Times (1923-Current file)*; Oct 8, 1948; ProQuest Historical Newspapers New York Times (1851-2007) w/ Index (1851-1993) p 21.

⁴⁰⁰ "Prudential Agents Vote for Wide Strike" *New York Times (1923-Current file)*; Oct 2, 1948; ProQuest Historical Newspapers New York Times (1851-2007) w/ Index (1851-1993) p 6. "Prudential Seeks CIO Suit Dismissal," *New York Times (1923-Current file)*; Jan 7, 1949; ProQuest Historical Newspapers New York Times (1851-2007) w/ Index (1851-1993) p 16. "Prudential Insurance Won't Bargain With CIO Union; Asks Anti-Red Oath," *Wall Street Journal (1923-Current file)*; Oct 1, 1948; ProQuest Historical Newspapers The Wall Street Journal (1889-1993) p 2.

50 of 800 votes in a CIO that moved increasingly to the right.⁴⁰¹ At this point, CP influence was weak enough that CIO President Murray was able to attack the remaining CIO unions with force. He criticized the UOWPA for only having 34,000 members out of a jurisdiction of 6 million.⁴⁰² The CIO then expelled two Communist led unions at its 1949 convention, including the largest, the United Electrical workers. The CIO then brought up charges against ten other unions, including the UOPWA, which was whittled down to 12,000 members because of the Taft-Hartley Act, opportunistic anti-communist unions, and CIO acquiescence.⁴⁰³

Merrill supported many Communist led initiatives; among such activities mentioned in a congressional house report on un-American activities was his support for the release of Brazilian Communist leader Luis Carlos Prestes.⁴⁰⁴ Support for these popular front activities of the CP-USA as well as leadership positions and press that closely tailed the CP's changing policies were first investigated in the 1944 house report, and then taken up in the CIO's investigation, which led to the UOWPA's expulsion.⁴⁰⁵ Merrill and the executive board attempted to align its political policy with CIO by claiming opposition to the intervention of any political parties or other organizations outside the union.⁴⁰⁶ Merrill was criticized by the CP for capitulating to red-baiting, and resigned

⁴⁰¹ Kampelman 18, 157 "complete or partial control," 159; In 1948, 62% of white-collar workers were in the AFL, 22% in independent unions, and 16% in the CIO. (Mills 314-315)

⁴⁰² "Office Union Bars Right-Wing Group," *New York Times (1923-Current file)*, Jan 8, 1949. ProQuest Historical Newspapers New York Times (1851-2007), p 7. Shannan Wayne Clark notes that what the CIO gave to the Steel Workers a million dollars to organize 750,000 workers, while it only gave the UOPWA \$56,000 to organize a jurisdiction of 6 million workers (7).

⁴⁰³ Kampelman 167

⁴⁰⁴ Kampelman 97

⁴⁰⁵ "Official Reports on the Expulsion of Communist Dominated Organizations from the CIO," Washington, DC: CIO, September 1954, p 56-69.

⁴⁰⁶ Xavier Labor School (XLS) graduates, tied to the anti-communist Catholic Church, were probably active among the clerical workforce. XLS leaders exchanged letters with some of the most ant-communist labor priests of the time. To give an example of their type of activities, two XLS graduates wanted to unionize their clerical co-workers in the NY Omnibus Company, but did not want to be part of a Communist leaning union like the UOPWA. So they got many of their co-workers to go to the Xavier Labor School, unionized, and took control of their Section of Transport Workers' Union (TWU) Local 100 (Kampelman 153). Merrill did not take the path of Mike Quill (TWU Local 100 president) who renounced the CP, ripped up a CP newspaper in a public meeting, and held member loyalty because he claimed to have fought in the Irish Republican Army. He then went on to help drive communists from the executive board by 1948 (Kampelman 148-156). See Joshua Freeman's "Catholics, Communists, and Republicans: Irish Workers and the Organization of the Transport Workers Union," in Frisch and Walkowitz, eds. *Working-Class America: Essays on Labor, Community, and American Society*, University of Illinois, 1982, pp 256-283. The anti-communist priest once told UOPWA leader James Durkin, "...you may have been reared a

soon after, citing poor health.⁴⁰⁷ Their efforts were too late, with the new president James H Durkin and the executive board unable to prevent expulsion.⁴⁰⁸ Along with the other nine communist-led unions, the UOWPA was expelled at the conclusion of the CIO committee hearing in 1950, supposedly for following “the twists and turns, the zigs and zags of the Communist Party line,” including COMINTERN foreign policy positions that differed from those of the CIO.⁴⁰⁹ The consequences of eliminating the UOPWA was severe for office workers:

The demise of UOPWA left office workers either without unions at all or with representation by more conservative white-collar unions, such as the OEIU, dominated by male professional workers and their agenda. It was not until the 1970s that office worker organizing revived significantly in the private sector. When it did, it was the women’s movement more than the labor movement that provided the spark.⁴¹⁰

In addition to banking and insurance, investment firms also experienced union organizing campaigns. Joseph P. Fitzpatrick, S.J., in his 1948 dissertation *The White Collar Worker on Wall Street* captures a world on “the street” before, or on the cusp of,

Catholic, but you no longer live up to your faith,” in *Fighter with a Heart: Writings of Charles Owen Rice, Pittsburgh Labor Priest*, edited by Charles J. McColleston, Pittsburgh: University of Pittsburgh Press, 1996, pp. 100-101. Anti-communist Catholic trade union organizations like the ACTU, and even the left leaning *Catholic Worker*, criticized UOPWA organizing strikes. See for example, Paul Clinton Miller’s *The influence of liberal reform on the evolution of 20th century Catholic social thought: A study of John C. Cort and the vocational group plan*, PHD Dissertation in History, SUNY Binghamton, 2008.

⁴⁰⁷ “Merrill Resigns as CIO Union Head,” *New York Times* (1923-Current file), Jun 8, 1947, ProQuest Historical Newspapers NYT (1851-2007), p42.

⁴⁰⁸ Kampelman 96-100; House of Representatives Special Committee on Un-American Activities, House Report 1311, *Investigation of Un-American Propaganda Activities in the United States*, NYT, Oct 10 1946, Dec 22 1943 (40), CIO, *Daily Proceedings of the Fourth Constitutional Convention* (Detroit, Michigan, November 17-22, 1941) CIO, *Report of Executive Board Committee Appointed by President Murray to Investigate Charges against the United Office and Professional Workers of America*, *Daily Worker*, Jan 11 1937, March 4 1939, February 18 1939, (all p2 *Sunday Worker*, Sept 8 1940 p5; *Daily Worker* Sept 17 1940 p 4; *Daily Worker* March 29 1946, Dec 18 1948.

⁴⁰⁹ Kampelman 167 quoting CIO committees investigative report; Strategies for resisting the Taft-Hartley Act’s non-communist affidavit oath included not signing, which the UMW and USW pursued initially. The United Furniture Workers leader Max Perlow resigned June 5, 1949 to comply with law but continued to support the party and advocated for his right to defend it, with the NLRB ruling in his favor July 19, 1949. Three other CP unions followed this strategy. At first worked, but Communist Control Act passed to further destroy Mine, Mill and Smelter Workers Union. Maurice E. Travis sentenced 8 years for filing false non-Communist oaths, and 14 official for conspiracy to file false oaths. Another option was to amend the constitution and move around officers, or just change official titles, but the NLRB did not allow this. The last option was to ignore the charges and sign the affidavit, and let the government try to prove the case. (Kampelman 262)

⁴¹⁰ Barry 1436

much of the deskilling and automation of its labor processes through new technology.⁴¹¹ The only firm that had begun to centralize multiple financial services and had a large work force where many routinized tasks were broken down among workers was Merrill Lynch; this firm is perhaps the only one from Fitzpatrick's study that most people would still recognize existing today. What is remarkable about this study in industrial sociology is the three hundred interviews the author gathered around the highpoint of union struggles on Wall Street, which he estimates had about twenty thousand workers, "a center of white collar employment."⁴¹²

What drove the traditional white collar worker, according to Fitzpatrick, was that "he did not have just a job; he had a position, something implying a share in control and direction of an enterprise."⁴¹³ He expected to advance as the business grew. However, with new technology, division of labor, and practically universal levels of high school education among the labor force, including a large amount of women entering jobs once held by men as they joined the army in WWII, some of the prestige eroded. The jobs still possessing prestige were transferred to those with higher technical skills.⁴¹⁴ The modern office worker, once close to an owner or management, now "has no more share in activities of control or direction than the men on the assembly line" and "is tied to his typewriter, IBM and record files as ruthlessly as a factory worker can be tied to a machine."⁴¹⁵ Fitzpatrick also pointed out, it was still the strikes of mostly male production workers that gained the attention of the community and had political weight, while an office worker on strike would not have the same economic leverage. He summarizes the challenge of the white-collar worker:

⁴¹¹ Available at the Harvard University library or in the Fitzpatrick Papers at the Fordham University Library. 1950 United Financial Employees Collective Bargaining Agreement with the New York Stock Exchange.

⁴¹² Fitzpatrick 1, 7, 45. 27: Representative sample of all "brokerage houses doing business in securities and the two Stock Exchanges," excluding banks because "the nature of employment in a bank is quite different from that in a brokerage house," and excluding other parts of the financial community such as investment houses to focus the study

⁴¹³ Fitzpatrick 4

⁴¹⁴ Fitzpatrick 5

⁴¹⁵ Fitzpatrick 5

Office managers realize that the jobs hold relatively little chance for advancement, and are not valuable enough for more than a moderate salary. Therefore, apart from the fact that women are more efficient in these jobs who only filling in the time between high school and marriage, or who are supplementing a husband's salary, he has little or no worry about the possible ill effects of a moderate salary, or the disappointment that attends the lack of advancement for a man in the same job. One of the officials of the New York Employment Service told me recently: "I have a dozen jobs, and good ones, for every woman who applies; but I haven't one job for every dozen men that need one." This defines the white collar problem, therefore, as a man's problem at the present time. It may become a woman's problem later.⁴¹⁶

As an industry composed entirely of white collar workers and concentrated almost entirely within a city block, it represented a key test for the ability of labor unions to organize white collar workers and the financial industry. To the degree that white collar work still was associated with status and privileges not afforded to blue collar work, Wall Street represented something other workers looked up to. In fact, many of the interviews Fitzpatrick documented demonstrate among workers a feeling of having the best job within the financial sector, with those having come from banking or insurance claiming they would never go back: "...clerks frequently mentioned: 'I would never leave the Street to work in a bank,' when 'leaving the Street' meant getting a job in National City [a bank] which is much more [geographically] on Wall Street than Merrill Lynch."⁴¹⁷

Fitzpatrick's study included nine firms, one with workers represented by the UOPWA, and two with the United Financial Employees (UFE), and all supportive of the Wall Street strike.⁴¹⁸ Unionizing was started and controlled by floor employees, but most of the office employees were not union.⁴¹⁹ Historically, the New York Stock Exchange was an organization of the rich.⁴²⁰ In 1916, the first clerk was made broker, or a member, of NYSE. There was much dissent on the board, who thought the NYSE should be an "organization of gentlemen, not an association of clerks."⁴²¹ More pages became promoted, creating a friendly relation between brokers and pages. Promotion of

⁴¹⁶ Fitzpatrick 6

⁴¹⁷ Fitzpatrick 28

⁴¹⁸ Fitzpatrick 42-45

⁴¹⁹ Fitzpatrick 57

⁴²⁰ Fitzpatrick 68

⁴²¹ Fitzpatrick 69

clerks to NYSE administration did not happen however. The broker had to like the employee and suggest the firm subsidizes membership since it was expensive: "his advance is dependent necessarily upon a close personal relationship and favoritism without which he is quite helpless to step out of the ranks."⁴²² High unionization in general may have helped give the UFE a base of many workers with previous union experience to facilitating organizing in such an environment. Wall Street workers' union interests were also a product of the instability of the business. Brokerage houses depended on lots of trading to make commission, but lots of trading could also be a sign of an unstable market.

Some brokerage houses would "maintain a large staff in poor times" for employee morale and office efficiency" which could be "less expensive in the long run." Most did not replace workers when business slowed down, and most standard according to Fitzpatrick was lay-offs.⁴²³ There were 20,000 workers in Wall Street in 1945 and 1946, but in 1947, 20% were laid off.⁴²⁴ Fitzpatrick observed that "it is immediately evident that the Wall Street clerk faces a situation of strain and anxiety which is not met in other white collar areas."⁴²⁵ NYSE did not allow corporations to have membership, instead requiring partnerships with unlimited liability "to insure more care in the handling of customers' accounts."⁴²⁶ While it may have been better for customers, it presented challenges for employees and union organization. Firms could come and go with little notice, and the worker could be left without a job. Mergers and the transferring of whole departments of back office work that could be transferred between firms caused job loss:

This unstable form of firm structure... is used as a constant threat by the brokers against the union. If a union should form among employees, there is nothing the union can do to prevent the firm from (a) merging; (b) dissolving; (c) transferring its clearance, thus eliminating its employees. It is a serious hazard to union organizations.⁴²⁷

⁴²² Fitzpatrick 70

⁴²³ UOPWA political action may have had some influence since in response to the job loss of 10,000 workers in 1938, it had advocated using unemployed brokerage workers to be hired by the SEC through the WPA to investigate stock exchange firms: "Want SEC-WPA Project," *New York Times (1923-Current file)*; *May 20, 1938*, ProQuest Historical Newspapers NYT (1851-2007), p 35.

⁴²⁴ Fitzpatrick 98-99, JFP examined SEC records of specific firms in his study to estimate the number of employees affected by the slump

⁴²⁵ Fitzpatrick 101

⁴²⁶ Fitzpatrick 104

⁴²⁷ Fitzpatrick 105

Changes in partnerships were a real threat, which Fitzpatrick documented in both the frequency of mergers and dissolutions, and the quantity of employee loss; as many as 300 employees could be lost from a larger firm.⁴²⁸ Fitzpatrick also documents the reasons for numerous cases of firm mergers and dissolutions, which include a variety of legitimate and illegitimate personal and business reasons, including union activity:

1941: The CIO was organizing, Newburger, Loeb. They only had 41 employees but it looked good for the union. Then the senior partner announced that, if the union won, he was going to give up the office and turn his clearance over to another firm. The union lost by one vote. But nonetheless, the firm stopped clearing shortly after that, and 41 employees were out on the Street. The firm went back to clearance last year [1947]. Now has about 80 employees. None of the old employees seem to have returned.⁴²⁹

Fitzpatrick interviewed many partners, who held typical anti-employee attitudes:

I don't see why these employees should complain. Haven't we taken the risk that gives them their job? It's not their money that's at stake. If I put \$100,000 into the business, it's my money and my chance. Haven't I got the right to protect that. Now how can an employee tell me if business get bad, that I have to leave that money in the business and keep the firm going just to keep him in a job. That doesn't make sense to me.⁴³⁰

The employers' message was strong enough that employees even repeated it, as this worker did in an open letter he wrote to encourage co-workers to oppose the union:

Think it over. There is no comparison between a corporation and a partnership. The former cannot very well dissolve but it can happen to the latter. In this business, it would be a very simple matter to transfer customers' accounts, with connections being made for partners, and dissolve the firm. If the union demands are exorbitant, this could happen. Give me one good reason why, at this stage of the game, the senior partner of this firm should be bothered with union headaches. I don't think this would happen, but it is a thought. Where would the union help then?⁴³¹

⁴²⁸ Fitzpatrick 105-107

⁴²⁹ Fitzpatrick 111

⁴³⁰ Fitzpatrick 114

⁴³¹ Fitzpatrick 115

And from another partner, who expressed dismay that some partners leave the business without giving anything to laid off employees who gave their life to building the business, but still did not believe in union benefits:

The great difficulty with our business is that it is too personal. Benefits have to depend on the decision of employers because you never know when the business is going to be good or bad. You can't write the benefits into a union contract. You bind yourself legally then to something you may never be able to meet⁴³².

The reality under capitalism was the employers were accustomed to many types of contracts, but did not want labor to have contract rights:

When things get tight, the first economies we think of our employees. That seems to be pretty clear. I'm held by my lease for the office; I have contracts covering most of my other equipment. The only important expense that doesn't bind me by a contract is the employees. They afford the easiest way out of a tight spot.⁴³³

Another blames laid off workers for staying in weak firms, saying "if they just don't provide for themselves the way that brokerage family did, too bad. That's why there are Institutions, your Church has many fine ones."⁴³⁴ In summarizing his interviews with the partners employees, Fitzpatrick writes:

It would be safe to say that no conversation continues for half an hour or more, without one or two or more references being spontaneously made to friends or fellow workers who (a) went out in the last merger; (b) were left with nothing when the firm dissolved; (c) had to look for something else when the firm stopped clearing.⁴³⁵

A worker who described himself as "faithful help" of seventeen years with a company lost his job when partners broke up their firm and moved to other firms, and then "bounded around for a while; war work, a bank job." When he finally came back to another Wall Street firm, he returned to the department he was once head of "as the clerk with the least seniority." He complained, "[I was] an old Wall Streeter with years behind me, and I see the kids here with four years of service way ahead of me."⁴³⁶

⁴³² Fitzpatrick 115

⁴³³ Fitzpatrick 116

⁴³⁴ Fitzpatrick 116

⁴³⁵ Fitzpatrick 117-118

⁴³⁶ Fitzpatrick 118

Another complained of having twenty years of experience in the brokerage houses, but only five months of seniority because of firm volatility in his work history. Younger workers saw the frustration of the older workers, but also complained of being the last hired and first fired. Others spoke of being “displaced by the refugees brought in from Europe” at one point, and several referenced turning to “war work” when the opportunity came because of the low pay and instability of Wall Street work.⁴³⁷ As Fitzpatrick noted, these stories of frustration with lay-offs and seniority were common with everyone, and was told sometimes “with a tone of bitterness, sometimes with a sense of futile resignation.”⁴³⁸ While some employees did have the fortune of maintaining employment at one firm, “the common experience of others [was] a threatening reminder.”⁴³⁹ Fitzpatrick reports that 90% of the interviewees he questioned said they would not want their son or someone close to them do the work they were doing, mainly because of the “uncertainty” of the job.⁴⁴⁰ Fitzpatrick reports that partners blamed union activism on new employees, but he soon discovered they did not mean young by new. In fact, “the majority of employees had been with their present firm for less than five years...between the age of thirty and fifty years... [but] who had worked in Wall Street most of their lives,” moving from firm to firm through mergers and lay-offs.⁴⁴¹ Clearly, the “clerk who depends on his job for his livelihood” was “the main victim of the uncertainty;” the volatile business of brokerage houses made up of instable firm structures.⁴⁴² NYSE enabled partners to easily abandon their firms with their capital, while a clerk would leave with nothing and be out of a job. In short, employers viewed the job as a gift to the employees; not a right, but a favor they had no obligation to maintain.⁴⁴³

Most employees did not stay, and employment decreased 60% between 1929 and 1947, meaning three out of five employees were no longer employed on Wall Street from the generation he was studying.⁴⁴⁴ When workers mentioned going to other jobs, it

⁴³⁷ Fitzpatrick 120

⁴³⁸ Fitzpatrick 121

⁴³⁹ Fitzpatrick 122

⁴⁴⁰ Fitzpatrick 123

⁴⁴¹ Fitzpatrick 124-125

⁴⁴² Fitzpatrick 125

⁴⁴³ Fitzpatrick 125

⁴⁴⁴ Fitzpatrick 133

was typically war work and banks, which could reflect the importance organizing Wall Street might have had in organizing bank workers, both symbolically as the top of the pyramid of the financial sector, and concretely in terms of worker experience with unions in the industry. Many of the men who stayed and were disposed to union organizing had stayed on Wall Street longer than planned. They entered before the Great Depression, and felt it was necessary to hold on to the jobs they had and already learned. By the 1940s, they felt less able to compete with younger workers in other industries.⁴⁴⁵ They were also led to believe “they were important people doing important work,” but found some employers were afraid of hiring them because they had a reputation of going back to Wall Street when business picked up. They were distrusted, judged to be too impatient for other financial sector work that required “methodical care” since they were used to few rules in handling large sums of money. Some potential employers believed they “cannot submit to the discipline of efficient offices” since they are used to working in highs and lows, and others viewed them as wild gamblers who drank a lot.⁴⁴⁶

Fitzpatrick’s interviews included many male and female workers on Wall Street who came back to the investment firms even though the pay was lower because they enjoyed more autonomy and less supervision. Such autonomy included the freedom to get coffee, knit or read when they finished their work on a slow day.⁴⁴⁷ Also important to employee retention according to the interviews was “the strange fascination of the Street itself” and “the hazard in the minds of the clerks that they [were] not fit for any other work.”⁴⁴⁸ In terms of office work, one clerk summarized their attitude towards office work: “I would find anything else dull after this place.”⁴⁴⁹ While there were of course exceptions to this trend within the interviews by those who described it as filled with “madness and uncertainty,” it seemed within the financial sector, and perhaps compared to most white collar office work at the time, this was an exciting job to have because of its “informal...club-like atmosphere.”⁴⁵⁰

⁴⁴⁵ Fitzpatrick 133-134

⁴⁴⁶ Fitzpatrick 136-141

⁴⁴⁷ Fitzpatrick 139-140

⁴⁴⁸ Fitzpatrick 141

⁴⁴⁹ Fitzpatrick 142

⁴⁵⁰ Fitzpatrick 143

So in addition to grievances against the firms, there were enough perks to make workers want to stay and enough fears of limited opportunities elsewhere that would lead workers “to seek remedy within the system itself” that “would naturally lead to union activity.”⁴⁵¹ They wanted to maintain the satisfying autonomy they enjoyed in their office work, but they also wanted the “permanence of employment” normally expected of white collar work. For some, the contractual benefits many union workers had at that time were also desired.⁴⁵² Fitzpatrick saw unionization for these workers as a choice between fears: fear of losing a job, and “fear that forces men to seek some instrument of security” that will help them win some control over frequent threatening change.⁴⁵³ Technology and SEC control were causes of fear among the brokers regarding their own position, and “a strong union would introduce another element of control in a business already too extensively controlled for the broker’s peace of mind.”⁴⁵⁴

“The Family Spirit” was the expression used by brokers for their relationship with the workers, which included a relationship that was informal, based on personal loyalty. Work conditions were relatively free, but with the expectation of staying to get the job done when necessary, and rewards as incentives.⁴⁵⁵ Workers could get loans on their terms from partners, and often were taken care of when sick: “What could I expect from a union? I got sick last year and this firm paid over \$500 for my medical expenses; I didn’t ask for it; they just did it, as if that were as ordinary as giving a ten cent tip.” Fitzpatrick encountered many similar stories of employees feeling they were taken care of while sick or absent for vacation, and when they wanted to pursue education. However, Fitzpatrick documents in the interviews that this system of rewards based on personal loyalty was subject to favoritism, causing issues with overtime, bonuses, wages, grievances, and promotions.⁴⁵⁶

