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Résumé de l'article

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INTRODUCTION

When Samuel Slater built the first textile mill on the banks of the Blackstone River in 1790 and made Pawtucket, R.I., the cradle of the industrial Revolution in the United States, Rhode Island wealth was ready for the transition from the primary to the secondary stage of the state's economic genesis. Ample capital was available from the trade in rum, slaves and the wares of the Orient to create the New England mill village with its promise of fabulous profits in the manufacture of cotton fabrics. To those villages were attracted in the 19th Century, first, the marginal farm families of the region and, later, the Irish and French-Canadian immigrant. For one hundred and twenty-five years, virtually surrounded by the protective barrier of high tarrifs and assured of stabilized labor costs by the

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calculated immobilization of their labor force, those villages and the factories around which they were clustered not only augmented the already spectacular profits of their owners but also provided the major source of income for the New England economy, as a whole, and the Rhode Island economy in particular.

The Rise of the Southern Mills

As the Twentieth Century unfolded, however, the South with a new awareness of the prime advantage given to it by proximity to the source of raw material, began successfully to challenge the cotton textile leadership of New England. New mills were erected, modern machinery — much of which was purchased on credit from New England textile machine firms — was installed and the depressed rural population was liberally tapped for residency within the mushrooming mill towns of Dixie. Apparently confident that a century of textile "know how" and the presence of a highly literate, immobilized labor force would continue them in the ascendancy, New England textile operators continued to meet the rise of the Southern mills with assurance that the *status quo* would be preserved. Operating outmoded machinery in ancient factories with docile workers — as long as substantial profits were available — they realized relatively high level production until a modern generation of workers demanded that collective bargaining be substituted for the traditional unilateral contract between the cotton mill employee and the cotton mill owner.

New England Operators' Attitude

At this juncture Yankee ingenuity seems to have gone into eclipse. The situation called for a realistic acceptance of the economic facts in the case. Union leadership and rank-and-file membership might have been asked to cooperate in meeting the competitive advantage of low Southern labor costs. Instead, New England cotton textile operators launched an all-out effort to break the unions. Failing in this and confronted with a productivity decline, — basically ascribable to the cumulative effect of outdated machinery and still more ancient factory layouts — New England cotton textile operators might have leveled their plants to the ground and proceeded to rear on their foundations the kind of buildings and equipment that alone could restore the balance of textile power to the region that gave it birth. On the contrary, in the decade of the 1920s the New England textile industry began an accelerated trek to the South which, by 1950 had taken 70% of the industry from the region and deprived its workers of 156,000 jobs.[1]

Leaving behind empty factories and multiplying ghost towns this mass migration of the cotton textile industry to below the Mason-Dixon line is undoubtedly the most significant single cause of New England's current malaise. Here, we attempt, briefly, to trace its tragic impact on the economy of the nation's smallest state.

Development of the Rhode Island's Economy

In tracing the historical development of Rhode Island's economy through the first years of the present century there is little to suggest, superficially at least, the imminence of economic disaster for so many the State's citizens. In fact, by 1920, with Rhode Island sharing fully in the "good times" of the immediate post war boom, it appeared to some that this was indeed the millennium. At the end of the decade the high optimism of 1920 lay shattered about the skeletal remains of an industry which, as Rhode Island's major producer for one hundred years, had employed the majority of its workers in achieving wealth and power that have few parallels in the history of the United States.

Causes of the Loss of Supremacy

Isolated from its historic setting the loss of the State's supremacy in cotton textiles production to the South could be ascribed to the impact of competitive disadvantages; imprudent union pressures; the desire to locate the fabrication of cotton closer to its raw material source; and the lure of tax-free inducements offered by Southern states. Certainly, each and all of these factors were partially causal. However, throughout this entire treatment of what we have chosen to call, "The Historical Perspective" we have been attempting to prepare an objective indictment of what we believe to have been the true motives for Rhode Island's textile migration. Repeatedly attention has been focused not only upon characteristics peculiar to Rhode Island's industrialism but also on the recurrent and, ultimately devastating, investment ventures of the State's dominant capitalist group.

(1) *The New England Economy,* Council of Economic Advisers, Committee on the New England Economy, (U.S. Government Printing Office, Washington, D.C., 1951), p. 19.

Historical Perspective

In briefly describing the course of events that led to the eclipse of the cotton textile industry in Rhode Island it should be evident at this juncture that we have here no unique departure from an historical pattern. What happened in Rhode Island was to a large extent, inevitable — but, we believe, not for the reasons that are usually ascribed to explain it.