The issue of overtime included the problem of complying with New Deal wage and hour laws, which required time and a half for overtime. Some of the firms used new laws to take away certain payments workers used to get for staying late. They also had

⁴⁵¹ Fitzpatrick 145

⁴⁵² Fitzpatrick 146

⁴⁵³ Fitzpatrick 145

⁴⁵⁴ Fitzpatrick 147

⁴⁵⁵ Fitzpatrick 148-151

⁴⁵⁶ Fitzpatrick 156

a problem in 1943 when the War Labor Board (WLB) capped wages and prohibited the bonus, which was an essential reward for the excessive hours clerks on Wall Street sometimes worked.⁴⁵⁷ Many partners found other means of getting around the WLB, such as allowing one worker to stay and clock everyone out with extra overtime. This rule-bending helped in building personal loyalty, but at the end of the war, the market slowed, partners prohibited this practice, and workers were hit with inflation at the same time. This lost income caused much resentment.⁴⁵⁸

The bonus was usually 50% of the workers' salary, and on a good year could be more than their salary. This served as a lure to get workers to stay during slow times and stressful times of work where they may not have been able to leave the workplace for an entire week. It was also cited as a reason not to organize the union since many workers thought they could lose it if they were unionized. However, in some years and some firms, depending on the whims of a partner, this could mean workers received no bonus. While workers saw sick pay or coverage of medical expenses as a gift, there was a strong expectation of bonuses, with non-payment causing resentment beyond the firm culpable in not paying. Employers saw it as a gift, but employees saw it as deferred wages.⁴⁵⁹ As a result, a guaranteed bonus on a non-arbitrary basis became "one of the major objectives of union organization." It was not possible to prove to the War Labor Board that the bonus was deferred wages, so the WLB looked at it as gratuity and didn't allow payment. The UFE raised guaranteed bonuses based on the volume of trade as a demand in the Stock Exchange, winning it in its contract in 1945, and the Curb Exchange followed suit after the 1948 strike.⁴⁶⁰ However, the union only achieved this contract demand in one brokerage house, where workers divided 7.5% of the profits in proportion to their salaries.⁴⁶¹ The firms had no independent grievance process, and only a few large firms had a personnel director, a new concept at the time. Wages were not based on experience, seniority, or job classification, and were very arbitrary between

⁴⁵⁷ Fitzpatrick 162

⁴⁵⁸ Fitzpatrick 162-164

⁴⁵⁹ Fitzpatrick 171-179

⁴⁶⁰ Fitzpatrick 182

⁴⁶¹ Fitzpatrick 183

employees and firms.⁴⁶² Promotions were difficult to achieve, especially for back office workers.⁴⁶³

Sometimes management responded to workers' complaints to avoid unionization and maintain the "family spirit." In one firm, the union had held an organizing campaign and had filed for an election with good hopes of success. The absent senior partner heard of the situation; returned immediately to his office and called each of the employees separately and asked them what might have led to the desire for a union. He learned that deep resentment centered on an office manager. Without hesitation, he removed the manager and replaced him with another; the union lost the election.⁴⁶⁴ Retaliation was also an issue that employers downplayed, but Fitzpatrick documented in his interviews, summarizing them:

...one point of greatest trouble in the matter of grievance: the fear of reprisal. It is common talk among partners to discount this. Yet if any point appeared clearly in the dissolution of this matter with employees it was this. Where an employee must go over the head of a supervisor, he faces the inevitable risk of having the supervisor take it out on him later.⁴⁶⁵

One such interview discusses a worker who was afraid of the partners, yet

...had organized a CIO union in a machine shop, had led victorious strikes against the firm, and spent two years of untiring effort to take control of his union away from the Communists. A fearless, aggressive, shrewd union leader, yet he did not feel free as a brokerage clerk to go up and talk to the partners.⁴⁶⁶

This quote also demonstrates how high unionization rates impacted the financial sector; workers got union experience, whether directly or through stories from friends, family, and news, yet unions responsible for financial sector worker organizing did not effectively take advantage of the pro-union climate. It was such a pro-union climate that Fitzpatrick even found partners at two firms with union representation who were positive about the union grievance process since it allowed the airing and resolution of problems

⁴⁶² Fitzpatrick 193-196

⁴⁶³ Fitzpatrick 222-228

⁴⁶⁴ Fitzpatrick 207

⁴⁶⁵ Fitzpatrick 208

⁴⁶⁶ Fitzpatrick 209

that previously would have been kept “secret” or “allowed to smolder out of sight and cause trouble.”⁴⁶⁷

The unionized workers involved in the 1948 strike on Wall Street had a variety of visions of organization. The bond clerks of the UFE were almost like a craft union, as they worked closely together even though they were from different firms, yet they were originally organized by the UOPWA. The UOPWA was on the verge of winning a union recognition election, but anti-communist workers started to organize to push for a non-CIO union. As the UOPWA expanded organizing efforts elsewhere on Wall Street through its well-funded “Operation Wall Street” campaign, so did anti-communist and independent union sympathizers, leading to the formation of the UFE by M David Keefe in 1942. The NYSE was the center of Wall Street and the UFE saw itself as the central union to unite all Wall Street workers since it originated from NYSE. To achieve this unity, Keefe believed in centralized power. The Curb Exchange members of the UFE, however, wanted a voluntary coalition. The UOPWA was successful in entering only one firm, and was destroyed by the UFE defeat in the 1948 strike. The Telegraphers on Wall Street had had a union since 1903, but were largely being eliminated due to technological change. Many of these union members organized work stoppages during their first contract fight in 1943, and ultimately won an increase through the War Labor Board.⁴⁶⁸ One of the weaknesses of the UFE was its dependence on Keefe, who was drafted to the war shortly after the signing of the contract. His Vice President, who said he “was willing to have Joe Stalin under the bed if it would bring some real strength to the union,” decided to seek the help of the UOPWA-CIO, which had spent money for three years organizing Wall Street workers, but ultimately lost his position.⁴⁶⁹ The members of the union then put on the first point of its platform that it was anti-communist, a way to express their opposition to the UOPWA and the CIO. The other points on the platform included equal pay and seniority rights, specifically expressing that they “do more important work” than industrial workers, and should make more than

⁴⁶⁷ Fitzpatrick 212, quoting partner in interview

⁴⁶⁸ Fitzpatrick 299-323

⁴⁶⁹ Fitzpatrick 333

them.⁴⁷⁰ Union security and job security were also important, and they expressed interest in organizing bank and insurance workers.

In the 1946 contract fight, workers threatened to leave the union if a strike was called, weakening Keefe's bargaining position even though he held public negotiations to build membership support. He had to accept a contract with limited wage increases, and which gave the employers the right to break the contract with 30 days' notice.⁴⁷¹ They realized they needed more support, and considered affiliating with the United Mine Workers, but they decided against losing local autonomy since they felt they knew their issues better. Demonstrating how strong anti-communist feelings were among these workers, they rejected the UOPWA even though it was offering hundreds of thousands of dollars of financial assistance to the UFE if it affiliated. Ultimately, they decided to affiliate with the OEIU because

The Office Employees International Union of the AFL was a sound, right wing union. It promised the UFE a great deal of local autonomy, was willing to establish the financial workers in their own local, even though another local, of the same International had already been active in the banks and brokerage houses. It promised the aid of the AFL for strike support, legal advice and organizational help. It promised the financial aid which the UFE needed very badly.⁴⁷²

The membership voted overwhelmingly in favor of the AFL, and voted to make Keefe a full-time president of the local with a \$5,000 salary. As a result of the AFL affiliation, these Wall Street workers became close to a nearby Seaman's union that was part of the AFL. In 1947, Keefe was able to win a contract for the Curb Exchange after a one day strike in which he called on the support of the Seaman, which greatly impacted his thinking on strategy.⁴⁷³

The union had many battles with individual brokerage firms that were unsuccessful, and winning union security and the right to not handle goods from striking firms ("hot work" clause) were the most difficult demands to win from the exchanges. The exchanges forced the union to hold a vote to demonstrate the membership supported these demands, which Keefe won overwhelmingly: "691 - 67 on the stock

⁴⁷⁰ Fitzpatrick 334-335

⁴⁷¹ Fitzpatrick 337-338

⁴⁷² Fitzpatrick 340

⁴⁷³ Fitzpatrick 341

exchange, 74 – 6 on the cotton exchange, 178 – 12 on the curb exchange.”⁴⁷⁴ The cotton exchange accepted the vote, but the stock and curb exchange refused to settle, leading to Keefe giving a 30 day strike notice, and going on strike March 29, 1948.

The first weakness of the strike was the lack of success in organizing all of Wall Street. Wall Street workers’ anti-communism feelings led them to reject the UOPWA-CIO, which had more organizing experience with white-collar workers and resources for big campaigns.⁴⁷⁵ The only successfully organized brokerage firm, and the firm with the workers with the most solidarity, was organized by the UOPWA. However, without being centered in the exchanges, the UOPWA did not have the central point advantage to spread its program through the brokerage firms, leaving the UFE with the advantage. Nevertheless, the UFE was unsuccessful, and Fitzpatrick offers the following reason:

the "social situation" of the Exchanges made them more vulnerable to union organization than the brokerage houses. It was clear also that the attitude of so many clerks, strongly resistant to union activity, was fostered by the nature of his work in a brokerage house, and by the individualistic relationship he has with his employer.⁴⁷⁶

There were likely gender and skill issues involved, but most important seems to be the proximity to the employer, as has been discussed previously as an early challenge to the potential for bank worker organizing in decentralized small firm structure. In such environments where clerks had individualized job classifications and closer relationships with management, one-on-one anti-union campaigns to dissuade workers were easier and more effective.⁴⁷⁷ The following passage describes the typical Wall Street firms’ anti-union tactics of spreading misinformation about what privileges could be lost with unionization:

Once the union arrives, therefore, out go the theatre tickets, the ball games, the easy coming and going, the payment of salaries during illness and the payment of bills for doctors; the personal loans on

⁴⁷⁴ Fitzpatrick 342

⁴⁷⁵ For example, of the 1,492 bank tellers and clerks from the headquarters and 75 branches of the Corn Exchange Bank Trust Company eligible to vote, 768 voted against UOPWA union representation, and 609 were in favor.

⁴⁷⁶ Fitzpatrick 385

⁴⁷⁷ See McColloch ‘83, p 68-70

generous terms; the ability to talk to your employer as person to person; finally, the ace in the pack, the bonus.⁴⁷⁸

Fitzpatrick also found those workers who were with the same firm for a long time had less propensity towards unionization than those workers who were forced to move from firm-to-firm because of recessions or other instability.⁴⁷⁹ Whether a worker previously had positive or negative experiences with unions also was significant. Fitzpatrick described the women interviewed as having only a vague idea of what the union was about, but if they were supportive, it was out deep conviction. As a whole, he thought the women as a group would move with the herd (“because the men told them to”) if there was support.⁴⁸⁰ The feminization of clerical work that had already effected so many other industries was most delayed on Wall Street:

The threat of the woman worker appeared in 1942—as a further challenge in the fading opportunity. Before that time, Wall Street was a man's world and it was kept so deliberately. But with the coming of the war and the withdrawal of men either for military service or the higher paying jobs in the defense plants, Wall Street reached for the only employees it could get; they were the women. Previous to this there had been a certain conviction amongst the men that their job was a man's job; there was a roughness and ruggedness about it that made it unsuited to feminine refinement. But since the war, women in large numbers have entered the jobs in brokerage houses and, in a significant number of cases, have done the job as well as men...An important change in attitudes implied in this. It marks the willingness on the part of the managers to admit frankly, a conviction that has been in the back of many a partner's mind for many years: the conviction that the routine job of a clerk is not valuable enough to command a decent wage.' Secondly that with the decrease in opportunity, they will have much less trouble if women are in the jobs than they would with men. Women are generally there only to fill in time between high school and marriage, or to supplement a husband's income. They haven't the vital stake in the job that a man has. Therefore in these jobs the low rewards and little hope of advance, the presence of women will leave a partner's mind much more at rest than men would.⁴⁸¹

⁴⁷⁸ Fitzpatrick 402. As Shannan Wayne Clark observed, the aggressive anti-union tactics which were used extensively in the 1980s to undermine labor rights and eliminate unions in fact began to be used just as harshly against the UOPWA in the 1940s, especially in the financial sector, and after the Taft-Hartley Act of 1948 was passed, calling into question the supposed labor-management accord of the post-WWII period (3-4). The accord was never respected where union density was low, and it was in the financial sector, which would ultimately have the most impact on labor relations in other sectors.

⁴⁷⁹ Fitzpatrick 386-387

⁴⁸⁰ Fitzpatrick 389

⁴⁸¹ Fitzpatrick 226-227

Individualism, whether real or masking fear, was a cultural obstacle that was expressed with following type of frequent anti-union comments: “anybody who could stand on his own two feet has little need for a union; a person who is man enough to talk up to the boss is well able to do his own bargaining, he doesn't need Dave Keefe; only those who cannot get anything for themselves try to get it through a union.”⁴⁸² There was also the question of maintaining white-collar status and perceptions of middle-class privilege:

A Wall Street clerk has a dignity, a respectability which he apparently is supposed, to preserve. Always well dressed, he knows the way men do things, presumably. Surely he knows the "Wall Street way" of doing things.

Neatly pressed pants, a tie, clean shirt, he must never do anything to make a show of himself. And if ever a union came and called a strike, picketing would become a "must," and that would spoil the impression. People would make fun of him. He would be looked upon as the one who had stepped down from the lofty level of a Wall Street clerk, to join the company and adopt the behavior of ruffians. He could not...walk up and down with a picket sign, shout out his cause to the passersby, try to persuade his fellows to respect the picket line; he is...much too timid to carry on an effective strike.⁴⁸³

One group of workers that was interested in organizing with the CIO in 1937 ended up rejecting them and throwing them out of the office after “they made a bad impression” by “wearing sweaters under their coats.”⁴⁸⁴ Keefe believe the main problem of the workers was fear:

They want a union; they need a union. But they are beaten by fear and timidity against taking the step toward salvation. All the talk about men who can stand on their own feet is just a cloak of words to hide their childish submission to employers. If they went into a union, then they would be really daring, really aggressive, really standing on their own two feet. All the talk about walking up to the boss as a man is just a legend to keep the clerks from seeing how they cower before the word of a partner. They are, in a word, slaves to an atmosphere and they do not know it.⁴⁸⁵

Based on this analysis, and remembering the success of the Curb Exchange one day strike, Keefe thought using the Seamen for support in another strike could help with increased numbers on the picket line, and the worker would also have the fear of being

⁴⁸² Fitzpatrick 403

⁴⁸³ Fitzpatrick 403-404

⁴⁸⁴ Fitzpatrick 403-404

⁴⁸⁵ Fitzpatrick 405

called “yellow” by the Seamen if he or she crossed the picket line. Keefe wanted to use the symbolic power of masculinity the Seamen represented—their image and their numbers—as a substitute for building a shop-floor organization and a culture of solidarity based on the consciousness and conditions of his workplace. Ultimately, Keefe and the UFE were unsuccessful in building a “Street wide” union:

At 8:55 this morning violence broke out in Wall Street. Massed pickets from local 205 of the United Financial Employees union, supported by members of an AFL seamen’s union, knocked over four policemen at the entrance to the stock exchange and lie down on the sidewalk in front of the doors. One hundred police officers swarmed up and, in several knots of furious club-swinging, 12 people were hurt, 45 seized and arrested. The outbreak was over in 30 minutes, but most of the day, 1200 massed pickets surrounded the stock exchange building and shouted epithets at those who entered the building...⁴⁸⁶

Having the Seaman at the center of what was supposed to be a show of solidarity of a Wall Street wide strike hurt union support among Wall Street workers, and the public. The AFL elevator operators on Wall Street also did not support the strike, which could have had important leverage to slow operations. Ironically, Keefe, who was so aware of the limits of his co-workers fears and individualism, did not realize his own fears and individualism may have prevented him from aligning with a union such as the UOPWA that may have had a better strategy to win.⁴⁸⁷

⁴⁸⁶ Mills 301, quoting a *New York Times* article from March 30, 1948.

⁴⁸⁷ Mills 308-309 discusses white-collar individualism as an obstacle to unionization.

Figure 6
NYT Pictures of UFE Strike



Pictures from the *New York Times*, March 30, 1948, demonstrate the militancy of the picket lines.⁴⁸⁸

Figure 7
Police Violence Against UFE Picket Line in front on Wall Street



On the second day of the UFE, AFL strike, police attempt to break the picket line on 11 Wall Street. March 30, 1948.⁴⁸⁹

The strike loss was devastating for efforts to organize banking workers, and actively used by management to discourage workers from unionizing. Documents on the UFE’s attempt to organize workers at the Guaranty Trust Company, a bank, demonstrated the company held a rigorous anti-union campaign which the union could

⁴⁸⁸ GJohnSit, “The First time Wall St was Occupied,” *Daily Kos*, Sept. 26, 2011. www.dailykos.com/story/2011/09/26/1020126/-The-first-time-Wall-Street-was-occupied, accessed March 24, 2014.

⁴⁸⁹ GJohnSit, “The First time Wall St was Occupied,” *Daily Kos*, Sept. 26, 2011. www.dailykos.com/story/2011/09/26/1020126/-The-first-time-Wall-Street-was-occupied, accessed March 24, 2014. Original pictures available from the US Museum of Finance on Wall Street.

not overcome, resulting in a union loss in an election for 2,599 bank workers on November 28, 1951.⁴⁹⁰ The archives contain many letters to the workers from company Vice President HP Sherman, evidence of captive-audience meetings, and possible evidence that O’Keefe offered the company a sweetheart back-door deal for instant recognition since his efforts with the workers were failing and the UFE was running low on funds. Saved for distribution two days before the vote, the bank workers received a letter along with media demonstrating the devastating loss the UFE faced on Wall Street (See Figure 8 below). Only 503 workers voted for union recognition, while 1,955 voted against it. The high voter turn-out demonstrated how active of a role the bank management took in union avoidance among the clerical workers at its main office and branches.⁴⁹¹

⁴⁹⁰ The UOPWA had problems with the Guaranty Trust Company’s insurance division and two other insurance companies who refused to recognize the authority of the War Labor Board and the collective bargaining agreement for 1,000 workers in 1942. “Celler Asks State Enforce WLB Order,” *New York Times (1923-Current file)*, May 18, 1944, ProQuest Historical Newspapers New York Times (1851-2007), p 12. The UOPWA won such fights with other companies, such as Hancock Insurance. “Union Seeks to Get Workers Pay Rise,” *New York Times (1923-Current file)*, Jun 9, 1944, ProQuest Historical Newspapers New York Times (1851-2007), p 17.

⁴⁹¹ Box 24 “Subject Files,” Folder 26 “United Financial Employees, Office Employees’ International Union (AFL) – 1947-1951” in the Xavier Labor Archives.

Figure 8
Anti-union letter used against UFE bank worker organizing drive

November 26, 1951

TO ALL OF MY ASSOCIATES:

Over the weekend I sent a letter to Mr. Keefe. In line with my previous statement that you will be kept fully informed, I quote the letter below.

H. M. S. Jr.

"Mr. M. David Keefe

November 24, 1951

Dear Sir:

Your recent letter, addressed to us, in connection with your union's position on strikes, has been received.

I quote the first paragraph:

'We want to make the position of our Union perfectly clear in regard to the possibility of a strike in the Banking Business. We want you to understand that, above all things, we would never want to see this happen.'

Your union's past record in this respect is not as reassuring as your letter.

On March 29, 1948 your union struck against the New York Stock Exchange (and against the New York Curb Exchange at the same time). We are informed that many of the employees of the New York Stock Exchange lost more than four weeks of pay as a result of this strike. We are also informed that despite this great loss of pay by the people involved the strike was settled on the same terms offered to the union by the New York Stock Exchange before the strike began. In order to refresh your recollection, I refer you to news releases, eye witness reports, and pictures appearing in various New York City newspapers covering the activities of your union and of pickets from outside unions.

I think your union's record speaks for itself.

Very truly yours,

H. M. Sherman, Jr.,
Vice President."

Enclosures

Source: Xavier Labor School Archives, Fordham University

After the failure of the UFE, and with the communists driven out the CIO, what was left of the former UOPWA union that remained in the CIO was merged with the OEIU shortly after the AFL and CIO merger in 1955. Not long after, the newly united federation had a conference on the white-collar worker.⁴⁹² Most of the speeches

⁴⁹² AFL-CIO. Labor looks at the white collar worker. Proceedings of Conference on Problems of the White Collar Worker, Industrial Union Department, AFL-CIO. February 20, 1957. Washington, DC.

discussed organizing white collars within production industries, although Stanley H. Ruttenberg, AFL-CIO Director of Research, mentions the bank clerk and financial institutions in passing: “during years past, the teller at the local bank was often considered a person to whom the manual worker paid deference,” but it was the bank clerk now who could not afford a home in the suburbs. He cited wages of the average production worker and compared them to those in finance, insurance and real estate, finding production workers earned more, especially more than women, even if the managers, owners, and top commission sales agents in the financial sector were included.⁴⁹³ While the Industrial Union Department’s unions focused on their own jurisdictions, leaving the OEIU the financial sector, the OEIU controversially focused on its outmoded idea of an all white-collar union and the right to organize in other unions’ jurisdictions. Delegate Al Kadlin from the OEIU stressed the need to prevent job replacement by automation, and argued that although some white collar workers should be organized by industrial unions, white collar workers’ conditions are unique: not all clerks should be organized by them, and certainly not with “manual-worker tactics and manual–worker contracts.”⁴⁹⁴ Delegate John Pastin from the steel workers responded: “we have jurisdiction in the steel industry and we have confined our organization to the steel industry...You just can’t organize people in a vacuum.” He went on to defend his union for bringing white collar wages up to those of production workers.⁴⁹⁵ (See Appendix 6 OEIU vs the Production unions on the white-collar organizing issues)

James B. Carey, Secretary-Treasurer of the AFL-CIO’s IUD recognized organized labor’s historical failures: “Old-time unionism [of seventy or even fifty years ago] just failed to organize white-collar workers. Furthermore, it didn’t want them organized...especially in production unions.”⁴⁹⁶ He notes there were few white-collars in the Knights of Labor out of its 700,000 members, and that the AFL maintained the same attitude towards white-collar workers for years later. He also criticized the Industrial Workers of the World, saying “even those who believed in one big union for all didn’t

⁴⁹³ AFL-CIO 17

⁴⁹⁴ AFL-CIO 18

⁴⁹⁵ AFL-CIO 18

⁴⁹⁶ AFL-CIO 21; See also Appendix 6 for more on OPEIU’s overlap with production unions organizing white collar workers and workers preferences.

define unionism to include white-collar and professional workers. All referred to manufacturing workers, to workers in foundries, to miners, to those in the established crafts.” He explains why there was “this indifference—even opposition—to” organizing white-collar workers:

It was distrust, distrust not only on the part of union leaders but on the part also, no doubt of the majority of the rank and file. / First of all, went the argument, white-collar workers were not really workers. They didn't labor with their hands or their brawn. Therefore, they had little or nothing in common with factory and mill workers. The interests of white collar workers, the complaint continued, were invariably on the side of the bosses. They couldn't be relied on in times of crisis. White-collar workers couldn't be tough; they couldn't be militant. Even if you got them out on a picket line they would be worse than useless. / In those days one almost never saw reference to the working class in print. Yet before the turn of the century, American newspapers spoke constantly of the working class and talked of working class solidarity. They talked of working class militancy. It was a term of pride denoting toughness, cohesion, and a common bond of brotherhood unknown to other sections of society. / From this working class brotherhood white-collar employees were theoretically and practically excluded. The working class was going to change the world and it didn't want the changes loused up by wishy-washy white-collar people, clerks and such. It was a class conscious labor movement that the AFL founded seventy years ago this month. Even if there weren't other evidence, we know it from the famous preamble of the AFL Constitution. Remember these opening words: 'A Struggle is going on in all the nations of the civilized world between the oppressors and the oppressed of all countries, a struggle between the capitalists and the laborers which grows in intensity from year to year.' / In that struggle between the capitalist and the laborer, most union leaders saw no room for the white-collar worker. Or if the white-collar worker did have a role it was to be considered on the side of the employer and capitalist. Therefore, the white-collar worker was almost a class enemy to begin with. The class consciousness of the American labor movement never produced a revolution, as we know, but ironically a revolution did occur in the thinking and attitudes of the labor movement toward white-collar workers. The revolution was a gradual one, caused by the gradual revolution in our economy and in our means of production.⁴⁹⁷

He then goes on to refer to some of the statistics Stan Ruttenberg described of the new white-collar majority, and then notes: “There is irony in the fact that the once disdained white-collar workers are increasing rapidly while the aristocrats of labor who

⁴⁹⁷ AFL-CIO 21-22

once disdained them, the production workers, are decreasing in number.”⁴⁹⁸ James Carey unfortunately ignored the inspiring example of the UOPWA’s effective organizing of white-collar workers—specifically women—who demonstrated in struggle their capacity to be tough, militant and useful on the picket-lines in the clerical worker industries.⁴⁹⁹

The leaders seemed to lack concrete plans for organizing compared to the articulate leaders and organizers of the UOPWA; they almost completely neglected financial sector workers, and made little reference to gender, or at least in any way that would be conducive to respecting and organizing women. For example, William F Schnitzler, Secretary-Treasurer of the AFL-CIO said

the traditional hand bill at the plant gates does not click when given out at the office door. Why? Well, maybe insofar as the average girl in an office is concerned, it’s because she isn’t headed homeward, like the factory worker. She’s headed for a date. Her day hasn’t ended with the 5 o’clock; rather it’s just beginning. Maybe—and I say this with the certainty of a man long married—we just don’t understand a woman’s mind. Maybe we need, in our ranks of organizers, more women—women with office experience; women who understand the grievances of the typist; women who understand women.⁵⁰⁰

Another leader commented “certainly we could go on for hours talking about what we think the ladies want. But—and again I speak as a married man—we’d just be wasting our time guessing.”⁵⁰¹ They did note the need for house visits and closer contact with workers to organize banks, but despite this awareness of their shortcomings, they did little if nothing to support women’s movements, even with the later explosion of feminist organizing.

Dorothy Sue Cobble found that the relation between female clerical workers and unions has always been problematic. For much of the twentieth century, “union leaders viewed female clerical workers as ‘virtually unorganizable.’ In many instances, their views were accurate. Not only did office workers tend to see themselves as ‘white-collar’

⁴⁹⁸ AFL-CIO 22

⁴⁹⁹ On Detroit picket-line, for example, a black women and a white woman in the UOPWA local leadership were arrested and subjected to police violence for militantly holding a picket line and preventing scabs from crossing: Jones, Issac, “Violence Flares on Picket Line of Insurance Company, *Atlantic Daily World (1932-2003)*, Jan 12, 1949, ProQuest Historical Newspapers Atlantic Daily World: 1931:2003, p 5.

⁵⁰⁰ AFL-CIO 43

⁵⁰¹ AFL-CIO 43

or part of 'management,' but the occupation attracted a disproportionate number of married women, many of whom defined themselves as short-term and 'secondary earners' regardless of their income or length of tenure."⁵⁰² Indeed, Lockwood noted that the lowest paid clerks in the period from 1850 to 1880 in Great Britain had salaries equivalent to the highest (10-15%) paid members of the working class, plus with better conditions. These circumstances were probably similar in the US, where Braverman estimates the pay of US clerical workers was double that of manufacturing workers. By 1971, all clericals made less than all blue collar workers on average.⁵⁰³ During a period when blue-collar workers were significantly unionized and enjoyed higher wages as a result, Cobble does not discuss the OEIU, UOPWA, or the OPEIU in her otherwise thorough research on women in the labor movement. She skips this rich history to discuss the 1960s, when even though government, hospital, hotel, and university "white-collar" workers were organizing, "many labor leaders remained skeptical about the potential among *private sector* office workers."⁵⁰⁴ Labor leaders believed "many secretaries had strong personal loyalties to their bosses; moreover, the hostility to unions in insurance and banking—where close to a third of clerical work was concentrated—was legendary."⁵⁰⁵ Since the unions made little effort to capture the energy of the feminist movement and organize these workers, some women "organized largely *apart* from the labor movement, forming their own independent clerical worker associations."⁵⁰⁶ Over a dozen of these organizations with over 10,000 members in all joined together in the National Association of Working Women in the 1960s. They not only fought for job control and higher wages, but challenged the expectations associated with being the "office wife," and challenged rules requiring them to wear dresses. They were quite successful, but found little union support for their efforts to organize clerical workers. Karen Nussbaum, a leader from 9to5 recalls attempting to get union support:

⁵⁰² Cobble 211

⁵⁰³ Braverman 296 ct Lockwood 6

⁵⁰⁴ Cobble 212

⁵⁰⁵ Cobble 212

⁵⁰⁶ Cobble 212; See also McColloch '83, p 148-151 for a review of union efforts in 1960s, where he cites fierce banker resistance to unionization and a lack of AFL-CIO investment in the organizing as the key contributors to failed organizing campaigns.

One of the group went to the local Teamsters. She was told, “well you can’t organize women workers because they think with their cunts, not their brains.” Not everyone was as bad, but everyone said no. [Years later, in the late 1970s, SEIU] offered us money—practically nothing, but money—and a charter, and a chance to organize workers. So we started our own union [SEIU District 925].⁵⁰⁷

This organization was then able to support eight women bank tellers who went on strike after being repeatedly passed over for promotions. The bank president’s explanation was, “we are not all equal, you know.”⁵⁰⁸ The women gained national attention in 1981, and SEIU District 925 tried to start “a national campaign to organize women clericals in insurance and banking.”⁵⁰⁹

Unfortunately, there have been few significant developments since, but in light of how low the unionization rates are, any worker effort and union investment is commendable. In 1979, demonstrating the potential of labor and feminist movement alliances, 53 insurance workers from a firm connected to a teachers’ trust fund in Wisconsin struck against low wages and poor conditions like management and sexual harassment. What was exceptional about this group of workers was the previous contact and experiences with unions, according to Cynthia B. Costello.⁵¹⁰ By this time, 80% of clerical workers were women, and “35% of all employed women were working in clerical jobs.”⁵¹¹ The first legal bank strike in Canada also occurred in 1979. About 950 OPEIU members struck the Montreal City and District Savings Bank for two days, but it was able to keep about 60% of its 112 branches open for customers. Nevertheless, 11% wage gains were won.⁵¹² In the banking industry, 180,000 teller jobs were lost between

⁵⁰⁷ quoted in Cobble 214; For more on 9to5’s organizing and significance in the history of clerical worker organizing, see Michelle Murphy’s “Toxicity in the Details: The History of the Women’s Office Worker Movement and Occupational Health in the Late-Capitalist Office,” *Labor History* 41, no. 2 (May 2000): 189. See also Ruth Milkman’s “Women workers, feminism and the labor movement since the 1960s,” pp. 300-322 in *Women, Work, and Protest*, edited by Milkman. See Berebitsky 209-218 on Women Office Workers (WOW) of New York’s organizing.

⁵⁰⁸ Cobble 214

⁵⁰⁹ Cobble 214

⁵¹⁰ Cynthia B. Costello, “We’re Worth It!” *Work Culture and Conflict at the Wisconsin Education Association Insurance Trust*, *Feminist Studies*, Vol. 11, No. 3 (Autumn, 1985), pp. 496-518.

⁵¹¹ Rotella 104; In 2004 84 million worker out 140 million were white collar: 35% in management, professional and related occupations, and 26% in sales and related occupations.

⁵¹² Barnes, Angela. “Federal mediator seeks solution to nation’s 1st legal bank strike,” *The Globe and Mail*, Toronto, Ont: Jan 25, 1979. pg. B.1. Wilfred List, “Decade of good relations for union, bank,” *The Globe and Mail*, September 4, 1978, p. 11. Barnes, Angela, “Acceptance of 11% wage rise ends City and

1983 and 1993 to ATM's,⁵¹³ and to make things worse, Bank of America tried to get employees to adopt an ATM, which meant cleaning without pay outside of their regular workday.⁵¹⁴ In 2011, over a thousand Allstate Insurance Agents affiliated with the OPEIU, with the purpose of asserting contractor rather than employee rights, but it has not expanded significantly beyond its base in the non-profit insurance company BlueCross/BlueShield.⁵¹⁵ OPEIU had disputes with a large bargaining unit of insurance workers in Madison, WI, gained new real estate members, and credit unions, three of which went on a ten day strike in Western New York in 2008.⁵¹⁶ Most of the credit unions OPEIU represents have union stakeholders that facilitated the process, but the limited significance of credit unions in banking, especially those with union stakeholders, does not make this a viable long-term strategy for organizing bank workers. In banking, it had the most members in NY and NJ, and was involved in legal dispute when National Bank, the only union bank in Washington, DC, was taken over by the FDIC and all employees lost their jobs.⁵¹⁷ This bank was originally owned by the United Mine Workers Union, and

District's strike," *The Globe and Mail*. Toronto, Ont: Jan 26, 1979, p B1. In Nova Scotia, there is also the Canadian Union of Bank Employees. Canadian bank workers also suffered from extreme retaliation measures for unionizing: see for example, Wilson, Deborah, "Bank intimidating workers by closing branch, union says," *The Globe and Mail*, January 11, 1990 A13. For more on Canadian bank workers, see Nazim, Zabedia, *Interrogating restructuring: A critical ethnography of ethno-racial women bank workers in Canada*, ProQuest Dissertations and Theses; 2007. For more on the Canadian bank worker organizing, see Bank Book Collective, *An Account to Settle: The Story of the United Bank Workers: SORWUC*, Vancouver: Press Gang Publishers, 1979; Julia Maureen Smith, *Organizing the Unorganized: The Service, Office, and Retail Workers' Union of Canada (SORWUC), 1972-1986*, Master of Arts, Simon Fraser University, 2009; "Getting Organized in the Feminist Unions," an article by Jackie Ainsworth, Ann Hutchison, Susan Margaret, Michele Pujol, Sheila Perret, Mary Jean Rands, Star Rosenthal in *Still Ain't Satisfied: Canadian Feminism Today*, Toronto: The Women's Press, 1982; Nicol, Janet. "Women must do it for Themselves": Organizing Working Women into SORWUC (1972-1986). *Women & Environments International Magazine*, 12, 2013, p 5; Creese, Gillian, *Contracting Masculinity: Gender, Class, and Race in a White-Collar Union, 1944-1994*. Vancouver: Oxford University Press, 1999.

⁵¹³ Fraser 85 citing Rifkin, Jeremy. *The End of Work: The Decline of the Global Labor Force and the Dawn of the Post-Market Era*. New York: GP Putnam's Sons, 1995, 144.

⁵¹⁴ Fraser 196; For more on present conditions, see: Garson, Barbara. *The Electronic Sweatshop: How Computers Are Transforming the Office of the Future into the Factory of the Past*. New York: Penguin Books, 1988. Simcich, Tina La, ed Wendy C. Schwartz. *Women and Minorities in Banking: Shortchanged/Update*. New York: Prager Publishers, 1976. 1977. Valli, Linda. *Becoming Clerical Workers*. Boston: Routledge, 1986. Baker, Shelly A. *An Examination of Bank Employees' Job Satisfaction After a Merger and Acquisition*. Dissertation, UMI, 2009.

⁵¹⁵ "Allstate Agent Group Votes to Affiliate with OPEIU," *Journal of Transportation* (Sep 3, 2011): 14

⁵¹⁶ "Striking bank workers win new pact at credit union," *The Times Union*, (Albany, New York), August 28, 2008, p C2.

⁵¹⁷ Hearings Before the Employment and Housing Subcommittee of the Committee of Government Operations, House of Representatives, 102nd Congress, 1st Session, March 11 and 21, 1991.

most other banks represented by OPEIU had some type of union investment in the ownership that facilitated unionization without seriously confronting financial capital. Even then, at its most successful moment during the height of the feminist, anti-war, and student movements between 1968 and 1972, it only organized eleven banks in a ten year period.⁵¹⁸ Without the competition of the CIO and its anti-communist fervor, along with an outdated all-encompassing white-collar strategy for unionization, the OPEIU remains scattered and offers little hope for FIRE sector workers:

OPEIU represents white collar professionals working in many diverse fields. Their members include computer analysts and programmers, data entry operators, copywriters, nurses, healthcare certified and licensed employees, doctors, attorneys, hypnotherapists, models, artists, museum curators, law enforcement officers, accountants, engineers, secretaries, bank employees, insurance workers and agents, and Wall Street employees, among others. OPEIU has 115 chartered local unions in the U.S., and 55 in Canada. OPEIU is affiliated with the AFL-CIO and the Canadian Labour Congress.⁵¹⁹

There are perhaps around only thirty commercial banks and six savings and loans associations unionized in the US. Other unions, such as AFSCME, UFCW, UAW, Teamsters and independent associations, have a few FIRE sector workers as well, and a much longer list of other unions have also attempted and failed at union recognition efforts within the FIRE sector.⁵²⁰ UNI Finance has gotten 35 global financial companies to commit to the UN Global Compact in respect to “freedom of association and the effective recognition of the right to collective bargaining,” but in the absence of US workers confronting US financial capital, not one of these companies is from the US.⁵²¹ The Brazilian CONTRAF and CWA collaboration with UNI through the Committee for Better Banks is the only recent, publicly visible campaign to improve the conditions of

⁵¹⁸ Northrup, Herbert R.; Greis, Theresa Diss; Dowgun, Kay M, “The Office And Professional Employees International Union” *Journal of Labor Research*, Summer 1988; 9, 3, p. 251.

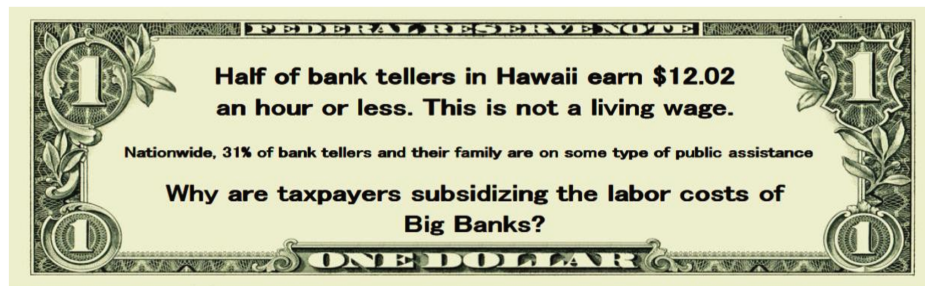
⁵¹⁹ <http://dpeaflcio.org/about/affiliates/office-and-professional-employees-international-union-opeiu/>, accessed March 20, 2014. See Appendix 6 for more on OPEIU’s overlapping jurisdiction with production unions.

⁵²⁰ AFSCME Local 777 represents 300 Wisconsin First Bank employees in Milwaukee, WI according to a report from a May 31, 2011 Nation Right to Work Foundation press release on a lawsuit. American Federation of State, County, and Municipal Employees; United Food & Commercial Workers; and the United Auto Workers.

⁵²¹ UNI, “Company Commitments on Trade Union Rights: Freedom of Association, Collective Bargaining,” www.banktrack.org/manage/ems_files/download/company_commitments_on_trade_union_rights/uni_company_commitments_on_trade_union_rights.pdf, accessed March 20, 2014.

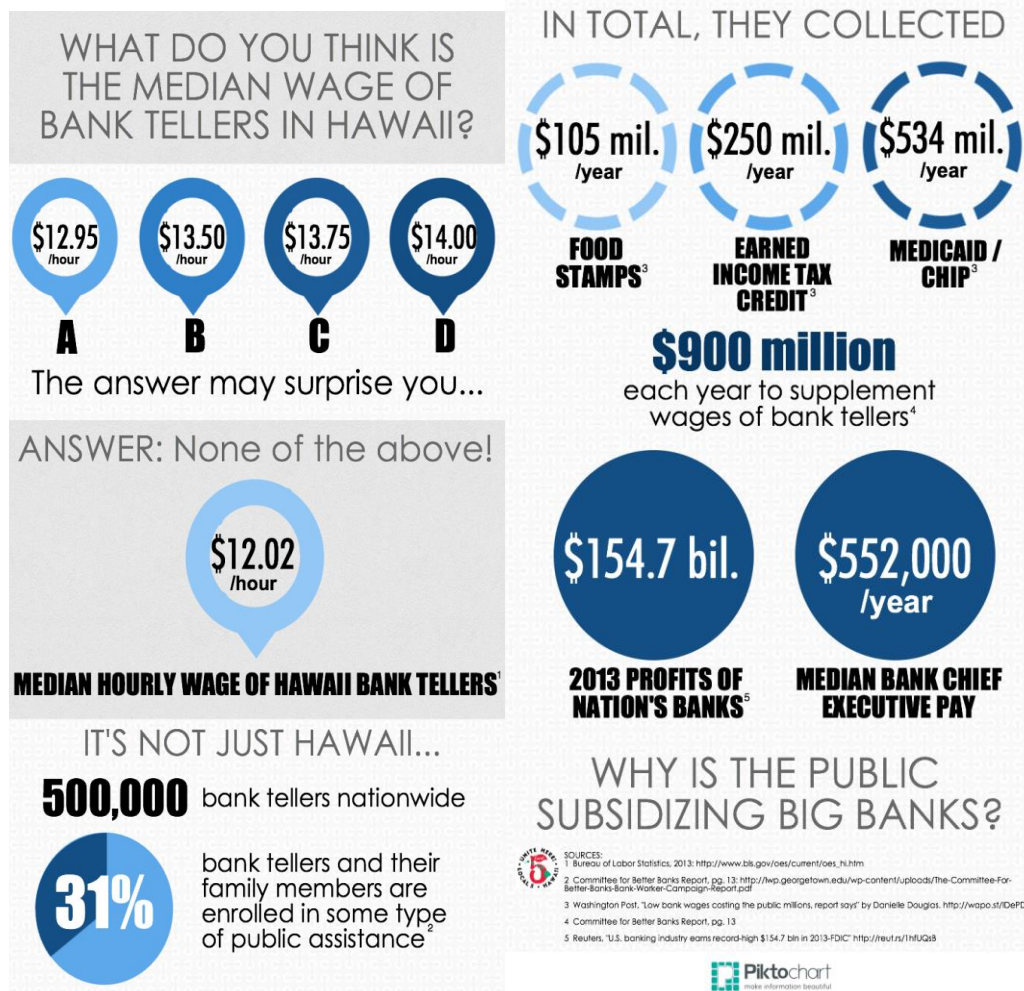
bank workers.⁵²² UNITE HERE Local 5's support for the campaign stands as a unique example of how other unions can support the effort to unionize and improve conditions of bank workers. An executive in a company that Local 5 was organizing also directs a state-wide banker lobbying group, creating a natural link for strategic solidarity between workers of different unions and industries. Local 5 discovered that while the banks in Hawaii were supporting a food drive, they were paying their own workers less than a living wage in a state that has perhaps the highest cost of living in the US. The union denounced the outrageous salaries of the bankers when tellers in the same banks qualify for public assistance, meaning taxpayers subsidize the banks' profits (See Figure 9, below).⁵²³

Figure 9
UNITE HERE Local 5 Supports Bank Workers



⁵²² See www.betterbanks.org and www.facebook.com/CommitteeForBetterBank. The research from this organization on bank workers reliance on public assistance and their poor salaries and conditions compared to workers abroad has gained significant press coverage, and worker engagement through surveys. For more on these recent efforts, see Stephen Lerner, Hina Sheikh, and Rita Berlofa's forthcoming chapter in a book on financialization of the economy.

⁵²³ Correspondence and campaign literature provided by UNITE HERE Local 5 researcher, May 2, 2014.



It remains to be seen if the CIO-style organizing that the UOPWA was developing in the FIRE sector will be restored to put worker organizing committees at the center of fights to reform the industry. Organizing to directly take on the bosses within the FIRE sector can allow “new and more militant...types of leaders to emerge,” the kind necessary to transform an industry.⁵²⁴ Without such militant organizing and the building of a labor party that can repeal Taft-Hartley and improve the labor legal regulatory framework in the US, increasing union density in the FIRE sector will remain difficult.