As was inevitable the unprecedented prosperity of 1919 and 1920 collapsed into the sharpest and deepest depression the nation had yet known. Prices contracted all along the line, inventories piled high on store shelves and warehouses, credit tightened and layoffs in the factories of the country spread unemployment throughout all levels of the labor force. However, the new radio, chemical, automobile and electrical equipment industries, together, provide the leverage to raise the economy from the depths of 1921 to the sustained prosperity of the following eight years. Tremendous technological advances not only shifted employment emphasis from skilled and unskilled workers to the expanding mass of semi-skilled wage-earners but also stimulated the growth of new industrial areas and greatly intensified production in historically industrialized regions. Retrospectively, however, we know that forces were operating below the surface of the Collidge Hoover prosperity that disposed the nation for the debacle of 1929 and the subsequent Great Depression.

During this entire period American Big Business was firmly established in the ascendancy. Having progressively captured state and national legislatures by safe conservative Republican majorities its lobbyists assured the legal environment in which property rights would consistently take precedence over human rights. Nobody seriously questioned the validity of "laissez-faire" economics or the sanctity of the law of supply and demand.

Anti-unionism

Confronted with a particularly vicious and successful anti-unionism the workers of the nation either refused to align themselves with organized labor or steadily drifted out of its ranks. From a peak of 5,047,800 members in 1920 the American Labor Movement had few than 3,000,000 on the eve of the depression and most of this loss was suffered through the Twenties. [2] Wages remained close to their straight-

(2) PETERSON, Florence, (*The American Labor Movement*, Harper & Bros., New York, 1945), p. 56.

time hourly average of the war period, but, displaced absolutely or relatively by the new machines of the era, fewer workers received these higher wages. The eight-hour day forty-hour week was adopted by an increasingly diversified number of industries. But no general guarantees of over-time pay prevailed except in those segments of the economy where older labor unions were sufficiently organized and powerful to demand them.

Unemployment

Highly industrialized Rhode Island experienced the full impact of the primary postwar depression of 1921. The report of the State's Factory inspector made in that year indicates that of the 7,748 business establishments inspected during 1921 absolute unemployment in the State had reached 10 percent of the entire labor force. He gives no statistics on part-time employment which must have been considerable. Of the total unemployed 10,472 men were without work and 6,550 women were idle. [3] Paralleling national developments and sharing indirectly in the steady economic growth of areas outside the state Rhode Island's industries revived substantially through 1922. However, since our objective, here, is to trace the cause of Rhode Island's relative decline during the decade we shall concentrate attention on the fortunes of the textile industry, alone.

Working Conditions in the Textile Industry

In January 1921 the New England textile industry reduced wages by 22½ percent. The following year, in February, another decrease of 20 percent was threatened, along with a demand that the work week be increased from forty-eight hours to 54. Textile workers of New England, under the leadership of the United Textile Workers of America, A.F. of L. engaged in a lengthy strike which eventually involved 125,000. [4] The National Cotton Manufacturers' Association, a group of New England textile owners, has issued a statement of its January meeting that no further wage cuts were envisioned but, "that those mills which could conveniently cut wages would have the full moral and financial backing of the Manufacturers' Association". [5] Within ten days

(3) *Twenty-Eighth Annual Report of Factory Inspection*, State of Rhode Island and Providence Plantations, January 1922, pp. 6-7.

(4) *The Textile Worker*, September, 1921, Vol. 9, No. 6, p. 275; September, 1922, Vol. 10, No. 6, p. 270.

(5) LAHNE, *The Cotton Mill Worker*, Labor in the Twentieth Century Series, (Farrar & Rinehart, New York, 1944), p. 208.

of the issuance of this pledge of cooperation cotton mills in the Pawtucket Valley, R.I., announced a 20 per cent wage cut and an increase of hours from 48 to 54. Twenty-eight locals of the United Textile Workers voted to strike and eventually involved practically all mills in the area.

Strike and Consequences

The strike campaign was aggressively waged with flying squads of pickets moving from mill to mill in a successful effort to keep them closed. Police and militia were called in but the strikers would not break ranks. Weeks passed into months and the whole of the New England textile industry became involved in the strike as management attempted to enforce wage cuts and hour increases. Finally, on August 23, 1922 one of the largest New England mills agreed to revoke the wage cut and other mills soon fell in line. However, only the textile workers in Rhode Island seem to have been completely successful in having the wage cut restored and the 48-hour week retained.[6] But victory proved hollow. The Rhode Island branch of the textile industry used it as a pretext for either drastically restricting operations, curtailing them completely or starting an exodus to the South.