⁵²⁴ Mills 316

Chapter 5

Conclusion

Particular features of the development of US capitalism, including both the decentralized nature of the financial sector and the power of the US financial capitalists domestically and internationally, have left the US without a public financial sector or a regulatory environment conducive to labor organizing. The US labor movement, due to these external challenges and its own internal weaknesses, has missed many opportunities, both in times of crisis and in times of economic growth, to organize financial sector workers. It is possible that without the regulatory restrictions on banking discussed in the beginning of chapter three that the development of the financial sector would have occurred in a manner that would have caused the AFL to take more engaged approaches with its workers. Chapter three also noted that both Germany and England had a more stable financial structure earlier than the US, and this coincided with earlier union organization and higher union density in both countries. France and Brazil did not have as stable of a financial structure, but did experience early developments of government bureaucracy and civil servant unionism, and in particular, a public banking sector in Brazil.⁵²⁵ Unionization overall, and especially of office workers, is also highest in the public sector in the US, suggesting a nationalized financial sector,

⁵²⁵ Kocka's comparisons point to the importance of a large public bureaucracy developing prior to industrialization in Germany. While England was more similar to the US than Germany with industrialization occurring prior to increasing public bureaucracy, it had a public banking sector while the US did not, excluding a few state development banks. Even though the collar line was more distinct in Germany (where it was built into legal code) and England (where it was stronger culturally and economically), both countries experienced white collar worker organization, even if not in the form of militant trade unionism. Germany had a social democratic party, and England had a labor party, and even if white collar workers tended to not support these parties, they may have benefitted from working class political victories that created a labor regulatory framework more conducive to collective organization than in the US.⁵²⁵ In England, white collar strike activity occurred first, and by WWII, low level clerks often supported the Labour Party. These workers did not experience the corporatist traditions of the German white-collar workers, and also developed a trade unionism closer to the manual worker working class to an earlier and to a higher extent than white-collar workers in the US. Perhaps this facilitated them in avoiding anti-capitalist and anti-labor sentiments that were common among the Nazi-sympathetic lower middle class of Germany prior to WWII. While a comparative country analysis provides no exact model or path for the US labor movement to organize the financial industry, the strength of bank worker trade unions abroad, their support for international solidarity, and new developments within the US labor movement, including capital strategies campaigning, provides possibilities for building bank worker power in the future. See Appendix 8 for references and notes to for exploring a comparative analysis further.

or even increased public institutions, probably would have resulted in higher rates of unionization than the current 1%.

It is also possible that organizational efforts of bank workers to come later by the UOPWA-CIO could have been easier if, rather than unit banks, the UOPWA confronted nationally branched firms, resembling some of the insurance companies it organized with more success. In the largest companies within a concentrated and consolidated manufacturing industry, the CIO especially had success. If the new regulatory framework for bankers is truly more efficient than what bankers knew in the previous two centuries, this is one less reason for the industry to be able to claim it cannot afford the costs of a unionized workforce with excellent pay and benefits.

In aligning with the interests of the workers and yeoman farmers and workers aspiring to property ownership within the framework of the producer class, the early labor movements inadvertently contributed to the creation of the dual banking system, which created a high level of bank fragmentation. Such fragmentation would make banks difficult to organize using methods the CIO applied to other industries at its high point in the 1940s. The UOPWA, for example, was able to organize Prudential Insurance agents primarily in and around New York City, and then win national bargaining rights. The structure of the banking industry would have made this impossible for nearly 200 years of the US's history (despite consolidation in periods such as the 1920s), not changing until the banking deregulations of the 1980s and 1990s. However, even as capital organized on a more national scale in the late 1800s, labor struggles took on a local and regional character. Banks still would not be an obvious target for organizing because the highly competitive banking industry promoted smaller firms, which offered a closer proximity of the banker and the bank worker, creating both perceived mobility and actual opportunities for promotion. Furthermore, banks in the US had a high failure rate as result of more banking panics, a product of "the lack of asset diversification under unit banking, as well as the difficulty of coordinating large numbers of banks to deal with collective problems" the industry faced.⁵²⁶ Such an environment created employee turnover rates that hindered union organizing, especially since the

⁵²⁶ Calomiris 228

craft unionism model of the AFL was dominant in the late 1800s. Although the South experienced more branch banking than the North, perhaps due to Scottish merchants who pioneered the branch banking model, labor unions have historically had little power in the South.

The AFL organized on a craft basis even as “rapid technological changes and mechanization of steel, food processing, machine production, and other major industries increased overall per capita productivity and broke down remaining craft skills.”⁵²⁷ It also failed to advocate for Black workers, encouraging separate Black locals, with Black workers making up only 3% of its members even by 1920. During this period the Populist Party continued the program of the Greenback-Labor party, and although it sought solidarity with the labor movement and won participation from some AFL locals, it remained mainly a rural based party. But local labor struggles of the 1880s and 1890s tried to continue reconstruction efforts, which “culminat[ed] in the Farmers’ Alliance and the People’s party, the most extraordinary democratic popular uprising of the late nineteenth century.”⁵²⁸ These movements ultimately did not create a labor party, leaving the US without a labor regulatory framework conducive to organizing during a period when bank worker unionization accelerated in many countries.⁵²⁹

Despite the Sherman Anti-Trust Law of 1890, corporations continued to centralize control of industry, especially during upswings in the business cycle. Despite steps to strengthen enforcement, “the period from 1915 witnessed unprecedented activity both in mergers and in the centralization of control over apparently unrelated businesses through interlocking directorates and bank controls.”⁵³⁰ Whatever “personal responsibility for steadiness of employment, wages, and working conditions” industrial capitalists felt or were compelled to feel through previous movements of local unionism’s access to management was destroyed by “the centralization of financial control and operating

⁵²⁷ Wilentz 132

⁵²⁸ Wilentz 121

⁵²⁹ See Robin Archer, *Why is there no Labor Party in the US?* Robin Archer specifically studies the 1890s when the AFL could have created a labor party. He finds that state repression (and union leaderships’ responses to it), religion, and the sectarianism of socialists and other radicals to be the biggest inhibitors to the creation of a labor party in the US during this period.

⁵³⁰ Commons Vol III 294

policy in the hands of financial magnates far from the job.”⁵³¹ According to one author, it was specifically this increased control that made labor’s organization of workers more challenging:

There can be little doubt that in the manufacturing field the consolidations reinforced resistance to unions and made unsuccessful most of labor’s efforts to organize the industry. The large influence of bankers on the directorates of important mergers unquestionably intensified hostility to unions. Bankers as a class have had less understanding of unions and less sympathy for them than industrialists. Bitter as the opposition of a large number of industrialists to unions has been, there have been many whose attitude was sympathetic and who modified the intolerance of their group. This has been true of very few bankers.⁵³²

Given this attitude towards interests they controlled, one can imagine how much more challenging to organize the workers in their own industry.⁵³³ The US labor movement has experienced difficulties in organizing its white collar sector—especially in the FIRE sector—but even within that sector, the banking industry efforts have faced unique challenges. Indeed, historical evidence throughout this text, and even recent efforts of unionization, demonstrate the banker as a class may be even more preemptive and aggressive in union avoidance than other sectors that are by no means easy to unionize in the US.

Years of Jeffersonian political and labor union traditions based on creating a democratic republic of skilled male workers created a union leadership ideologically unprepared for the erosion of skilled workers privileges and job control in the end of the 19th century. Some unions outright excluded financial sector workers, and others simply ignored them, a product of populist leadership seeking to make an enemy of financial capitalism out of nostalgia for a capitalism that supposedly facilitated self-management, independence, and upward mobility. Clerical work greatly expanded, in particular among women previously excluded from much of the workforce, especially in the skilled unionized positions that formed the basis of the labor aristocracy. Suffering defeats such as the Homestead Strike, insecurity from economic downturns, and increasing job loss and deskilling from automation, unions were unequipped and often not interested in this

⁵³¹ Commons Vol III 295

⁵³² Commons Vol III 297

⁵³³ See Chapter 1 quote from an American Banker Association officer discouraging bank clerks from going union.

new workforce. Patriarchy and Victorian ideals of women inhibited union leaders from organizing women, and effectively divided working class unity, as did white supremacy and racism as well. One exception was the organization of railway clerks, who were all male and all white, already an anomaly at the end of the 19th century when women increasingly dominated clerical work. The railway clerks also benefitted from having a union leadership that wanted to include them, unlike some production union who signed clauses to exclude office workers or horse-traded them for other contract gains until as late as 1961.(See Appendix 6)

Like the railroad sector, the financial sector also experienced the influx of female workers later than other industries, but there was nothing like the Railroad Brotherhood in the financial sector. Craft union traditions did not have strategic industrial organizing strategies that sought to increase unionization among expanding industries and occupations. Labor leaders disconnected from the feminist movements and influenced by Victorian era ideas of segregated gendered space and the defense of the family wage were not prepared to organize a newly and highly feminized workforce. The strength of craft unions with predominantly male clerical workers like the Railroad Brotherhood did not have to question their status through maintaining such exclusivity, and were able to focus on organizing rather than worry about being replaced by women, at least for a period longer than what occurred in other industries. Given that the exceptional example of the Railroad workers was based on exclusion, it likewise did not directly lead to increasing unionization of clerical worker in other sectors, but existed more as an anomaly from the past from the perspective of labor market trends. In fact, the Railroad Brotherhood was eventually susceptible to the feminization of its clerical staff, and the union was weakened as a result since it was also lacking a leadership perspective based on gender equality, racial inclusion, and worker solidarity.⁵³⁴ Although

⁵³⁴ Correspondence with Ileen Devault helped me on this question. See her *United Apart: Gender and the Rise of Craft Unionism*, and Paul Taillon, *Good, Reliable, White Men: Railroad Brotherhoods, 1877-1917*. The exception of the Brotherhood Clerks needs to be explored more since there might be more to the explanation considering accountants also maintained racial and gender exclusivity, and had an AFL union organizing their occupation, although beginning later than the Railroad Brotherhood. See also, Harry Henig's *Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees*, NY: Columbia University Press, 1937. The Pullman Company started hiring women as clerks during WWI as a strategy to create a two-tier labor system based on sex segmentation: "regular promotions were available to men in the middle levels of clerking, and women and juvenile boys were used as a reserve

the defeat of the UOPWA during the cold war marked the largest setback in almost thirty years of developing financial sector unionism in the US, the first major lost opportunity for creating financial sector unionism was at the turn of the 19th century when clerical work grew dramatically, but without clerical worker unionization.

The banker-bank clerk proximity and mobility inhibited bank worker organization for years, even after such mobility declined. Reformist labor leader attitudes regarding gender and the potential for workers to organize in the clerical industries may have alienated bank workers. When labor leaders did attempt to organize in the FIRE sector, they faced the challenge of a workforce segmented not only by gender, but filled with ethnic divisions formed by distinctive communities often divided in their political perspectives. Communists who had the foresight to organize FIRE sector workers succumbed to popular front politics, and failed to build a labor party at a moment it was most possible in the US, softening the labor movement's political power and opening the door for the passage of the Taft-Hartley Act.⁵³⁵ Having tried to limit strikes and control the continuing upsurge of working-class shop floor militancy and strikes during WWII, Communists lost some of the support and respect from elements of the working-class who even if they did not agree with the CP's politics, followed their union leadership.⁵³⁶ Ultimately, the non-communist affidavit oath required by the Taft-Hartley Act made supporting government-persecuted labor leaders untenable for the sustainability of the

labor pool for low-paying machine jobs with no chance of promotions." (Strom 1994, 198) Railroad men express hostility towards women and sometimes harassed them (perhaps because they were used as strikebreakers during WWI), but feminization could only be delayed, not stopped: "Particular male unions slowed down the pace of feminization and even retained the best positions for men in return for labor peace, but once labor shortages occurred or management perceived the hiring of women to be economically advantageous and was forced to consider ways of cutting costs, protests of male workers were simply ignored." (Strom 1994, 203)

⁵³⁵ See Art Preis, *Labor's Giant Step*, Bert Cochran, *Labor and Communism*, Charlie Post's "The Popular Front: Rethinking the CP USA' History," www.solidarity-us.org/node/2363 from *Against the Current* 63, July-August 1996. The Communist Party under popular front policies ultimately was the biggest defender of the US's imperialist rulers by "declaring their opposition to any and all efforts to hamper the war effort by dividing the American people," breaking from the Leninist tradition of turning imperialist war into class war. As a result of trying to police the working class and refusing to wage class war during a period in which worker struggles were on the upsurge, the Communist Party rapidly lost its base and ability to build financial sector unionism. "Legion Denounced by the Office Union," *New York Times* (1923-Current file), Sep 10, 1942, ProQuest Historical Newspapers New York Times (1851-2007), p 48.

⁵³⁶ See Nelson N. Lichtenstein, *Labor's War at Home: The CIO in World War II* (1982); Martin Glaberman, *Wartime Strikes* (1980); and James Green, "Fighting on Two Fronts: Working-Class Militancy in the 1940's" *Radical America*, 9 (July-Aug, 1975), 7-48.

union from the perspective of the average union member. Liberal labor leaders in the AFL and the CIO took advantage of this tenuous situation the McCarthyists had created, and decided to drive the Communists out of their positions once and for all, with the leadership of the OEIU the most opportunistic among them. Thus, some of the most experienced worker leaders and staff with the vision and capacity to organize the clerical industries were permanently driven out of the labor movement. Worse, they were driven out at moment when they were rapidly increasing the size of the union, and were making significant inroads into the banking sector in some cities. The example of the AFL's relation to the UFE discussed in the previous chapter demonstrates their incapacity to build industrial unionism in the FIRE sector, and the OPEIU has proved itself to be just as incompetent over the last fifty years. The absence of sustained radical left organizations and a labor party has aided the recurrent return of outmoded populist solutions; and the more left alternatives fail, the harder they are to resurrect.

Communists overcame some of these challenges and were increasing organization in the sector during the period when women were increasingly becoming tellers, but popular front politics that limited confrontation with the capitalist class had further entrenched capitalist development with each populist defeat. Today, the position has been deskilled, and over 90% of positions are occupied by women. Tellers increased substantially until 1980, when ATMs became popular. Even with ATMs and now internet banking, the teller and other clerk positions consist of numerous feminized, low wage jobs, now often filled by people of color, that have been neglected by the labor movement. Despite justified anger towards the financial sector for its role in the economic crisis and home loss, returning to populist approaches that equate the banker with clerk would be a mistake, as would returning to 19th century anti-corporate reforms based on Jeffersonian traditions seeking to reverse the capitalist system to its idealized ascendancy. Such mistakes must not be repeated if social movements are to increase union density in the sector, and the best militant industrial union organizing and socialist political traditions must be critically revived.

The shortcoming of existing studies on white collar workers, or even more specifically on clerical and office work, is financial workers are neglected, which is a tragedy especially considering their lack of unionization. Many of the major industrial

unions have organized the white collar workers within their industry, while government workers and teachers have also built strong unions. The OPEIU has filled some gaps where other unions with an industrial oriented strategy or craft based strategy have not covered, but it has not positioned itself as the financial workers union, unequivocally taking on the financial services industry. Mills' white collar category has met success when one considers the strength of public sector unionism in the US since the publication of *White Collar*, and even new categories of professionals, such as interns, residents, and doctors in the medical profession are organized. In fact, this limited success may be why we do not hear the term white-collar unionism so frequently. Where unions had a base, such as in the automobile industry, administrative workers increasingly organized. University administrative workers also increasingly organized. What was blurred in the actually highly differentiated white-collar category was an orientation to the actual clerical industry, the FIRE sector. Given the unionization rates, low wages, and conditions, further investigation into the history of FIRE sector organization efforts is needed more than ever, along with urgent action to implement strategic industrial unionism campaigns to at least quadruple the union density of the sector, simply to catch up to the already dismally low average rates of unionization in the US.

In summary, the leading explanation for why the US does not have vibrant financial sector unionism compared to other countries varies by time period. Prior to 1870, the structure of the financial sector was a leading determinant. This was not only a question of the scale of development, but the structure of the financial sector being fragmented as a result of anti-national bank sentiment and other resistance to centralizing tendencies in the financial sector. This fragmented structure was in fact partly a result of the victories of popular movements that resisted centralized and concentrated power. This created a financial structure that was unstable, but also offered proximity between the bank employee and employer, creating opportunities for promotion given the importance of trust and relationships in the financial sector. Given the development of the labor movement at the time and its anti-bank populist beginnings, it is understandable why financial workers were not organized during this

period, especially given the difficult conditions dictated by the labor regulatory framework of the time.

From 1870 to 1930, there were radical changes that came with the growth of the financial sector, increasing its importance in the economy and total employment, and creating a massive increase of clerical workers which included ever growing numbers of women entering the workforce. Despite the US experiencing the industrialization and increased government bureaucracy that facilitated bank worker organizing in other countries during this period, significant union growth in the FIRE sector did not occur in the US during this period. The US had little public banking compared to other countries, and banking still remained fragmented because of the dual banking system. The labor regulatory framework was not as favorable as other countries, which tended to create labor parties by this time. Most significantly in this period, there was little self-organization of the workers, and even less initiative among the trade union leadership to support the self-organization that did occur. The leadership's lack of initiative was not necessarily because of gender discrimination. Although this was an obstacle that limited the union leaders, there was a delay in the feminization of the financial sector, meaning gender cannot be the only explanation for the leadership's failure. It is likely that prejudice towards organizing clerical workers in general, and financial workers in particular, due to populist and producerist ideologies carrying over from the 19th century, most inhibited the organization of financial sector workers at the point when potential organizing opportunities began to arise.

The next period, 1930-1947, was the most critical period for establishing financial sector unionism, and one wherein major opportunities were lost. While the structure of the financial sector still provided obstacles, certain financial products existed that facilitated the unionization of insurance workers. An overall climate of unionization created opportunities for organizing Wall Street workers. The successful organization of some of these workers began to aid the unionization of bank workers, at least in New York City, the center of the financial industries. Although the Communist Party had a leading vision to organize financial workers, along with other white-collar workers on an industrial basis, it lost its base of support through popular front policies that limited worker militancy during World War II. CP leaders in the UOPWA made inroads into the

banking sector, and even confronted racist hiring practices in the industry. They did not fully overcome sexist perceptions that likely inhibited organizing, but they advanced in involving women much more so than the trade unionists in the AFL. Because of their failure to build a labor party when they had the chance during the social movements of the 1930s, again, submitting the independence of the working class to a popular front with the Democratic Party, they faced an increasingly difficult regulatory environment as judicial decisions in favor of employers began to whittle away the gains won through the passage of the NLRA. This process was complete with the passage of the Taft-Hartley Act in 1947. With this devastating law, the labor regulatory framework became difficult for trade unionists in general, and all but impossible for communists. By 1950, the UOPWA was all but destroyed.

From 1950 to 1990, given the UOPWA's previous inroads into the financial sector, the failure of financial sector unionism growth rests primarily on the poor leadership of the OPEIU. They competed aggressively with the UOPWA and did all that they could to see that it was destroyed by Taft-Hartley, yet did almost nothing to rebuild in the aftermath. Besides choosing some easy organizing targets such as credit unions that were given to them through the pension funds of other trade unions, they did nothing to build financial sector unionism as the UOPWA had envisioned. While the structure of the financial sector was becoming more concentrated, it was still fragmented compared to that of other countries. Much of the period provided opportunities nonetheless, as staffing levels and bank teller-client proximity still mattered prior to the widespread use of ATM machines. The upsurge of the feminist movement in the 1970s and feminist efforts to take the movement into the office to inspire clerical worker organizing presented new union organizing opportunities. The absence of the OPEIU in such movements demonstrates the problem with a union leadership dominated by men who do not challenge patriarchy and fail to develop an aggressive program to build women's membership and leadership in the union.

Since 1990, economic crisis and the loosening of regulation has facilitated the concentration and centralization of financial sector firms, but the OPEIU has not taken the leadership to organize those workers. Perhaps race and gender differences between the entrenched leaders of the OPEIU and the non-union workers in the financial sector

is still an issue to be overcome. The absence of the OPEIU in campaigns coordinated by UNI, and the need for other unions to fill the vacuum, demonstrates the tragedy of the OPEIU's role in destroying the UOPWA. Despite the UOPWA's limited inroad into financial sector unionization, it remains to be seen if the OPEIU or other unions would be willing to be so bold in taking it on.

A new civil rights movement of workers, similar to what occurred among mostly Black and Eastern European industrial workers in the US in the 1930s, is needed for the service workers who are the majority of the US labor force today. One measure of its success will be the question of the bank worker, and the ability of organized labor to build the type of social movement that elevates the dignity and respect of the bank worker. This social movement would likely involve building a labor party with a vision of not only changing the labor regulatory framework of the US to facilitate union organizing, but also to inspire and move the working-class to replace the reign of the capitalist class over the financial sector through the creation of a revolutionary workers' state. Military and self-defense strategists sometimes argue there is no such thing as an effective defense without combining it with an aggressive offense. From this perspective, it is necessary for embattled public sector unions who still have significant resources and union density, such as the teachers union, to heavily invest in both a corporate campaign against the financial industry, and intensive efforts to unionize its workers. Ultimately, government and industry answers to financial capitalists; it is time for the reverse—through a revived leadership of left-wing social and political movements with workers playing a central role.

Suggestions for Future Research

In order to explore questions of financial sector development and unionization, I gave an overview of the entire history of the question of financial sector unionization. The following includes suggestions for future research that places women, FIRE sector workers, and unionization at its center to build upon this initial exploration of the question.

A thorough study on financial sector workers in the 20th century, when there were the first efforts towards organization of the bank workers, is necessary. This organization

began in AFL locals, primarily those with significant socialist and communist political influence. Left-wing labor activists of the period were the first to recognize the need to organize the growing white-collar category of workers, and pushed ahead with the organization of office workers despite impediments from the AFL officialdom. The early organization efforts of these workers, through the lens of gender, needs to be examined more closely. Differences culminated with the separation of over a dozen of these AFL locals, who formed the United Office and Professional Workers of America, a Congress of Industrial Organizations (CIO) affiliate. Led by communists with a vision to build industrial unionism in the financial sector, this period was perhaps the most hopeful moment for the creation of financial sector unionism. The UOPWA was so threatened by McCarthyism after it was destroyed by the Taft-Hartley Act in 1947 that its archives were guarded far from the main financial centers it organized, in University of California-Los Angeles. Close examination of these archives to tell the complete story of the UOPWA, playing close attention to race, ethnicity, gender, and left wing political debates is also necessary.⁵³⁷ Their efforts in the FIRE sector should be center of the story given the failure to organize the sector since. Perhaps within this work, Finley's *White Collar Union: The Story of the OPEIU and Its People* should be submitted to rigorous scholarly criticism since it leaves out and distorts certain aspects of the OPEIU's history, especially in relation to the UOPWA and its failure to organize FIRE sector workers.

The next period to be studied brings us to the present. In the last forty years, the impact of revolution in the Information, Communication, and Technology (ICT) sector has had radical effects on labor productivity. Its effects, along with deregulation, have contributed to an explosive growth of the financial services industry, making the workers of the industry a crucial part of the labor force and therefore instrumental in any

⁵³⁷ NAACP Papers on labor, and legal cases involving Black financial workers could also be examined, as well as archives held at NYU (New Yorkers at Work Oral History Collection, TAM, and WAG), Catholic University of America, Cornell University, and Wayne State University. Ideas and models to incorporate in this study could include: Daniel J. Opler's *For All White-Collar Workers: The Possibilities of Radicalism in New York City's Department Store Unions, 1934-1953*, *op cit* 358; Ronald L. Filippelli and Mark McColloch's *Cold War in the Working Class: The Rise and Decline of the United Electrical Workers*, New York: SUNY Press, 1994; Gillian Creese's *Contracting Masculinity: Gender, Class, and Race in a White-Collar Union, 1944-1994*; *Working With Class: Social Workers and the Politics of Middle-Class Identity*; Grace Budrys's *When Doctors Join Unions*; *Will Teach for Food*, edited by Cary Nelson; and Andrew Ross's *No Collar*. New York: Basic Books, 2003.

discussion about building a strong labor movement. This study should analyze the organization of the financial sector workers in the aftermath of the UOPWA and the growth of OPEIU, including efforts outside unions as a result of the influence of the feminist movement in the 1970s. The recent history and existing organization of unions within the US financial sector could be explored, as well as the practical implications on worker's wages, conditions, and power within the economy. The largest and most recent effort by SEIU to organize Santander workers in Boston, though small, is important in the context of recent calls for global union solidarity to meet the challenge of current economic conditions. Particular attention should be paid to the challenges of international organizing between US, Brazil, and Spain's labor unions, coordinated by UNI, along with comparative studies with countries that have strong financial sector unionism.

Another study should examine the history of capital strategies campaigns of US unions from the perspective of how this work may be used by unions to gain a foothold into the financial sector workforce as an essential part of their advocacy for larger financial reforms. Efforts towards public sector banking in the US (See Appendix 2) and other alternatives could be explored, as well as discussions around labor's capital, which possibly could be leveraged to advance the interests of the bank worker and the entire working-class.⁵³⁸

⁵³⁸ Union members participate in benefit plans with over \$5 trillion in assets. Union-sponsored pension plans hold approximately \$400 billion in assets, and union members also participate in the capital markets as individual investors. See Croft, Thomas. *Up From Wall Street: The Responsible Investment Alternative*. New York: Cosimo, 2009. Fung, Archon, Tessa Hebb, and Joel Rogers. *Working Capital: The Power of Labor's Pensions*. Ithaca: Cornell ILR Press, 2001. Ghilarducci, Teresa. *Labor's Capital: The Economics and Politics of Private Pensions*, Cambridge: MIT Press, 1992. Hebb, Tessa. *No Small Change: Pension Funds and Corporate Engagement*. Ithaca: Cornell ILR Press, 2008. Rifkin, Jeremy and Randy Barber. *The North Will Rise Again: Pensions, Politics, and Power in the 1980s*. Boston: Beacon Press, 1978. Carmichael, Isla. *Union pension funds, worker control and social investment in Canada: Implications for labour education*. ProQuest Dissertations and Theses, 2000. Barber, Randy (1987) "Whose Job Is It, Anyway? Capital Strategies for Labor." *Labor Research Review*. Vol. 1: No. 10, Article 9. Cornell University ILR School. Schmidt, Verena; Keune, Maarten; Skerrett, Kevin (Eds); "Global capital strategies and trade union responses: Collective bargaining and transnational trade union cooperation," *International Journal of Labour Research*, Vol. 1, Issue 2, 2009. *Internet Resources*: Harvard Law, Labor and Work Life, Pensions and Capital Stewardship Project. *Capital Matters* (Volume 1-4), Occasional Papers, and Other Pension Papers. Available at: www.law.harvard.edu/programs/lwp/LWPPensions_about.html, Global Unions Committee on Workers' Capital. "Helping Workers' Capital Work Harder: A report on global Economically Targeted Investments (ETIs)" www.workerscapital.org/images/uploads/Helping%20Workers%20Cap%20Work%20Harder.pdf.

Finally, I propose a future study for unions which explores the significance of the financial sector within the service sector and the economy as a whole in the USA. The role of the US financial sector in the ongoing economic crisis should be considered. A sector analysis could be presented, as well as relevant data on unionization rates, membership and strike activity, presented in a comparative manner. US financial Service workers demographics data as available should be highlighted. The financial sector data within the US could be examined in relation to the global financial market, and strategic thinking about international union campaigns. Trade unions could benefit from an analysis of what are the most important leverage points within the US economy to build working class power and what is the extent of foreign capital penetration in the US market, and to what extent US banks are significant in other countries' markets. This could enable us to understand where international solidarity may be useful to potential US bank worker organizing, and how a non-union US financial sector may be limiting the strength of bank workers internationally.

Appendix 1

US Labor Regulatory Framework Timeline⁵³⁹

Social regulation affecting the organization of US workers

Independence to the Great Depression

Prior to independence, British law governed US employment relations, and continued to have influence through the predominance of common law, which is based on court cases and precedents rather than executive or legislative branch government decisions (statute based law). Reasoning for future decisions is based on past decisions with the goal of maintaining consistency where there are similar facts and circumstances.

1794 Founding of the first permanent US union, The Federal Society of Journeymen Cordwainers. Through many strikes they were able to form closed shops in the Philadelphia shoe industry.

1806 *Commonwealth vs Pullis*, the first use of the judicial branch against US unions, convicted the strike leaders as illegal conspirators and bankrupt the union. Combinations were considered illegal conspiracies, a defeat for Jeffersonian democracy, and a victory for the Federalists who feared the working class.

In 1828 the first labor party in the US, the Working Men's Party, was founded in Philadelphia to fight for a ten hour work day, free public education, and universal male suffrage. It expanded to New York in 1830, but soon died in faction splits. In 1834 the first national trade unions were founded.

1842 *Commonwealth v Hunt*, overturns previous case, ruling unions are legal organizations and have the right to strike as long as they did not advocate violence or illegal activities, or use coercion, as a result of the case of the Boston Bootmakers' strike of 1839. This case served as the legal basis for union struggles for almost a hundred years, with anti-trust suits and court injunctions used to hamper their activity during this period.

⁵³⁹ I was not able to complete the references for this section because of the strike in IFCH. If the *banca* decides to keep appendix in the final version, I will add the references.

1850 Tax requirements and property restriction lifted to achieve almost universal white male suffrage, until states began passing literacy requirements to exclude Irish-Catholic immigrants in 1855.

American Civil War and Reconstruction Amendments to the US Constitution

Chattel slavery of black Americans made illegal in the 13th amendment, the first addition to the constitution in 60 years. The north tried to impose reconstruction on the south to advance former slaves' economic and political interests against the old slave owning aristocracy, but they were defeated by the organized white terrorism of the KKK and other organizations that defended state rights against federal interference, causing involuntary servitude to continue in many areas of the South. "Jim Crow" (segregation) laws, vagrancy laws, and voting restrictions (poll taxes & literacy tests) were passed to limit the full citizen rights of black Americans, and were not overcome until the civil rights movements of the 1960s. The 14th amendment of 1868 which was supposed to grant civil rights, and the 15th amendment which was supposed to grant voting rights, were severely limited with the power of the old South left intact. With the North's victory, industrial monopoly power rose, leading to calls for antitrust reforms. Before and after the Civil War, trade unions in both the North and South often excluded black workers.

1866 Founding of first national federation, the National Labor Union, which died six years later. It was against strike activity and favored political action for the 8 hour day, and excluded black workers (who then organized their own organization) and Chinese Immigrants.

1869 Knights of Labor founded and reaches its peak in the 1880s before quickly declining. It was against socialism and radical politics, and supportive of cooperatives. They eventually gave limited support to strikes after pressured by depression and militancy from the ranks in the 1870s and 1880s. Women and black workers whether skilled or unskilled gained membership, but segregated locals were tolerated in the South. Asians were excluded with the organization supporting the Chinese Exclusion Act of 1882.

1886 Craft unions against the Knights of Labor acceptance of industrial unionism formed the American Federation of Labor under the leadership of Samuel Gompers. Anti-socialist, prevented disputes between unions, advocated for higher wages, formed an alliance with the Democrats in 1907, and supported WWI. In 1902, they became the main union in Canada to expand, but weakened in the US under much employer hostility through open-shop movements in the early 1900s.

Antitrust suits and injunctions

Laws were designed to limit anti-competitive, monopoly behavior and unfair business practices intended to be used against monopolies, but used by the employers against unions. In the 1890 Anti-trust law, the Sherman Act, multi-firm collusion was judged more harshly than single firm behavior. However, farmer and labor organizations were also subject to prosecution for violation because their organization, strikes, and boycotts were seen to interfere with interstate commerce. The Danbury hat maker's union struggle in 1901 led to *Loewe v. Lawlor* (1914), which ruled secondary boycotts were an illegal restraint on trade under the Sherman Antitrust Act, and held labor leaders liable. The unions tried to limit the use of these laws against them by passing the Clayton Antitrust Act, but the *Duplex Printing Press Co. v. Deering* 1921 Supreme Court case still ruled the secondary boycott illegal even with the new language in the Clayton Antitrust Act meant to protect labor. The difficulty of sympathy actions, secondary strikes and boycotts, have historically and continue to be restricted under US, UK and Australian law, unlike many countries where such activity is part of general political freedoms.

1896 *Vegean v Gutner* is a famous example of court injunctions being used by the employer to stop strikes and boycotts, with the union being accused of interfering with employer contracts, resulting in conviction of intentional tort (violation of civil duty to others). Even if not criminal, union activity could be hindered within common law tort and contractual obligations. This was around the time of major strikes of railroad workers (Pullman Strike), steel workers (Homestead Strike), and the struggle for the 8 hour work-day (Haymarket Riot and the Chicago Martyrs).

Dissenting judges made the following types of arguments to defend that labor organization was necessary to meet the combination of capital on a level playing field to create a fair market:

One of the eternal conflicts out of which life is made up is that between the effort of every man to get the most he can for his services, and that of society, disguised under the name of capital, to get his services for the least possible return. Combination on the one side is patent and powerful. Combination on the other is the necessary and desirable counterpart, if the battle is to be carried on in a fair and equal way...If it be true that workingmen may combine with a view, among other things, to getting as much as they can for their labor, just as capital may combine with a view to getting the greatest possible return, it must be true that, when combined, they have the same liberty that combined capital has, to support their interests by argument, persuasion, and the bestowal or refusal of those advantages which they otherwise lawfully control. I can remember when many people thought that, apart from violence or breach of contract, strikes were wicked, as organized refusals to work. I suppose that intelligent economists and legislators have given up that notion today. I feel pretty confident that they equally will abandon the idea that an organized refusal by workmen of social intercourse with a man who shall enter their antagonist's employ is unlawful, if it is dissociated from any threat of violence, and is made for the sole object of prevailing, if possible, in a contest with their employer about the rate of wages. The fact that the immediate object of the act by which the benefit to themselves is to be gained is to injure their antagonist does not necessarily make it unlawful, any more than when a great house lowers the price of goods for the purpose and with the effect of driving a smaller antagonist from the business.⁵⁴⁰

Lochner Era (1905-1937)

1905 *Lochner v New York* New York State Law reducing the work day for bakers was struck down by the courts, as many legislative efforts of the Progressive Era and Great Depression were limited by the judicial branch. The decision was based on the 14th amendment rights of due process, which were said to include freedom of contract. They ruled the labor law was not about health conditions as the state argued, but about regulating employment relations and illegally restricted the individual's contract rights. This era ended in 1937 in the *West Coast Hotel Co. v. Parrish* when the Supreme Court

⁵⁴⁰*Vegeahn v. Guntner*, 167 Mass. 92 (1896) Dissenting opinion of Oliver Wendell Holmes, Jr.

upheld the constitutionality of Washington State implementing minimum wage laws, breaking the pattern of court rulings against economic regulation.

1905 Preceded by the short lived American Labor Union of 1902, and created by the Western Mineworkers Federation, the Industrial Workers of the World challenges the exclusion of socialist ideas and industrial unionism by the AFL, growing with success until repression during and after WWI against leftists due to fear of the Russian Revolution.

1913 Direct election of Senators (17th Amendment)

1920 After decades of struggle, women won the right to vote with passage of the 19th amendment to the US constitution.

1924 Native Americans won the right to vote

US Modern Labor Law

1928 Railway Labor Act US federal law to regulate labor relations in the railroad and airline industries by mandating bargaining, mediating and arbitration to avoid strikes, which had been so big in the railroad industry that federal troops had to be sent in to break them (in 1877, and 1894 Pullman strike). Consolidated previous arbitration legislation that had failed, and created stronger enforcement by National Mediation Board (NMB), used as an alternative to maintaining nationalization after WWI, gained consent by negotiation with both unions and employers. More interventionist than NLRA: strikes banned for minor disputes (interpretation and application of contract), many processes must be exhausted to strike in a major dispute (modification of contract). However, when a strike is permitted under the law, unions have more leeway in tactics than under the NLRA, such as legal right to secondary and intermittent strikes. Worker who lawfully strike cannot be fired or be permanently replaced by temporary workers, but workers with less seniority who cross the picket line can keep their new jobs, as well as new workers who completed proper training procedures. The NMB defines the craft or class for elections, usually company-wide rather than site, and conducts elections which requires at least 35% of the unit to sign authorization cards. Employer can agree

to card-check certification, otherwise a mail-in ballot vote is typically conducted. Unlike the NLRA which gives all legal authority to the NLRB, employees may sue employers (for reinstatement, back pay, etc) in federal court for violation of the RLA.

Current Controversy: It is harder to organize a union under the RLA, hence FedEx Ground Express has argued to be covered under the RLA to avoid unionization. The company-wide rather than site-by-site organizing requirement makes it hard for unions to win an election. In addition, the NLRB recognizes election victory based on a majority of the voters, where the RLA, up until last year, required a yes vote from a majority of the unit to authorize the union. This reform passed last year and has so far not been overturned by the legal efforts of the airline industry trade association. UPS campaigned for years to be moved from the NLRA to RLA, and after failing to win, has joined the Teamsters union in lobbying for FedEx to be classified under the NLRA even though it has more airline centered work. However, FedEx claims it is a fair way to organize, giving the evidence the 70% of those covered under the RLA are unionized.

1932: La Guardia-Norris Act Exempted unions from court injunctions based on antitrust laws, and upheld as a total exemption as long as unions were acting in self-interest and not combined with non-labor groups in *US v Hutcheson* (1941). Also banned “yellow-dog” contracts, which involved an employer as a condition of employment making an employee sign a contract agreeing to not join a union.

Current Controversy: Used in a 2011 dispute between the National Football League and Players Association (NFLPA). The NFLPA decertified itself (“Fake suicide” according to the owners) during the NFL lockout, and then tried filing an anti-trust lawsuit under the Sherman Act. The NFL owners then used LaGuardia-Norris Act to argue against federal injunction. A lower court served an injunction against the lockout, but a higher court overturned it, ignoring the decertification and interpreting the La Guardia-Norris Act as an intent to keep federal courts out of labor disputes, encouraging solution at the bargaining table. The National Basketball Association’s union has also decertified itself and is following a Sherman anti-trust law strategy, but has not used to stop a lock-out so far. The La Guardia-Norris Act could become relevant again if it does, and it could be

interpreted by the judges to not prevent them from issuing an injunction against a lockout.

1933 National Industry Recovery Act Guaranteed workers' right to organize and strike. Organizing advanced and a strike wave for union recognition occurred in 1933, with company's also forming unions to impede real unions, resulting in the election process to determine the sole bargaining agent. If worker struck over company violation of NIRA rights, workers were ordered reinstated by the newly created National Labor Board, but not if it was an economic strike, starting the tradition of accepting the legality of strikebreakers. Legislative efforts by Wagner to make replacement workers illegal failed in 1934, partly because of employer opposition, but also because of the lack of support from organizations that were against AFL policies of racial discrimination.

1935 National Labor Relations Act (Wagner Act) Despite employer and government opposition, militant waves of recognition strikes by the CIO pushed the passage of a new labor statutory framework: a comprehensive federal labor law that protects all forms of concerted worker activity, including organizing, collective bargaining and striking, excluding the following sectors: federal, state or local government workers, agricultural workers, independent contractors, domestic employees, managers and those covered under the RLA. The exclusion of agricultural and domestic workers comes from the power of the racist "Jim Crow" South.

"It is declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection."

It prohibits interfering with or discriminating against employees engaged in union activity, mandates only one authorized bargaining agent for a bargaining unit, and requires employers to bargain in good faith with the union. The National Labor Relations Board is

responsible for registering official bargaining agents, either through a card check process if the employer agrees, or an election after authorization cards are received. Its original intent was for plant wide recognition, favoring the CIO and industrial organizing, but after AFL pressured congress, smaller based craft unions were allowed to break up bargaining units. The NLRB is also in charge of enforcement of the law, and prosecution of violations.

Hundreds of bills were introduced to overturn or amend this law since it was seen by employers as too pro-worker, but none were successful until the Taft-Hartley Act of 1947. As unions have declined for various reasons, including Taft-Hartley and weak enforcement and penalties for violations, efforts to make the act stronger have also repeatedly failed.

1937 *National Labor Relations Board v. Jones & Laughlin Steel Corporation* Court ruled in favor of the NLRB that the NLRA is constitutional, ending court injunctions against New Deal measures, increasing the power of congress. NLRB had ordered Laughlin Steel to rehire ten workers fired for organizing, which the company tried to fight by claiming the NLRA was unconstitutional, as many employers had been doing since the implementation of the law. Justification for this new government role came through congresses rights to legislate over matters involving interstate commerce.

1938 ***NLRB v. Mackay Radio & Telegraph Co***

(Permanent Replacement Workers and the undermining of NLRA right to strike)

The Supreme Court ruled that strikers are still employees, but replacement worker may be hired and continue working at the end of the strike. Returning strikers can be forced to wait until positions open up since the replacement workers can be permanent. Cases in the 60s ruled that super-seniority can't be given to permanent replacements, and only temporary workers can be used in lockouts. A "gentlemen's agreement" for labor peace existed in the 1930s through the late 60s to avoid permanent replacement, but the use of permanent replacement worker became more and more common, made most famous by Reagan's permanent replacement of the striking air traffic controllers in 1981. Since then employers threatening to use strikebreakers is very common, and actual use has increased as well. This has forced unions to be more innovative through methods such

as strategic corporate campaigning, or the comprehensive campaign. In 1994 a bill (Workplace Fairness Act) to ban permanent replacement worker passed the house but was killed in the Senate. The following year Clinton created an executive order that federal contracts would not be given to companies that use permanent replacement workers, but it was overturned in the courts. The contradiction of an employer not being allowed to fire a worker for protected union activity, but being allowed to hire permanent replacement workers, continues today as a remnant of the *Lochner* era despite criticism from the ILO and Human Rights Watch.

1938 Fair Labor Standards Act (Wage and Hours Bill) Applying to any business involved with interstate commerce, established a national minimum wage, time and a half pay for overtime, prohibitions of child labor. The 1946 Supreme Court case *Anderson v Mt Clemens Pottery Company* defined the working time as any activity benefiting the company, requiring pay for some work preparations that were being conducted off the clock, and put burden of proof regarding wage and hour violations on the employer, who would be expected to keep records. Clarifications on work-time added in 1947 Portal-to-Portal amendment. Amendments made several times to raise wages, including in 1961 granting national minimum wage rights to more workers, but limiting the interstate commerce business definition to those with over \$500,000 a year in revenue. The Equal Pay Act of 1963 was an “Equal Pay for Equal Work” amendment passed to prevent sex discrimination in wages, allowing for difference based on merit or seniority. A 1966 amendment expanded coverage to farmworkers, state and local government workers. Age Discrimination in Employment Act (ADEA) of 1967 prevented discrimination of workers over 40 in workplaces with at least twenty workers. A 1974 amendment expanded coverage to more government workers, domestic workers and increased the minimum wage. The 1977 amendment increased wages to \$3.35/hr, but also began to distinguish tipped and un-tipped employees, as well as weakening overtime pay rights for the hotel sector. 1985 amendment allowed payment in comp time instead of overtime pay for government workers, and changed language to make sure volunteer activities were not restricted. 1986 amendment repealed 8 hour overtime pay requirements for all federal contractors. 1989 amendment raised minimum wage to \$4.25, but allowed 85% pay for 90 days of training. The Small Business Protection act of 1996 raised the

minimum wage to \$5.15, but froze tipped workers at \$2.13 rather than requiring 50%, leaving it to states to set tipped worker wage regulations. In a 2004 amendment, Bush ended overtime pay for supervisors. Minimum wage was raised to \$7.15 in 2007, and nursing mothers received the right for the break time and space to express milk. Many states have minimum wages higher than the federal level, and many communities have living wage ordinances as a result of community and union coalitions.

1940 *Apex Hosiery v Leader* Supreme court overturned lower courts award of triple punitive damage to company for the union's violation of the Sherman Anti-trust act. The court ruled even though the sit-down strike was illegal and unions can be subject to anti-trust action, there was no violation in this case and the lower court had gone beyond the intent of the anti-trust law.

1941 Fair Employment Act Prior to this law, at-will employment, based on common law, meant employee or employer could terminate the employment relationship for any time at any reason. This prohibited racial discrimination in the national defense industry, federal employers and all private contractors. 1948 Executive Order banned segregation in the military. Court cases involving railroad worker unions racially discriminating members also established the concept of the union's duty of fair representation in both the RLA and NLRA.

Post-War II

Employment Act of 1946 is the watered down result of efforts to implement Keynesian type full employment measures into the economy, limited by business opposition. Rather than a comprehensive set of guidelines and regulations to ensure full employment and control inflation, the executive branch is only required to publish the Economic Report of the President, and is encouraged to "promote maximum employment, production, and purchasing power."

1947 Taft-Hartley Act (Labor Management and Relations Act) An amendment to the NLRA called the "slave-labor bill" by labor leaders that was passed by congress over the veto of President Truman. It provided new restrictions on unions and gave more power to employers. 5 million workers had participated in strikes in 1946, the year following the

end of WWII, and they were on average four times longer than war-time strike. Employers mobilized behind the Taft-Hartley measures, and worked to drive radicals out of the labor movement. Where the NLRA created employer unfair labor practices, Taft-Hartley created union unfair labor practices. Secondary boycotts were banned, as well as jurisdictional, wildcat, solidarity and political strikes, mass picketing, closed shops (have to hire union members) and union donations to political campaigns. Union shops (30 days to join) were restricted, states were granted the right to pass “right-to-work laws” that outlawed union shops (union security clauses), union officers had to sign non-communist affidavits (not valid today), and the executive branch of the federal government was granted the right to strikebreaking injunctions if a threat to national health and safety is involved. Employers can request hearings over disputed issues to delay union certification, and a process of decertification was created. So a company could hire permanent replacement workers during a strike and then have them decertify the union. Unions have to provide employer and mediation board 60 days notice before engaging in any strikes or other actions in pursuit of a new contract. Bans supervisors’ rights to unionize and allows firing of supervisors for union activity, makes it challenging for professionals and non-professionals to be in the same union, and grants employers rights to oppose the union. Federal court district language intended to enable liability claims in illegal strikes through federal courts (right for employer to sue unions for sympathy strikes for example), but has been the basis for setting up arbitration procedures rather than litigation. Set standards on using employer funds for employee benefits such as health and pension plans.