The decline of the Rhode Island cotton textile industry was spread out over two decades. But it is a matter of historical fact that it was inaugurated shortly after textile labor had won its first notable triumph. In the light of one hundred years of its evolution and judged from subsequent developments the conclusion is inescapable. A number of the most influential owners of the cotton textile industry in Rhode Island, utterly disregarding their social responsibilities to the community and its citizens, sought in the South a continuance of those social, political and economic conditions which had made possible the accumulation of their 19th century fortunes.

Significant Statistics

The story of the deterioration of Rhode Island's textile industry has been well-documented in the many Congressional Hearings exposing the causes and effects of the textile migration from New England. Here we must reduce that evidence to a few significant statistics. The reduction in spindles occurred largely in the woven goods branch of industry rather than in the yarn and thread branches. 1923 was the peak year

(6) LAHNE, op. cit., p. 209.

for textile production both in New England and in Rhode Island. In that year New England cotton textile mills had 18,930,000 spindles in place while Rhode Island contained 2,867,708.[7] By 1940 New England's share of spindlage was 6,000,000 with Rhode Island having 841,306.[8] Throughout New England, in the period 1921 to 1938 active spindle hours declined from 18,387,000 in 1921 to 5,918,686, in 1938.[9] In the same period active spindle hours in Rhode Island were being reduced from a record high of 6,985,000 in 1923 to a low of 1,930,000 in 1932. Active spindle hours recovered to a level of 3,309,000 in 1937 but then fell to 2,905,000 in 1939.[10] The number of establishments in the woven goods and yarn and thread branches of the industry were reduced from 153 in 1923 to 30 in 1937.[11] And wage earners dropped from 33,993 in 1923 to 12,000 in 1938.[12]

During the same period the South greatly increased her spindle-in-place from 4.3 million in 1890 to 19 million in 1930. Active spindlage in the South was 16,310,360 in 1923 and 18,128,000, in 1938.[13] But in the United States as a whole spindlage had decreased from a peak of 36,260,000 in 1923 to 24,774,004 in 1938.[14] However, in 1940, with New England's share of the national spindle total 24 percent, the South had 73 percent of the nation's spindles-in-place.[15] Despite the reduction in spindles, the cotton textile industry had remained highly competitive largely by increasing the average manhour production by 49 percent during the period 1928-1936.[16]

About the Circumstances of the Migration

Although much of the South's textile growth stems from efforts of Southern states to exploit the obvious advantage of proximity to the raw material source, there is adequate evidence of substantial Northern help both in the origin of the industry and in its later development. Prior to 1923 his aid seems to have taken the form of acceptance by

(7) *Cotton Production and Distribution, Season of 1945-52,* Bulletin 158, Bureau of the Census, Washington, D.C., p. 28; Season of 1938-39, Bulletin 176, p. 24.
(8) *Ibid.,* Season of 1938-39, Bulletin 176, p. 27.
(9) *Ibid.*
(10) *Ibid.,* p. 35.
(11) *Biennial Census of Manufactures,* 1923, p. 200; 1937, p. 287.
(12) *Ibid.,* p. 202
(13) *Cotton Production and Distribution, Season of 1938-39,* Bulletin 176, p. 27.
(14) *Cotton Production and Distribution, Season of 1938-39,* op. cit.
(15) *Statistical Abstract of The United States,* Bureau of the Census, Washington, D.C., 1940, p. 860.
(16) *Wages in the Cotton Goods Manufacturing,* A.F. HINRICHS, Bulletin 663, U.S. Dept. of Labor, Bureau of Labor Statistics, Washington, D.C., p. 47.

Northerners of mill stock in payment for machinery and services rendered. In 1923 a substantial migration of New England factories seems to have been initiated by the establishment of six Rhode Island plants below the Mason-Dixon Line. Finding organized labor unwilling to return to wage and working conditions of a previous era many owners simply "pulled up stakes" and moved out of the state. The Jenckes, Goddards and Knights — textile powers in Rhode Island for decades — were affected by the adjustment. The six companies establishing branches in the South were Manville-Jenckes Co., Goddard Brothers; Franklin Process Co., United States Knitting Co., Clyde Mills and the United States Finishing Company. [17] All through the Blackstone Valley and Pawtucket Valley, historic sites of the textile industry's origin and spectacular growth, ghost towns, shorn of their sole means of support, multiplied as the decade witnessed additional removals and still more numerous shut-downs.