Unions continued to support the Democrats even though they voted for it along with Republicans, and backed President Truman for re-election even though he used Taft-Hartley against the unions. Attempts to repeal parts of Taft-Hartley during the Carter and Clinton years failed.

Arizona, Mississippi, Florida, Arkansas, and Oklahoma have right-to-work laws in their state constitutions, and 17 other states having legislated right-to-work statutes, including the entire Deep South (the 7 original confederate states).

1959 Labor Management Reporting and Disclosure Act Created further government interference of unions including federal monitoring of internal elections of officers, standards for disciplinary procedures, and fiduciary standards. Secret ballot elections required, communists and convicted felons banned from holding office, unions required to submit annual financial reports, and limits trusteeship powers. Members' free speech protected, and standards set for expulsions. Striking working also allowed to vote in decertification elections within one year of the start of a strike. LMRDA applies to workers covered by the RLA and NLRA, but not public sector workers. Also amended Taft-Hartley to place further restrictions on secondary boycotts, banning "hot cargo" strikes, when employees work but refuse to handle goods from struck companies. Also banned was recognitional picketing at a location more than 30 days without filing for a recognition election with NLRB.

Civil Rights Movement

The Civil Rights Act of 1957 and 1960 protected and expanding voting right. The Civil Rights Act of 1964 banned discrimination in hiring and promotion in the workplace, and created the Equal Employment Opportunity Commission for enforcement. Employers of less than 15 and nonprofit private membership organizations were excluded. It specifically states that discrimination against Communists or front organizations is allowed. It also had all sorts of provisions to end discrimination of consumers, desegregate the South, strengthen voting rights, and weaken the power of segregationist judges. A 1965 Executive Order banned discrimination in the construction industry by any employer working on government contracts, and required affirmative action hiring of minorities and women. The Civil Rights Act of 1968 prevented discrimination in housing, adding gender in 1974, pregnancy in 1981, and disabilities protection in 1988, as well as rights for families with children. Sexual orientation and marital status protections added in some state level legislation. The Age Discrimination Act passed in 1967 to protect those over 40, and the Immigration Reform and Control Act prohibits certain discrimination based on immigration status (also required I-9s). The American Disabilities Act of 1990 protects the rights of the disabled on the job, both allowing and not allowing different forms of discrimination; defends workers' right to do

job with “reasonable accommodation” to known physical or mental limitations. Civil Rights Act of 1991 passed to help address enforcement of previous acts, where courts were not ruling awards in discrimination cases. There are four laws related to federal contracts and preventing discrimination and promoting equal opportunity for those seeking work or doing business with the government

Public Sector Unionism As private sector unionism decline, the 1960s saw a wave of strikes for public sector union rights, with membership growing rapidly from 1960 to 1980. Wisconsin and NY were the first states to recognize public sector organizing rights, with NYC teachers striking in 1960. Kennedy gave federal workers limited collective bargaining rights in 1962. Today 27% federal, 32% state, and 42% of local government workers are union members, compared to just 7% of private sector workers.

Job dismissal Civil Service systems of federal and state government offer the most protection from unjust discharge, and public workers can even claim property rights to their job in some cases and receive extra protection from the due process clause of the 14th amendment of the constitution. Most workers have at-will employment, unless they have a union contract where dismissal only for just cause is permitted, but where individual contracts might list exceptions to weaken job rights.

Labor regulation passed related to federal contracts (Prevailing Wages):
Wages in Supply & Equipment Contracts- *Walsh-Healy Public Contracts Act*
Prevailing Wages in Service Contracts - *McNamara-O'Hara Service Contract Act*
Prevailing Wages in Construction Contracts - *Davis-Bacon and Related Acts*
Hours and Safety Standards in Construction Contracts - *Contract Work Hours and Safety Standards Act*
Prohibition Against "Kickbacks" in Federally Funded - *Copeland "Anti-Kickback" Act*

1970s

Occupational Safety and Health Act of 1970 Health and safety standards in the workplace, and whistleblowing protection for those going to the government with complaints, and the right to refuse work in unsafe conditions if circumstances warrant. Also there is the 1977 Federal Mine Health and Safety Act, which requires inspections

four times a year and health benefits for black lung victims. Longshore and defense base workers also have special health programs.

Employee Retirement Income Security Act of 1974 Private pension fund standards and fiduciary duties, protects employee rights and promotes disclosure. Passed as a result of employee losses in failed pension funds.

(Failed) Labor Law Reform Act of 1977 proposed to increase NLRB board members and terms limits, allow them to rule to protect specific rights, expedite elections and decisions on ULP cases that cause loss of employment, increased fines for company refusing to bargain first contract, three year ban on public contracts for companies violating final orders in USP ruling.

1978 California Agricultural Labor Relations Act NLRA for farmworkers in California, a result of major farmworker struggles in the 60s and 70s lead by Cesar Chavez

Federal Labor Relations Act of 1978 Allowed federal employee unions and collective bargaining modeled on the NLRA, except it's an open shop

Humphrey–Hawkins Full Employment Act of 1978 Amendment to Employment Act of 1946, with purpose of formalizing congress's role in economic policy, advocating for full employment and monetary policies that minimize inflation. Sets goals for full employment, growth in production, price stability, and balance of trade and budget to be driven by the private sector, with government as employer of last resort. Requires Federal Reserve to report to congress twice a year.

1983 Migrant and Seasonal Agricultural Worker Protection Act (MSPA) Protections for migrants and farmworkers related to pay and work conditions. US DoL requires farm labor contractors to register with them.

1993 Family and Medical Leave Act Right to unpaid medical leave and continued medical plan coverage to take care of health issues for self or family members for up to 12 weeks, with some states granting more time

Worker Adjustment and Retraining Notification Act of 1988 Private sector employers must give employees sixty days' notice of large-scale layoffs and plant closures, except

for in case of emergencies. Some states have stricter measures. Useful to give unions time to organize.

Can't be fired for illegal reason, like discrimination, or because wages are being garnished because of failure to pay taxes or pay other debt (Consumer Credit Protection Act). Lie Detectors not allowed in hiring.

Other: Workers Compensation, Unemployment Insurance, Social Security, Employer vs. National Health Care. Organized Crime/corruption in unions & RICO.

Appendix 2

State Development Banks in the US

State Development Banks have been proposed as a means to weaken Wall Street's power, with the North Dakota bank held as the example. Other forms of public finance exist at state and federal levels, but overall these traditions of reform are weak in the US. They are unlikely to advance without a stronger labor movement, further failures of private financial firms, or anger towards public bailouts of these companies. Nationalization is even less likely, but proposed in Dan Labotz's articles, and by many other socialists or socialist organizations.⁵⁴¹

Despite repeated efforts and failures during recessions by cooperative enterprise efforts of consumers and workers, labor unions started many credit associations in the early 1900s. Massachusetts had 95, New York 104, and North Carolina 25 credit societies in 1923 for example, and labor unions had established thirty three banks between 1920 and 1926. The one remaining labor bank (Amalgamated) is now partially privately owned, but the Carpenters union has recently bought a bank with its pension fund money. Credit unions are more popular and seem to be easier to unionize since they are the only banks unionized by OPEIU.

Labor and community organization's financial reform efforts do not raise issues around financial service workers rights, except for the short-lived SEIU calls for Whistleblower rights in the industry, and Committee for Better Banks efforts. Private equity ownership of companies makes private equity companies the largest employer in the US, so unions looking for new strategies to gain leverage with them and win organizing rights. Labor did not have the political power, will or program to campaign for stricter stipulations, such as requiring card-check neutrality agreements, in banks receiving bail-out money. Perhaps even the central bank could be influenced by a labor movement with more political power since the president appoints the chair of the federal reserve and congress must approve.

⁵⁴¹ La Botz, Dan. "AFL-CIO Supports Nationalizing the Banks, but who will Control and Run them?" March 4, 2009. Monthly Review Zine. <http://mrzine.monthlyreview.org/2009/labotz040309.html> La Botz, Dan. "The Financial Crisis: Will the US Nationalize the Banks?" September 28, 2008. Monthly Review Zine. <http://mrzine.monthlyreview.org/2008/labotz280908.html>.

Labor's "employee ownership" and "capital stewardship" programs based on accountability or an increased voice for workers since pension money contributed by the employer is deferred wages, and therefore the property of the employee. About \$7 trillion comes from private sector, state and local government employees, another \$1.1 trillion from federal employees, \$3.5 million from Individual Retirement Account (IRA) contributions, and another \$3.5 trillion in the annuitized pensions of insurance companies. The idea behind Economically Targeted Investment (ETI), sometimes called double bottom line, or triple line investment, is about considering the social concerns of workers and their communities, not just financial returns, when fund managers make decisions regarding workers institutional investment money.

Advocates, such as Change to Win and AFL-CIO campaigners, believe a competitive rate of return are possible along with such benefits as green jobs with living wages, public infrastructure, and affordable housing. The idea is to align the values of the pension fund owners with their investment, but without the sacrifice of return. Campaigners are also often involved with corporate governance reform in conjunction with ETI efforts.

Given the fact that many countries with strong financial sector unions, such as Brazil, also have (or had) a significant part of their financial sector within the public banking system, perhaps public sector banking offer a path for financial sector unionization in the US. Since the public sector union organizing victories in the 1960s, unionization of government workers in the US rapidly increased while union density in the private sector declined. As workers in other countries have made substantial gains within the public sector banks to serve as a base to raise standards within the entire industry and organize private sector banks, perhaps a similar path is possible in the US. One challenge is a labor framework that is quite different from Brazil for example, where negotiations in the public sector banks can create a template that is followed in the private sector even without a lot of worker organization.

Nationalization of the banking system would be a difficult path to imagine for the US in the near future. When the Australian and US labor movement were at similar peaks of power, nationalization of the banks was never on the table in the US, and the labor movement failed to build a labor party. In Australia, where the labor movement did

build a party, nationalization of the banks was defeated even at the height of the labor party and labor movements power. While it would be quite a difficult task to build the political will for nationalization, the recent economic crisis and the development of the Occupy Wall Street movement open opportunities to discuss a variety of reforms. Some trade unionists wanted to use the crisis and financial reform efforts to force organizing agreements onto the banks, and others thought it was an opportunity to give the government more control in the sector, possibly enabling the unions to gain more influence. With the growth of Occupy Wall Street, there has been an increase in anger that Wall Street was bailed out while Main Street declined, and there have been growing movements to resist bank foreclosures of homes, calls by student movements to refuse to pay college debt, and growing efforts to move consumers' bank deposits from corporations to community banks.

Public banks have not received much attention as they are quite small in the US. Currently there are four types of public banks in the US that are part of efforts by the government to "leverage and localize finance."⁵⁴²

- 1) Green Banks: Green Bank of Kentucky and Connecticut Clean Energy & Investment Authority
- 2) Infrastructure Banks: California Infrastructure and Development Bank
- 3) Land Banks: Michigan Land Bank Trust Authority (over 30 land banks in MI)
- 4) State Partnership Banks: Massachusetts Small Business Banking Partnership and Bank of North Dakota

The problem with development banks is they are unlikely to provide the core of a Financial Sector workers' union. Where union interest has existed in the US, it is the call centers and retail banks of major corporate depository banks that have generated potential interest for campaigns because of the large number of employees, the profits these banks generate, and the strategic leverage possible because of brand recognition by consumers and international connections that provide a basis for international solidarity. However, these efforts to leverage and localize finance have largely grown in the last couple of years in the aftermath of the crisis (Massachusetts's Green Banks in

⁵⁴² Gad 2

2011, for example). If such efforts continue to expand they should be monitored closely. Currently they are specific to state development goals, such as green development, public infrastructure, a specific issue of high foreclosures in Michigan, and to help specific groups, such as small businesses who need loans in Massachusetts, or agriculture, commerce and industry in North Dakota.

Efforts to start new state development banks meet resistance, and require insistence that they are not looking to compete with retail banking. North Dakota was able to build its state bank under particular conditions, when Wall Street speculation was causing farm foreclosures prior to the time around the banks founding in 1919. State banks as non-depository institutions would be gaining a role provided by current private non-depository institutions, and would have to show this loss would be more than overcome by an improved economic environment and partnership (making the case within capital's terms at least). Perhaps state role in commercial banking raises the eventual possibility of entry into retail banking, so opposition would have to be assured this would never happen.

From the union side, these situations could present opportunities. Regulations separating commercial and investment banking have been lifted in the US, so an increased role of state development banks, if they had a prominent enough role, could affect both. Some strategizing on how play off regional capital interests against national or international capital interests on Wall Street might be necessary. If labor had the political power where a state development bank existed and the union was meeting fierce resistance in organizing private retail banks, perhaps it could push for the expanded role of the state development bank if the companies did not end anti-union campaigns. With the current political environment and lack of strength in the labor movement, as well as the lack of state banks, this strategy would be just as unlikely to win as having the power to call on the government to nationalize anti-union companies. Labor may need to win some basic reforms like a true right to strike without the fear of permanent replacement if it is to have the organization and militancy to push for public sector banking and unionization of the financial industry. Given current efforts by OWS to shift to community banks, it would make sense for the movement to support the creation of state banks since they have been instrumental in strengthening North

Dakota's community banks. Whether organizing financial sector workers would be easier to organize in a centralized or decentralized banking environment is another question the labor movement would have to explore if organizing bank workers was part of their agenda.

Appendix 3

Financial Sector Office Automation

In the early 1900s, scientific management in the office involved time and motion studies of the workers to find the most efficient way to accomplish tasks, and reorganization of the office to make the flow of work as efficient as possible. The lowest paid worker would do as many tasks as possible, reserving higher skilled work for higher paid workers as needed. Scientific management was a method for executives to take worker and even lower manager control out of the office to ensure maximum profitability is extracted out of the work process.⁵⁴³ These methods of reorganization, along with increased hiring, helped businesses deal with the ever increasing volume of office work. While some small offices remained traditional and unaffected by scientific management efforts, and others simply hired more workers, most office workers in the US were affected by scientific management to one degree or another.⁵⁴⁴

Increasing division of labor and new technology other than the typewriter, such as the adding machine and postage scale, continued to alter clerical work and contribute to its feminization. A stenographer and typewriter might send out as many as 100 letters a day, a feat previously impossible with a copyist, and other positions also increased their productivity with new technology and job rationalization.⁵⁴⁵ The adding machine reduced the skill necessary to be a bookkeeper, who tended to be male, and even replaced some of his tasks with female clerks who earned almost half the wage.⁵⁴⁶ The invention of new office machines was essential for the FIRE industries efforts to increase their clients. Other than the typewriter, important machines included “the addressograph and the arithmometer (a machine for multiplying and dividing)” which “enabled life insurance companies to process and keep fast, accurate records on an expanding clientele, while the bookkeeping machine performed the same service in banks.”⁵⁴⁷

All companies may benefit from office automation since most companies have office worker as part of its control center, research, development or sales. The financial

⁵⁴³ Davies 97-99

⁵⁴⁴ Davies 107-110

⁵⁴⁵ Devault 1990, 10; Braverman 326-327; Strom 1994, 179-184

⁵⁴⁶ Devault 1990, 19-20

⁵⁴⁷ Kwolek-Folland 29

sector, however, composed entirely of office work, perhaps has gained the most from the history of office automation and innovation in the Information, Communications, and Technology sector.

Job Categories

Operational: clerks, secretaries, admin assistants, and data-entry

Specialist: engineer, accountants, agents, loan officer, brokers, corporate professional

Managerial: delegate info management

Goal is to increase office productivity through technology

1930-1940: Back Office Automation: Accounting machines and electric typewriters

1950-1960: Data Processing: Time-shared computers, intelligent terminals, data communication equipment. automate record-keeping functions, especially in accounting and financial areas

1960s: Xerox copying became standard and controlled market until late 70s.

1970-1980: Front Office Automation: Word processors, minicomputers (personal computers)/distributed data processing, digital private automatic branch exchange (PABX).

Optical character readers (scanners), facsimiles

1980-1990: Integrated Office System or Integrated Electronic Office: innovations in word processing, communications (teleconferences). Multi-function workstations, microcomputers, electronic mail, communications network⁵⁴⁸

⁵⁴⁸ For further reference, in addition to Braverman, see: Strom, Sharon Hartman. "Machines Instead of Clerks': Technology and the Feminization of Bookkeeping, 1910-1950," in *Computer Chips and Paper Clips: Technology and Women's Employment*, ed. Heidi Hartmann. Washington, DC: National Academy Press, 1987, 1:63-97. Tran Thi, Minh-Chau and Hau Dang-Tan. *How to Automate Your Office: A Guide to Successful Implementation*. New York: American Management Association, 1985. Kraud, Robert E (ed). *Technology and the Transformation of White-Collar Work*. Hillsdale: Larence Erlbaum, 1987. Becker, Esther R., and Eugene F Murphy. *The office in Transition: meeting the Problems of Automation*. New York: Harper, 1957.

Appendix 4

Racism in the Financial Sector

The UOPWA's efforts to confront racist hiring practices within the financial sector, especially given the likely acceptance of racism by many of the very employees it was trying to organize, is quite remarkable. By the turn of the 19th century, clerical work was the fastest growing occupation, including and perhaps even more rapidly in cities with significant black populations. For example, in Chicago, 0.1 percent of the labor force was in clerical work. This rose to 9 percent of workers and 9.8 percent of female workers by 1890.⁵⁴⁹ In Philadelphia, the blue-collar workforce tripled between 1870 and 1920. In the same period, the white-collar workforce grew sevenfold, and "the proportion of the total workforce composed of white-collar workers doubled, from one in six to one in three workers."⁵⁵⁰ Pittsburgh was the city with the second most typewriters (after New York), illustrating the expansion of white-collar administrative work in heavy industry following the innovations of Taylorism and scientific management.⁵⁵¹ Some cities such as Philadelphia had mainly native born workers from middle class families entering the expanding clerical workforce, while cities like Pittsburgh experienced an influx of the sons and daughters of working class immigrants entering clerical occupations.⁵⁵² Nationally, white, native-born, protestant women were the most likely to be hired into these new jobs, with preference given to younger single women until the 1970s⁵⁵³ Women's employment grew because of women working in nonagricultural occupations. The average age of working women increased, both as a result of increased schooling and older women's participation in the labor force. Relative to increasing participation of native white women in the labor force, the "share of black women and foreign-born women in the work force declined."⁵⁵⁴ While immigrant women were increasingly hired

⁵⁴⁹ Fine 1990, 12

⁵⁵⁰ Bjelopera 19

⁵⁵¹ Devault 1990, 1

⁵⁵² Devault 1990, 7-8, 44-45, 71

⁵⁵³ Fine 2007, 263; Clerical work required English literacy, contributing to more than 90% of female clerical workers being native-born, much more than their representation in the total non-agricultural labor force. Over half the clerical workers in the period studied also had native parents. (Rotella 115-116)

⁵⁵⁴ Rotella 38

by 1930, black women were only hired for clerical work in significant numbers in the 1960s.⁵⁵⁵

The financial industries were for the most part racially segregated both in hiring and customer access. The refusal of white companies to hire black workers and their justification of financial product exclusion was based supposedly on “higher death rates and precarious economic condition prevalent in most black communities,” forcing the black community to form their own companies.⁵⁵⁶ In reality, white merchants feared white customers would not want to patron their business if they hired black workers. White employees resented white employers who hired black workers, perceiving black labor as menial labor, and therefore lowering the status of their white-collar jobs.⁵⁵⁷ The failure of radical reconstruction enabled ex-slavocrats to keep black labor in menial positions through encouraging white terrorism against the black population, and by criminalizing all black people alike. Vagrancy laws were passed to target not only supposed criminals, but even black insurance workers were subject to arrest and certain conviction by the racist judicial system. Insurance work, like other jobs black businesses

⁵⁵⁵ Rotella 115-116; “While Black women had more than double the labor force participation than white women in the late 19th century, they were highly excluded from clerical jobs and remained concentrated in agriculture (25% in agriculture as late as 1930 when the labor force participation rate of Black women was 39%). Native born white women experienced the highest growth rates in labor force participation, and mainly filled clerical jobs.” (Rotella 15-17) The immigrants most likely to make inroads into clerical work were Irish-American women because they came “to America in greater numbers than men, and they married later, on average, than any other ethnic group in the country, if they married at all...Second-generation Irish women faced less anti-Irish prejudice than Irish men and had made more progress moving into white-collar jobs by 1910.” (Strom 1994, 296)

⁵⁵⁶ Kwolek-Folland 22

⁵⁵⁷ Bjelopera 23-25 citing studies from WEB Dubois and RR Wright in Philadelphia study of many examples of discrimination of black clerks. Bjelopera analyzes cultural experiences that reinforced exclusion: “In the realm of leisure, workplace virtues were conflated with whiteness, and the opposite of this image was associated with blackness. The racial attitudes of clerks and salespeople involved in blackface minstrelsy sprang from the fundamental insecurity of their positions in modern society. They were members of a transitional group who planned on a temporary stint in the office or on the selling floor. Additionally, second-generation immigrants wrestling with assimilation into mainstream society found security in the dehumanization of African Americans. Slathering burnt cork onto their faces allowed these clerks to role-play and safely indulge in behavior that they considered inappropriate for their workday lives. For them, minstrelsy was a humorous (albeit racist) recreational outlet or release from the tedium of the store or office. The key factor for these amateur minstrels was that the stereotypes embodied in their performances did not stick to them. They were temporary manifestations of the stage to be laughed at and washed away with the burn cork at the end of a show. The whiteness elaborated at both work and at play represented a cord of identity that clerks and salespeople could firmly grasp as they negotiated transitions in their lives.”(141)

created, were declared non-essential, and subject to the same penalties as vagrancy, resulting in the punishment of forced labor.⁵⁵⁸

Nevertheless, black men and women increased in the FIRE industries, but mainly in the African-American owned and operated businesses. These “race businesses” were the basis of a new (usually light-skinned) black middle and upper class that increased between 1900 and 1920. Black owned business opened more opportunities for black women in certain positions than those offered to white women in white owned businesses (see Tables 6 and 7 below).⁵⁵⁹ LA had a black owned insurance company that offered the only white-collar employment for black workers in California. Typical of white-collar work in LA, at Security-First National Bank in LA it was not enough to be white; an Anglo-Saxon culture was maintained by hiring almost exclusively workers of British descent.⁵⁶⁰

San Francisco and other cities had no African American bank tellers before 1930, and in fact, “black women could not enter clerical jobs until the 1960s,” demonstrating that “who fills what position in society and what value that position commands is determined by more than market forces.”⁵⁶¹ Clerical jobs were not just given to workers who would accept the lowest wages since “managers, whether they wanted to or not, were increasingly placing white, native-born, predominately young, single, female workers into some of these jobs, and this reality itself altered the nature of these jobs and their positions within the hierarchy of the firm.”⁵⁶² Some scholars argue this could be

⁵⁵⁸ Evelyn, Ashley, *Trabalho, Vagabundagem e Criminalidade Entre Afro-Americanos da Grande Migração, no contexto da Primeira Guerra Mundial*, Seminario CECULT, UNICAMP, June 2014 (Unpublishedpaper, Doctoral candidate of History, Rice University), p 3. Ashley notes: “Blacks who were found in any state of idleness, which could describe cases of people who were actually without work or even those who quit a job to find another (or those, like a number of black insurance workers or hairdressers, who were employed in positions that local law enforcement found inappropriate for blacks or not qualifying as true employment), continued to be widely arrested on charges of vagrancy. In Alabama in 1919, the fee system still effectively encouraged outrageous arrest rates, and Walter White declared the practice to be ‘one of the greatest vehicles for persecution of colored people as well as of the poorer class of whites.’ The system was less prevalent in cities where police were on a fixed salary, but in the rural districts county officers, bailiffs, and other court officials were often paid anywhere from \$2.50 to \$3.50 per arrest.” Citing White, Walter. *Work or Fight Law Investigations*. Alabama, 1919. Reel 23. Papers of the NAACP.

⁵⁵⁹ Kwolek-Folland 4, 8, and 13

⁵⁶⁰ Davis 5-6

⁵⁶¹ Davis 5; quote Fine 1990, 77

⁵⁶² Fine 1990, 78

a consequence of “capitalists' strategy of segmenting labor forces not only to undermine working-class unity, but also to reduce wages generally by provoking competition among groups for jobs. Workers were divided by underscoring racial, sex, ethnic, and skill differences.”⁵⁶³ The entrance of women (and later racial minorities) reflected gender and racial hierarchies, demonstrating additional factors to market forces impacting clerical work:

...not only did the advent of monopoly or industrial capitalism, which altered the size and nature of the office force and routinized some office jobs, facilitate women's entrance into the office, but also, the women who were entering these jobs affected the size, nature, and position of the office forces and the value that society placed on these occupations. Women's presence in the office not only signaled fundamental shifts in the nature of American capitalism, but also altered the direction and expression of these shifts. The sex of the worker had at least as powerful an effect on the definition and position of a job as did market forces.⁵⁶⁴

⁵⁶³ Fine 1990, 78

⁵⁶⁴ Fine 1990, 78

Table 6
Race & Gender of Insurance Workers by Job Classification, 1910 and 1930

	Men	Women	Total	Black Men	Black Women	Black Total	Women as % of Total	% Black Women of Black Total
Managers & officials								
1910	9,376	125	9,501	101	4	105	1.3	3.8
1930	27,556	1,752	29,308	409	12	421	6.0	3.0
Accountants & auditors								
1910	1,215	123	1,338	3	0	3	9.0	0.0
1930	5,950	1,018	6,698	36	4	40	15.0	10.0
Agents								
1910	82,743	2,521	85,264	1,387	309	1,696	3.0	18.0
1930	243,974	12,953	256,927	5,200	1,086	6,286	5.0	17.2
Bookkeepers & cashiers								
1910	6,385	4,222	10,607	27	113	140	40.0	81.0
1930	7,931	18,634	26,565	61	253	314	70.0	80.0
Clerks								
1910	15,678	6,219	21,897	69	132	201	28.0	66.0
1930	34,442	55,986	90,428	259	534	793	62.0	67.3
Stenographers & typists								
1910	1,334	14,418	15,752	4	58	62	91.0	94.0
1930	1,249	75,202	76,451	16	636	652	98.3	97.5

Source: Adapted from Angel Kwolek-Folland, Engendering Business: Men and Women in the Corporate Office, 1870-1930 (Baltimore: JHU Press, 1994), Table 2.

Table 7

Race & Gender of Bank Workers by Job Classification, 1910 and 1930

	Men	Women	Total	Black Men	Black Women	Black Total	Women as % of Total	% Black Women of Black Total
Bankers & bank officials								
1910	22,353	325	22,678	55	4	59	1.4	7.2
1930	87,429	5,297	93,526	68	12	80	6.3	15.0
Bookkeepers & cashiers								
1910	106,130	6,280	112,410	115	36	151	5.6	24.0
1930	35,753	36,184	71,937	38	51	89	51.0	57.0
Stockbrokers								
1910	13,522	207	13,729	32	4	36	1.5	11.0
1930	69,157	1,793	70,950	90	5	95	2.5	5.3
Accountants & auditors								
1910	1,967	115	2,082	1	0	1	5.5	0.0
1930	15,338	1,109	14,447	13	0	0	7.7	0.0
Clerks								
1910	45,997	3,748	49,275	143	27	170	7.5	16.0
1930	136,386	57,435	193,821	401	78	479	30.0	16.2
Stenographers & typists								
1910	2,001	11,287	13,288	9	26	35	85.0	74.0
1930	1,682	56,287	57,969	6	67	73	97.0	91.0

Source: Adapted from Angel Kwolek-Folland, *Engendering Business: Men and Women in the Corporate Office, 1870-1930* (Baltimore: JHU Press, 1994), Table 2.

According to Strom, many black children lived in southern rural communities lacking the educational opportunities urban immigrant children had. Black children in the urban centers, even though they had access to public high schools, faced racism that prevented them from transferring to better schools, such as technical schools that could provide immediate job opportunities in office work. In one case, white students went on strike when the black youth from a Gary, Indiana black trade school successfully transferred to the traditional public school. The strike forced the black students to leave

the school, and they had to wait for a new segregated high school to open. Completion of commercial courses did not guarantee black youth office jobs as it did for white youth. Many young black women had to give up any hope of office work, and were forced into housekeeping or factory jobs. Even when branch banks opened in black neighborhoods to serve black clients, they often only hired white people. There were exceptions (see Table 6 and 7 above), but those African-Americans who did make it into clerical work usually had more education than their colleagues, and would more likely find openings in the public sector than the private sector. Within the private sector, “banks and insurance companies owned by blacks provided the most substantial clerking employment for black men and women.”⁵⁶⁵ Chicago had seven black owned insurance companies, and the only banks where African-Americans could get jobs in Chicago were two African-American owned banks, which were forced to shut down in the Depression. Such efforts were essential for creating a black middle class amidst racial hostility, and demonstrated both the importance and fragility of Black Nationalist anti-racist strategies.⁵⁶⁶

⁵⁶⁵ Strom 1994, 301

⁵⁶⁶ Strom 1994, 298-303

Appendix 5

Lewis Merrill, UOPWA President, Statement to Congress on Insurance and Finance Workers

Lewis Merrill, the President of the UOPWA-CIO, made a statement to congress in March 1947 against the passage of the Taft-Hartley Act by giving stirring testimony to the need for white-collar unionization. He notes current hardships to organize with company hostility, and predicts it would be much worse with Taft-Hartley. Reproduced here is sections discussing insurance and finance workers.

I represent the United Office and Professional Workers of America, a union composed of some 70,000 men and women employed in insurance, social service, industry and commerce. We are deeply concerned with the labor bills now being studied by your committee. These bills run from measures ostensibly designed to deal with jurisdictional strikes to the abolition of the Wagner Act itself. If enacted, they would rupture the whole fabric of democratic development in the United States and would set our country on a course certain to be replete with great social strife. The labor movement is a powerful force of the whole people. Efforts to weaken the labor movement by punitive legislation and attempts to prevent it by law from performing its functions in the Nation cannot but have the gravest economic and social consequences...

THE INSURANCE AGENT

A large number of our members are employed by such powerful corporations as the Metropolitan, Prudential, John Hancock, Boston Mutual, and other insurance companies. The industrial insurance agents employed by these companies perform a service of importance to our economy. They directly bring about the sale of hundreds of millions of dollars of insurance annually. They service millions of policyholders. They are respected and trusted members of their communities. Yet before these men organized, they were subjected to the most inhuman type of treatment by their powerful employers.

In 1936 they organized and immediately met with the most vicious resistance on the part of management of the companies to obstruct the union. Some companies appealed to the courts and dragged out costly legal procedures for years. Without the protection of

the Wagner Act, these workers would have been greatly handicapped in coping with these powerful employers. Should the Congress adopt measures to weaken the Wagner Act, it is certain some of these companies will consider it an invitation to bust the union. They will not succeed, but much costly turmoil will take place before they relearn that fact.

Have not these employees the right to demand of their Government that they should not again be required to prove their right to belong to an effective union? And would not their Government be more than remiss in its obligations to the people if it should demand it? Yet this is the course that is proposed by legislation before your committee.

Hampering legal restrictions would not only bring harm to these thousands of citizens and their families but would be the direct cause of disturbances affecting millions of policy holders. Yet as a result of collective bargaining, insurance men today have comparative peace of mind, are not at the mercy of every supervisor and cannot be recklessly dismissed from their jobs.

Has this hurt the insurance industry or the American people?" Obviously it has helped the American people and the insurance industry. Production was never as high as under a union contract, and service to the policy holder was never better...

FINANCIAL EMPLOYEES

Among the other workers who make up an important part of the UOPWA are financial employees, those who work for the great banks and other financial institutions of our large cities.

It is not without cause that Wall Street has become a symbol of greed and exploitation for millions of Americans. The influence of banks upon the lives of the people has long disturbed millions of Americans, not only in the ranks of labor, but among our farming population, small businessmen and others.

The attitude of the giant Wall Street firms to the organization of their employees is consistent with their reputation. Bank employees have been among the worst-paid workers in our Nation. Prior to the efforts of the UOPWA to organize these workers in

large numbers, salaries of \$20 and \$25 per week were typical for young women clerks and salaries of \$40 for experienced tellers were high in many banks. Under the threat of union organization, these salaries have been raised slightly, but in terms of real income the plight of the bank worker is actually worse when compared with the prewar period.

In recent months, the UOPWA has organized workers in the Irving Trust Co., Manufacturers Trust Co., National City Bank, Bankers Trust Co., and other institutions which are among the 25 largest banking institutions in the United States. Invariably, these firms have resisted organization of their employees, who have had to overcome the fear of losing their jobs and the fear of other forms of discrimination used by their employers, even with the existence of the Wagner Act.

At the Irving Trust Co. where a collective bargaining election covering an important section of the employees was won by the union, the bank management has resorted to terrorizing the employees to prevent free collective bargaining. Detectives have been employed in large numbers to spy on the employees, to follow them about, to serve as scabs in the event of a strike. This and other companies, while professing horror at the thought of strikes in banks, have absolutely refused to accept any form of arbitration.

These 200,000 bank employees of the Nation are certainly entitled to some consideration from the Congress and from your committee. They are respectable men and women, whose character must be above reproach, who are investigated thoroughly before being hired, and are expected to be above temptation. Restricting the rights of such workers to organize, bargain collectively, and strike means condemning them to a permanent low standard of living, since there is no evidence that the powerful men of Wall Street are voluntarily going to make possible decent living standards for Wall Street workers...⁵⁶⁷

⁵⁶⁷ US Congress Senate. Committee on Labor. Labor Relations Program: hearings before the Committee on Labor and Public Welfare, US Senate, Eightieth Congress, first session, on S. 55 and S. J. Res. 22, and all other bills and resolutions referred to the committee having the object of reducing industrial strife in the United States, 2257 2265

Appendix 6

Conflicting Visions: Production Unions and the OEIU

Carly Dean Styder, in *White-Collar Workers and the UAW*, examines the challenges of organizing office workers in the auto industry. Snyder describes white-collar workers as “people with a persistent desire to maintain a separate identity,” going back to the influence of middle class backgrounds and aspirations, and says “it is all too easy for the union to make the error of seeking to impose its own image of the white-collar worker upon this group, rather than seeking to discover and work with the white-collar worker’s own self-image.”⁵⁶⁸ Snyder’s interviews confirmed many of these perceptions, as well as the view that many (42% of his sample) unorganized white collar viewed unions as too militant, but most (81%) held Walter Reuther, UAW president, in high regard. However, he also found that although they join industrial unions, their preference was for an all white-collar organization, noting OPEIU would do well if it had resources to compete. 60% of the unorganized workers surveyed said they strongly preferred an all office and professional workers union, and another 20% said they mildly preferred it. Snyder suggest the “industrial union to provide the maximum possible degree of autonomy for the white-collar segment” to deal with this issue.⁵⁶⁹

The UAW originally horse traded white collar workers it organized for blue collar workers, or sometimes agreed in contracts to not organize them as late as 1941. Only in 1946 did they forbid the signing of contracts that excluded their future organizing. Even when white-collar workers became a priority to organize, rumors and memory of past actions perpetuated the belief by many white-collar workers that they could not be part of the UAW, possibly damaging white-collar workers attitudes in general towards unions for years.⁵⁷⁰ It wasn’t until 1958 that white-collar workers were sufficiently organized in the auto industry to demonstrate real power, and only at Chrysler, where 8,000 white-collar workers (20% women) struck for six days.⁵⁷¹ As resources and experience

⁵⁶⁸ Snyder 16-17

⁵⁶⁹ Snyder 26

⁵⁷⁰ Snyder 42

⁵⁷¹ Snyder 54

increased, the UAW went from losing more representation elections to winning most of them from 1963 to 1971.⁵⁷²

OPEIU would seek elections with 30% cards, while UAW would require 60%, showing the OPEIU relied more on a hot shop strategy.⁵⁷³ One of the challenges to sustaining UAW white-collar worker organizer were costs, which were double the costs of organizing blue-collar workers, measured per worker.⁵⁷⁴ Snyder refutes some of the OPEIU claims that only a white-collar craft union could meet the needs of white-collar worker, but in defending industrial unions from a service to members perspective on unionism, he misses the main advantage. The UAW could create solidarity throughout a chain and industry between previously divided workers, potentially creating stronger actions and bargaining leverage. The OPEIU, on the other hand, was quite satisfied with being separate and negotiating from a place of weakness. It seems eliminating industrial unions from the white-collar “craft” would help the OPEIU since it had a hot shop method of building organization, but it was unlikely to be successful without a strategic perspective of organizing on an industry basis that workers interests could be maximized. Nevertheless, Snyder’s points about the services members received, and the respect for the leadership development and autonomy of the white-collar segment is a significant refutation of some of OPEIU’s criticisms of production unions involved in organizing.

Snyder is mistaken in believing the sharp increase in white collar workers alone would lead to increased unionization.⁵⁷⁵ He was writing on eve of the neoliberal period. Snyder also believes organizing white-collar workers into a blue-collar workers union is “organizing across class lines,” which seems to be confusing class with privileges.⁵⁷⁶ Snyder believe white collar workers have more respect, which blue collar workers desire, but blue-collar workers achieved more economic gains, which white-collar workers desire.⁵⁷⁷

⁵⁷² Snyder 91

⁵⁷³ Snyder 99, but on Snyder 141 contradicting info, stating UAW requires 30%. Perhaps both are true in different periods.

⁵⁷⁴ Snyder 111

⁵⁷⁵ Snyder 132

⁵⁷⁶ Snyder 133-134

⁵⁷⁷ Snyder 144-145

Snyder notes that UAW's expansion in white-collar organizing in the auto industry was limited by jurisdictional disputes with OPEIU. When the AFL chartered OPEIU, it gave it jurisdiction to organize all white-collar workers in the private sector, to pursue a craft union building strategy. The CIO, on the other hand, gave its industrial unions jurisdiction over all the workers within a particular industry, or industries, to pursue an industrial organizing strategy. The AFL-CIO merger left the tension in place since it respected the previous jurisdictions of member unions, and the situation remained as such as of the 1973 publication of this book.⁵⁷⁸ In a June 1967 publication, for example, OPEIU called for "one giant white-collar union for white-collar workers."⁵⁷⁹ When the AFL-CIO Industrial Union Department backed industrial union organization of white-collar workers in 1961, the OPEIU withdrew in protest.⁵⁸⁰ Industrial unions of the CIO drew on their tradition of uniting production workers and skilled trade workers to unionize large corporations that craft unions never successfully organized. With the growth of white collar workers, it was argued that both blue-collar and white-collar workers would benefit from solidarity of the entire base within a corporation or an industry being able to bargain with the decision-makers in corporate management. The production local would already know the management, and either workers could benefit from the support of each other. Some AFL-CIO leaders suggested compromise by pointing out the strengths of white-collar union's knowledge of its category, and that both unions work together in organization and bargaining to build on each other strengths. Plus, as Snyder noted, blue collar workers were increasingly more educated, while white-collar work was becoming less middle-class as a result of its expansion and the effects of technological innovation.⁵⁸¹

Automation was less of a threat to jobs than some people feared. Perhaps partly due to the threat of unionization, but also to the actual nature of the work, automation of office work did not result in immediate job loss.⁵⁸² Snyder does not point out the opportunism behind OPEIU's program. Snyder's study showed white-collar workers,

⁵⁷⁸ Snyder 169

⁵⁷⁹ Snyder 170, quoting OPEIU's White Collar Report, No. 537, June 22, 1961, p. A-a

⁵⁸⁰ Snyder 170

⁵⁸¹ Snyder 172

⁵⁸² Snyder 174

whose work, family, and community lives were tied with the blue-collar workers that made the UAW a strong union with respectable leadership. OPEIU picked organizing targets where there was already a high level of union consciousness relative to an industry like the financial sector, where union consciousness was much lower.⁵⁸³


⁵⁸³ Snyder 170-172

Appendix 7

OEIU and Gender

In a newsletter from 1953, OEIU Local 153 President Howard Coughlin complains about the effect of Taft-Hartley on union security for white collar workers, despite using this very law to help destroy the UOPWA. The officers listed in the newsletter were all men, the stewards corner profiled a male steward, and the only article addressing women is included in full here. A 1955 newsletter stated the organizations focus was on salesmen, commercial officers, hotels, and union office employees, with no mentioning of bank worker organizing. The UOPWA seemed to encourage a more active role for women and had 35% women in attendance at its 1944 convention along with two women on its executive board, but it also often demonstrated condescending attitudes towards women office workers.⁵⁸⁴

September, 1953.



Career GIRL
By MARY VAN SANTE

Grooming On The Job

Statistically speaking, a girl has twice as many hours to meet men, make friends or influence people during the working day than at any other time. It's a fact that a career girls spends more time at her job than at any other single activity, except the solitary one of sleeping. Yet far too many girls fail to dress for work with this in mind. They throw on a blouse and skirt, scarcely take any trouble with their make-up, and merely run a comb through their hair, on the theory that one should look one's best only for one's dates. Unfortunately, you're not apt to get those dates unless you're attractive all the time.

EXPECT THE UNEXPECTED

The exciting thing about living is the unexpected adventure you may find around the next corner. Particularly when you're young and single, almost any wonderful thing is liable to turn up. Your attractiveness is a factor which helps to gravitate the excitement towards you.

For that reason alone office clothes are as important as date clothes, and you shouldn't make a practice of wearing to work the dress which is getting a little tired from too many parties. Girls look best in an office setting when they wear clothes suitable to that setting. The neat, tailored look is most effective against the office background. Plenty of dresses which are basic enough for use in the office can be beautifully dressed up with a change of accessories for after work dates.

PLAN YOUR WARDROBE

~~Therefore the smart girl plans her wardrobe with the dual purpose of office and dates in mind. It's a mistake to go all-out for dress-up costumes and leave your budget too short to cover the cost of really attractive office costumes. If you have to make a choice because you can't afford both types, it's smarter to go in for understatement in one's date clothes by wearing simple styles, than to spoil one's chances for social success in the office with unsuitable extreme or frilly fashions.~~

The smart girl capitalizes on her appearance all the time, and does not take a chance on being short-changed in her daily contacts with people due to short-sightedness about suitable grooming for the office.

⁵⁸⁴ "Local Union sets sights on 1955 Targets," Local 153 News, Vol. VIII January, 1955, No. 1. "Coughlin's Corner," "Career Girl," "Local's Administration Unanimously Re-elected at Membership Meeting" Local 153 News, Vol. VI September, 1953, No. 9. B27-49 Xavier Labor Archives. See for example, the "Susie Steno" column from their newspapers, <http://historymatters.gmu.edu/d/5094/>, accessed March 20, 2014. Gender statistics on UOPWA from Stephan-Norris 196 & 198.

Appendix 8

Notes on books comparing white collar unionism

Hans Speier, *German White-Collar Workers and the Rise of Hitler*, describes bank employees as the “aristocracy of salaried employees, while the low-salaried insurance employees were the pariahs,” but this flipped after WWI because insurance employees unionized, and bank employees conditions worsened through mechanization and mergers in industry restructuring after the war.⁵⁸⁵ Only 4.4% of bank clerks were of working-class origin prior to WWI because of high school degree requirements.⁵⁸⁶ As mechanization enabled entry of unskilled white collar workers, this number increased.⁵⁸⁷

Kracauer in *The Salaried Masses: Duty and Distraction in Weimar Germany* argues that proletarianization doesn’t create a proletariat. Sturmthal, *White-Collar Trade Unions: Contemporary Developments in Industrialized Societies*, has authors with chapters on Australia, Austria, France, Germany, UK, Japan, Sweden, US, ending with a comparative essay. Challenges include the uniqueness of the US in its concept of the “white collar” category. Japan had the best percentage of white collars organized in relation to their size in the labor force, but countries with generally high levels of unionization also had higher rates of white collar unionization.

Bob Carter, in *Capitalism, class conflict and the new middle class* discusses historical Marxist and sociological approaches to the middle class (theorists of the new middle class), and more recent ideas around middle-class trade unionism, white collar in general, and managerial trade unionism, providing and a review of thinking in sociology around the middle class since Mills. Carter challenges Blackwood’s position that the more union-like and militant the union in banking, the less likely it was to have many members, promoting the effectiveness of the staff association model around middle class workers. Carter challenges this position, but does not challenge the notion of bank clerks as middle class, which is probably necessary in the current conditions of US tellers and office workers in the financial sector, but could require complicated elaboration of debates in sociology and Marxism around class. Carter seems to have a

⁵⁸⁵ Speier 27

⁵⁸⁶ Speier 35

⁵⁸⁷ Speier 37

more sophisticated understanding of consciousness and is right in some of his criticisms of previous works, but also lacks understanding around the question of program and leadership in union formation. It also seems strange today in the context of current conditions in the US to equate white-collar and middle class, and working class only with manual worker. Service work, even the least manual of retail work, and much office work, often has lower wages and benefits than traditional blue collar “working class” work, and its non-union workers have less of a voice than unionized blue collar workers perhaps. Carter puts bank clerks in same category of managerial unionism efforts, as well as scientists and engineers. “Middle Class” unionism is just as confusing of a concept as “white collar” unionism, with such categories causing more confusion than clarification in organizing non-manual workers outside what is called the productive sphere of industrial manufacturing. There may be situations where scientists, engineers and other professionals have a level of job control and negotiating power that makes them as powerful as managers or more powerful than lower management in certain industries, but the question of whether they hire or fire other employees still seems crucial. Office workers, except for the exceptions of formed professionals such as a CPA, are of another category as well. Rosemary Crompton and Gareth Jones in *White-Collar Proletariat*, give a post-Braverman sociological review and study of nature of clerical work, with BIFU (British Bank and Insurance workers union) members included in study.

Michel Crozier, in *The World of the Office Worker* reviews Schmoller, Bernstein, and Kautsky differences on analysis of the middle class. He draws on Marx and Lenin and sees white collar worker changing negative attitudes towards blue collar workers because of deteriorating conditions and eroding trust and confidence in the petty bourgeoisie which they are usually closer too. Emile Lederer, following Schmoller, sees the white collars as oriented toward “social progress and compromise,” not having independent politics based on its occupational identity, but changed more towards Kautsky’s position as their position in society declined in crisis in the 1920s, pushing them to choose sides in Germany. Kracauer and Dreyfuss had spiritual alienation arguments in the 1920s that Mills built on after WWII, falling into the “proletarianization” camp but abandoning Marxism.

Crozier has an excellent chapter on nonmanual worker unionism in France. Banks were shut down by workers in May and June 1919 general strikes, even though they were under the influence of Catholic unions, and “the last bastions of bourgeois respectability.”⁵⁸⁸ France has history of civil service unionism that starts early and is stronger than what exists in US history, which points to a source of bank union power similar to Germany and England. In May-June 1936 “a half-dozen Parisian insurance companies,” along with many factories and department stores, “were occupied by strikers.”⁵⁸⁹ Crozier notes white collars were as militant as blue collar workers in some cases, with one financial firm occupied for 155 days, and 20,000 members of the CGT in banking and insurance companies. The CFTC, the conservative Catholic union, although it was excluded from negotiating in most industries, did have enough of a base among white collar workers in banking and insurance to take part in negotiations. The November 1938 general strike failed, partly because of CFTC’s lack of participation.

Prior to WWII, Blue collar and manual workers were closest to unions influenced by the Communist Party, civil service workers with the Socialist Party, while white collar workers in the private sector were closest to the Christian unions, except for the department stores which were under CGT influence. Unity was built around resistance to fascism during WWII, but divisions returned in 1947, with communists gaining more influence over white and blue collar workers in the nationalized gas and electricity, but less so in nationalized mining. The CFTC maintained its influence over bank and insurance workers even through nationalization, which the author notes most of their employees regarded with neutrality or opposition, and had major strikes in 1947 and 1957.⁵⁹⁰ Crozier attributes the “paradoxical situation” of the stronger white collar unionism in the conservative catholic unionism of banking and insurance compared to the communist influenced unionism of the department stores to nationalization. He believes in South America bank unions have also developed ahead of much of the labor movement. He explains: “It is really impossible for the directors of nationalized enterprises directly to oppose unions; and as for enterprises which have remained

⁵⁸⁸ Crozier 46

⁵⁸⁹ Crozier 48-49

⁵⁹⁰ Crozier 48-51

private, they have long had a tendency to align themselves with nationalized enterprises in matters of working conditions and relations with unions, for fear of attracting attention and bringing up again the problem of their status. White-collar employees in this sector are therefore relatively well protected. They receive regular salary increases as a function of seniority; they enjoy a relatively rationalized system of promotions; and, finally their union freedom is respected.⁵⁹¹ The downside is under the control of the financial ministry, their salary is not as high as other industries, and can only be raised through influencing public opinion.⁵⁹² Some CFTC members wouldn't be part of the CFDT until it gave up blue collar members.⁵⁹³

French unions are less staff driven than their US, England, and Northwestern Europe counterparts, although the civil service and white collar areas have more stable situations where there is more staff collaboration with management.⁵⁹⁴ White collar employees can have more explosive direct action that is harder for leadership to control or use for negotiations, and even bank and insurance workers have demonstrations and one day actions, though less than other sectors. There are some unique attributes of French unionism, but the author does not see white collar unionism behind the rest of the labor movement as it is in England or the US, and attributes it to cultural and national reasons related to social distance and communication.⁵⁹⁵

The second half of book is based on 1957 study of six insurance companies in Paris, but only employees in central offices, which make up about half the employment in the industry. Central offices were where back office work (clerks, policy writers, archivists/file clerks, keypunchers- line and supervisory) took place, with brokers and agents in branches throughout the country. Only 2 or 3% of the workers were affected by new electronic technology being introduced at the time.

For English bank worker comparisons, see Gregor Gall, *Labour Unionism in the Financial Services Sector: Fighting for Rights and Representation*, Farnham: Ashgate, 2008. For Japan, Makoto Kumazawa,. "Twenty Years of a Bank Worker's Life" in

⁵⁹¹ Crozier 55

⁵⁹² Crozier 56

⁵⁹³ Crozier 57

⁵⁹⁴ Crozier 58-59

⁵⁹⁵ Crozier 56, 61-64

Portraits of the Japanese workplace : labor movements, workers, and managers, Boulder: Westview Press, 1996 and Yuko Ogasawara, "Why Office Ladies Do Not Organize" in *Office Ladies and Salaried Men: Power, Gender and Work in Japanese Companies*, Berkeley: University of California Press, 1998. For Pakistan see, Jasmin Mirza, *Between Chaddor and the Market: Female Office Workers in Lahore*. Oxford: Oxford University Press, 2002. A Canadian bank work struggle is told by the Bank Book Collective in *An account to settle: the story of the United Bank Workers(SORWUC)*, Vancouver: Press Gang Publishers, 1979.⁵⁹⁶

⁵⁹⁶ Robin Archer's comparison of the US and Australia to understand the labor party question could be modeled for comparisons of financial sector unionism development. Perhaps Canada serves as an even better "more-similar" comparison since it often experienced the same union leadership as the US, allowing for the isolation of other variables, possibly showing leadership factors were more important than the differences in countries' financial sector structure and development.

Works Cited

- Adams, Mary Elizabeth. *Women in the modern office: Female clerical workers, 1900-1930*. Unpublished History Dissertation. University of California Berkeley, 1989.
- Alfred D. Chandler, Jr. *The Visible Hand: The Managerial Revolution in American Business*. Cambridge: Harvard University Press, 1977.
- Aron, Cindy Sondik. *Ladies and Gentlemen of the Civil Service: Middle-Class Workers in Victorian America*. New York: Oxford University Press, 1987.
- Barry, Kathleen M. "United Office and Professional Workers of America ", Invited Long Entry in Eric Arnesen, (editor) *Encyclopedia of Labor and Working-Class History*. New York: Routledge, 2007 volume 1, p. 1434-1436.
- Bell, Thomas. *There Comes a Time*. Boston: Little, Brown & Company, 1946.
- Bjelopera, Jerome P. *City of Clerks: Office and Sales Workers in Philadelphia 1870-1920*. Urbana: University of Illinois Press, 2005.
- Braverman, Harry. *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century*. New York: Monthly Review Press, 1974.
- Brown, Dee. *Bury My Heart at Wounded Knee: An Indian History of the American West*. NY: Holt, 1970, 2007.
- Calomiris, Charles W. "Banking: Modern Period," *The Oxford Encyclopedia of Economic History, Vol 1*. Oxford: Oxford University Press, 2003.
- Carter, Bob. *Capitalism, class conflict and the new middle class*. London: Routledge & Kegan Paul, 1985.
- Clark, Shannan Wayne. *The Cold War at the Office: Anticommunism and the Demise of the United Office and Professional Workers of America*. (Unpublished Paper) Department of History, Montclair State University, 2011.
- Cobble, Dorothy Sue. *The Other Women's Movement: Workplace Justice and Social Rights in Modern America*. Princeton: Princeton University Press, 2004.
- Commons, John R. *History of Labour in the United States, Volume II*. Macmillan, New York 1936.
- Commons, John R. *Labor and Administration*. New York: Augustus M. Kelley, 1964.

- Crompton, Rosemary and Gareth Jones. *White-Collar Proletariat*. Philadelphia: Temple University Press, 1984.
- Davies, Margaret W. *Woman's Place is at the Typewriter: Office Work and Office Workers, 1870-1939*. Philadelphia: Temple University Press, 1982.
- DeVault, Ileen A. *Sons and Daughters of Labor: Class and Clerical Workers in Turn-of-the-Century Pittsburgh*. Ithaca, NY: Cornell University Press, 1990.
- DeVault, Ileen A. *Gender and the Rise of Craft Unionism*. Ithaca: Cornell University Press, 2004.
- Davis, Clark. *Company Men: white-collar life and corporate cultures in Los Angeles, 1892-1941*. John Hopkins University Press, 2000.
- England, Kim; Boyer, Kate. "Women's Work: The Feminization and Shifting Meanings of Clerical Work." *Journal of Social History*, Volume 43, Number 2, Winter 2009, pp. 307-340.
- Fallada, Hans. *Little Man, What Now?*, transl. E Sutton. London: Howard Baker, 1969.
- Fine, Lisa M. "Clerical Work and Office Work ", Invited Long Entry in Eric Arnesen, (editor) *Encyclopedia of Labor and Working-Class History*. New York: Routledge, 2007 volume 1, p. 261-266.
- Fine, Lisa M. *The Souls of the Skyscraper: Female Clerical Workers in Chicago, 1870-1930*. Philadelphia: Temple University Press, 1990.
- Fitzpatrick, Joseph P. *The White Collar Worker on Wall Street: A Sociological study of Employer-Employee Relationships*. Doctoral Disseration. Harvard University, Cambridge, Mass: 1948.
- Foner, Philip S. *History of the Labor Movement in the United States Vol. 1: From Colonial Times to the Founding of the American Federation of Labor*. New York: International, 1947.
- Foner, Philip S. *Organized Labor and the Black Worker, 1619-1973*. New York: Praeger, 1974.
- Foner, Philip S. *Women and the American Labor Movement: From the First Trade Unions to the Present*. New York: Free Press, 1979.
- Fraser, Jill Andresky. *White-Collar Sweatshop: The Deterioration of Work and its Rewards in Corporate America*. New York: WWW Norton, 2001.
- Gutman, Herbert (ed), Levine, Bruce, et al. *Who Built America? Working People and the Nation's Economy, Politics, Culture, and Society, Vol 1*. New York: Pantheon, 1989.
- Johnson, Paul. "Insurance: Life Insurance," *The Oxford Encyclopedia of Economic History, Vol 3*. Oxford: Oxford University Press, 2003.

- Hugins, Walter. *Jascksonian Democracy and the Working Class: A study of the NY Workingmen's Movement, 1829-1937*. Stanford, CA: Stanford University, 1960.
- Kampelman, Max M. *The Communist Party vs. the CIO: A Study in Power Politics*. Praeger, New York. 1957.
- Kanter, Rosabeth Moss. *Men and Women of the Corporation*. New York: Basic Books, 1977.
- Kocka, Jurgen. *White-Collar Workers in America, 1890-1940: A Social-Political History in International Perspective*, translated by Maura Kealey. Beverly Hills, CA: Sage Publications, 1980.
- Kwolek-Folland, Angel. *Engendering Business: Men and Women in the Corporate Office, 1870-1930*. Baltimore: John Hopkins University Press, 1994.
- Lockwood, David. *The Blackcoated Worker: A Study in Class Consciousness*. London: Unwin University Books, 1958.
- Markham, Jerry W. *A Financial History of the United States*. Armonk, NY: ME Sharpe, 2002.
- McCoy, Drew R, *The Elusive Republic: Political Economy in Jeffersonian America*. Chapel Hill: UNC, 1980.
- McColloch, Mark. "White Collar Unionism, 1940-1950." *Science & Society : A Journal of Marxist Thought and Analysis*, Vol. 46.1982/83, 4, p. 405-419.
- Milner, E.R. *The Lives and Times of Bonnie and Clyde*. Southern Illinois University Press, 2003.
- Mills, C. Wright. *White Collar: The American Middle Classes*. Afterword by Russell Jacoby. New York: Oxford University Press, 1951, 2002.
- Montgomery, David. *Beyond Equality: Labor and the Radical Republicans, 1862-1872*. Urbana: University of Illinois Press, 1981.
- Nelson, Daniel. *Taylor & Scientific Management*. Madison: University of Wisconsin Press, 1980.
- National Industrial Conference Board (NICB), *White Collar Unionization: Union Strategy and Tactics Analysis of Contracts and Problems After Unionization*, Studies in Personnel Policy No. 101, NY: NICB, 1949.
- Nicholson, Philip Yale. *Labor's Story in the United States*. Philadelphia: Temple, 2004.
- Pearson, Robin. "Insurance: Historical Overview, Fire Insurance" *The Oxford Encyclopedia of Economic History, Vol 3*. Oxford: Oxford University Press, 2003.

Pessen, Edward. *Most Uncommon Jacksonians: Radical Leaders of the Early Labor Movement*. New York: SUNY, 1967.

Public Enemies. Dir. Michael Mann. Perf. Johnny Depp, Christian Bale, Marion Totillard, Bill Group, Stephen Dorff, and Stephen Lang. Universal, 2009. DVD.

Rotella, Elyce J. *From Home to Office: US Women at Work, 1870-1930*. Ann Arbor, MI: UMI Research Press, 1981.

Roy, Gabrielle. *The Cashier*. New York: Harcourt, 1955.

Sharp, James Roger. *The Jacksonians versus the Banks: Politics in the States after the Panic of 1837*. New York: Columbia University, 1970.

Snyder, Carl Dean. *White-Collar Workers and the UAW*. Urbana: University of Illinois Press, 1973.

Speier, Hans. *German White-Collar Workers and the Rise of Hitler*. New Haven: Yale University Press, 1986.

Stepan-Norris, Judith;Zeitlin, Maurice. *Left-Out: Reds and America's Industrial Unions*. New York: Cambridge University Press, 2002.

Stevens, George A. *New York Typographical Union No. 6: Study of a Modern Trade Union and its Predecessors*. Albany: J.B. Lyon Company, 1913.

Strom, Sharon Hartman. *Beyond the Typewriter: Gender, Class, and the Origins of the Modern American Office, 1900-1930*. Urbana: University of Illinois Press, 1994.

Strom, Sharon Hartman. "We're No Kitty Foyles': Organizing Office Workers for the CIO," in *Women, Work and Protest: A Century of Women's Labor History*, ed. Ruth Milkman. New York: Routledge and Keagan Paul, 1985.

Strober, Myra H; Arnold, Carolyn L. "The Dynamics of Occupational Segregation among Bank Tellers," in Claire Brown and Joseph A. Pechman, ed., *Gender in the Workplace*. Washington, DC: The Brookings Institute, 1987.

Sturmthal, Adolf (ed). *White-Collar Trade Unions: Contemporary Developments in Industrialized Societies*. Urbana: University of Illinois Press, 1966.

Taft, Philip. *Organized Labor in American History*. New York: Harper & Row, 1964.

Tilly, Richard. "Capital Markets: Capital Markets after 1750," *The Oxford Encyclopedia of Economic History, Vol 1*. Oxford: Oxford University Press, 2003.

Voss, Kim. *The Making of American Exceptionalism: The Knights of Labor and Class Formation in the Nineteenth Century*. Ithaca: Cornell University Press, 1993.

Whiteside, Noel. "Insurance: Health and Accident," *The Oxford Encyclopedia of Economic History, Vol 1*. Oxford: Oxford University Press, 2003.

Wilentz, Sean. "The Rise of the American Working Class, 1776-1877," pp 83-151 in Moody, J Carroll and Kessler-Harris, Alice. (eds) *Perspectives on American Labor History: The Problems of Synthesis*. Dekalb, N. Illinois Univ, 1989.

Zinn, Howard. *A People's History of the United States*. NY: Harper, 1980.

Works Consulted

- Allen, Joan; Campbell, Alan; and McIlroy, John (eds). *Histories of Labour: National and International Perspectives*. Pontypool: Merlin Press, 2010.
- Archer, Robin. *Why is there no Labor Party in the US?* Princeton: Princeton University Press, 2007.
- Ault, Laura. *Office Workers and Trade Unions: A Study Course*. Syracuse: The Women's Press, 1934.
- Bamber, Greg J.; Lansbury, Russell D.; Wailes ,Nick. *International and Comparative Employment Relations. Globalisation and the Developed Market Economies*. 5th ed. Los Angeles: SAGE, 2009.
- Benson, Susan Porter. *Counter Cultures: Saleswomen, Manager and Customers in American Department Stores, 1890-1940*. Urbana: University of Illinois Press, 1986.
- Berebitsky, Julie. *Sex and the Office: A History of Gender, Power, and Desire*. New Haven: Yale University Press, 2012.
- Berlanstein, Lenard R. (ed) *Rethinking Labor History*. Chicago: University of Illinois, 1993.
- Becker, Gary. *Human Capital*. Chicago: The University of Chicago Press, 1964.
- Boris, Eileen. *Home to Work: Motherhood and the politics of industrial homework in the United States*. New York: Cambridge University Press, 1994.
- Chester, Eric Thomas. *True Mission: Socialists and the Labor Party Question in the U.S*. London:Pluto Press, 2004.
- Clark, Shannan Wayne. *"White-collar workers organize": Class-consciousness and the transformation of the culture industries in the US, 1925-1950*. ProQuest Dissertations and Theses; 2006.
- Clermont, Harvey J. *Organizing the Insurance Worker: A History of Labor Unions of Insurance Employees*. Washington, DC: CUA Press, 1966.
- Comptroller of the Currency Administrator of National Banks. "National Banks and the Dual Banking System." Washington: OCC, September 2003. www.occ.treas.gov
- Dunlop, John T. *Industrial Relations Systems*. Boston: Harvard University Press, 1993.

- Early, Steve. *The Civil Wars in U.S. Labor: Birth of a New Workers' Movement or Death Throes of the Old?* Chicago: Haymarket Books, 2011.
- Feldberg, Roslyn L. "Union Fever: Organizing Among Clerical Workers, 1900-1930," *Radical America*, Vol. 14 No. 3, May-June 1980.
- Fink, Leon. *Workingmen's Democracy*. Urbana: University of Illinois Press, 1983
- Finley, Joseph E. *White Collar Union: The Story of the OPEIU and Its People*. New York: Octago Books, 1975.
- Foner, Eric. "Why is there no Socialist Party in the US?," *History Workshop*, No. 17, Spring 1984, Oxford University Press, pp. 57-80.
- Galbraith, John Kenneth. *Money: whence it came, where it went*. Madison: Houghton Mifflin, 1975.
- Gordon, David M.; Edwards, Richard; Reich, Michael; *Segmented Work, Divided Workers: The Historical Transformation of Labor in the United States*. Cambridge: Cambridge University Press, 1982.
- Horowitz, Helen Lefkowitz. *Rereading Sex: Battles over Sexual Knowledge and Suppression in Nineteenth-Century America*. New York: Vintage Books, 2002.
- Hyman, Richard. *Industrial Relations: A Marxist Introduction*. Houndmills: MacMillan, 1975.
- Hyman, Richard. "Theory and Industrial Relations." *British Journal of Industrial Relations* 32-2, 1994, pp 165-180.
- Hurd, R.W.; McElwan, A. "Organizing Clerical Workers: Determinants of Success." *Industrial and Labor Relations Review*, 41(3), 360-373.
- Kracauer, Siegfried. *The Salaried Masses: Duty and Distraction in Weimar Germany*. London: Verso, 1929, 1998.
- Leab, Daniel J and Philip P. Mason (eds). *Labor Archives in the US: A Guide for Researching and Teaching*. Detroit: Wayne State University, 1992.
- Lockwood, David. *The Blackcoated Worker: A Study in Class Consciousness*. London: Unwin University Books, 1958.
- Marsden, Richard. "Industrial Relations: A Critique of Empiricism." *Sociology*, May 1982 16: 232-250.

Morley, Michael J.; Gunnigle, Patrick and Collings, David. *Global Industrial Relations*, London: Routledge, 2006.

Matthaei, Julie A. *An Economic History of Women in America: Women's Work, the Sexual Division of Labor, and the Development of Capitalism*. NY: Schocken Books, 1982.

McBrearty, James C. *American Labor History and Comparative Labor Movements: A Select Bibliography*. Tuscon: University of Arizona, 1973.

Montgomery, David. *Citizen Worker: The Experience of Workers in the United States with Democracy and the Free Market during the Nineteenth Century*. New York: Cambridge University Press, 1994.

Montgomery, David. *The Fall of the House of Labor: The Workplace, the State, and American Labor Activism, 1865-1925*. Cambridge: Cambridge University Press, 1987.

National Industrial Conference Board (NICB), *White Collar Union Contracts*, NY: NICB, 1958.

National Industrial Conference Board (NICB), *Unions of White Collar Employees*, Studies in Personnel Policy, No 51, NY: NICB, Feb 1943.

Nelson, Daniel. *Managers and Workers: Origins of the New Factory System in the United States 1880-1920*. Madison: University of Wisconsin Press, 1975.

Neufeld, Maurice F. *A Representative Bibliography of American Labor History*. Ithaca: Cornell, 1964.

"Office Workers' Strikes, *The Encyclopedia of Strikes in American History*, Armonk: M.E. Sharpe, 2009. www.credoreference.com/entry/sharpestrikes/office_workers_strikes (accessed January 15, 2012).

McColloch, Mark. *White-Collar Workers in Transition: The Boom Years, 1940-1970*. Westport: Greenwood Press, 1983.

Polanyi, Karl. *The Great Transformation: The Political and Economic Origins of Our Time*, 2nd ed. Boston: Beacon Press, 2001.

Powderly, Terrence. *Thirty Years of Labor*. NY: Kelley, 1890, 1967.

Preis, Art. *Labor's Giant Step: The First Twenty Years of the CIO, 1936-1955*. New York: Pathfinder Press, (2nded) 1972.

Rockoff, Hugh. "Banking and Finance, 1789-1914," *Cambridge Histories Online*. Cambridge University Press, 2008.

Solomon, Benjamin. "Dimensions of Union Growth 1900-1950," *Industrial and Labor Relations Review*, Vol. 9, No. 4, Jul., 1956. pp. 544-561.

Strom, Sharon Hartman. "Challenging "Woman's Place": Feminism, the Left, and Industrial Unionism in the 1930s." *Feminist Studies*, Vol. 9, No. 2 (Summer, 1983), pp. 359-386.

Taillon, Paul. *Good, Reliable, White Men: Railroad Brotherhoods, 1877-1917*. Urbana: UI Press, 2009

Waters, Elinor. "White-Collar Unionism," *The Journal of Business*, Vol. 27, No. 4, University of Chicago Press, Oct., 1954, pp. 285-292.

Zieger, Robert H. "Toward the History of the CIO: A Bibliographical Report." *Labor History*, Volume 26, Issue 4, 1985: 485-516.