Advantages and Disadvantages

Apologists for the Rhode Island cotton textile industry have maintained that Southern competitive advantages of proximity to raw materials, lower wage scales, tax privileges, and the absence of labor union pressures, seriously qualified the profitability of Northern cotton production. However, this rationalization of the migration completely ignores certain facts that are embarrassingly brutal. It is true that proximity to cotton growing areas reduces production costs materially but longer hauls of the finished product obviously increase market transportation costs and tend to nullify location gain.

Industrial Feudalism

Southern textile wages have been approximately ten to fifteen cents less per hour than those of Northern workers but this is ascribable solely, to the creation in the South of a mill village environment that has reproduced all the characteristics of the 19th century New England institution. Drawing their labor from the unproductive farms of the area the Southern mill owners — in the latter part of the 19th century — appropriated every phase of New England mill village development and went beyond the physical model to establish an almost incredible Twentieth Century industrial feudalism. It has been well described by a noted authority: [18]

(17) *The Providence Journal,* January 1st, 1924.
(18) LAHNE, op. cit., p. 50.

"The Southern mill village is more than just a matter of mill houses and company stores. It is more than an economic unit, for by necessity and intent it became a social and cultural unit as well. Working at the mill, living in a mill house, and buying at the mill store comprised the whole of the economic life of the worker and his family in the mill village — and within this mill village the family was expected to find all its cultural and social life as well."

A Bureau of Labor Statistics study made in 1934 indicated that 79 per cent of employees in 20 Southern mills lived in mill houses.[19] Efforts by labor unions to penetrate barriers of mill village mentality, notorious illiteracy, and typical Southern suspicion of liberal movements have been characterized by violence and extremely slow progress. Recently a Textile Workers' Union of America — C.I.O. official claimed that 600,000 textile workers in the South belong to no union at all. 1920 marked the peak of cotton textile unionism which reached 110,000.[20]

The claim advanced that Southern textile workers are more efficient than their Northern rivals is probably quite true. But, if true, it stands as an indictment principally of Northern mill owners.

Mill Structure

One needs only to look at Rhode Island textile mill structures to realize that the relatively few new machines installed over the last two decades can never compensate for the inadequacy of the physical layout at practically all these plants. Actually, since the second decade of the present century, it has been a case of intensifying the use of existing plant and equipment in the remaining factories as long as periodic periods of partial prosperity made their employment temporarily profitable. Plant and machine amortization, generally, has not resulted in adequate replacement. At best, there has been merely the preservation of the status quo. In the southern mills, on the contrary, practically all equipment is modern and housed in structures that permit the best possible results from mass production techniques.

Effect of the Migration and of Curtailed Production

The cumulative effect on the Rhode Island labor force of both the migration of plants to the South and the curtailed production in the

(19) *Monthly Labor Review,* United States Department of Labor, Bureau of Labor Statistics, Washington, D.C., June 1936, pp. 1493-1495.
(20) *The Evening Bulletin,* Providence, R.I., June 4th, 1951.

remaining plants was tragic. It precipitated a labor market maladjustment which grew in proportions through the latter years of the decade, was fundamental to the plight of Rhode Island workers during the Great Depression of the Thirties and continues as an unsolved problem for state agencies, today. While it is true that woolen textiles remained practically untouched by the cotton textile exodus — having 98 establishments employing 24,000 workers in 1930 [21] the expanded reservoir of idle textile workers had an adverse effect on the woolen textile labor force. Obviously, little successful pressure could be brought here by unions as long as so many people were literally begging for jobs and willing to accept prevailing subsistence wages and long hours rather than starve. This situation was paralleled in the silk and rayon category whose 43 establishments employed 7,589 workers. [22] By 1930 large numbers of woolen, rayon, and silk workers were added to the almost immoveable mass of cotton workers.

Interesting Figures

Statistics for the industrial categories in 1929 reveal that no new industries of comparable size with the deflated cotton textile industry had come to Rhode Island in the intervening years since 1923. Cotton textiles and subsidiary cotton small wares — with 55 factories — employed 25,000 people in 1929. [23] But North Carolina, alone, was turning out cotton goods in 359 establishments employing 92,000. [24] Woolen production was next in importance as an employer of a large labor force. The jewelry industry engaged 10,300 workers in 244 predominantly small factories. Foundries, machine tool and machine shops employed 4,000 in 73 establishments. Rubber goods with 7 units employed 2,000. Textile dyeing and finishing plants employed 9,000 while textile machine factories engaged 3,771. None of the remaining 1,701 manufacturing establishments employed more than 2,000 each and most of these diversified firms had labor forces of only a few hundred workers. The total manufacturing employment for 1929 was 126,068 persons. [25]

Average annual wages for cotton workers in 1929 vere $763. The average annual wage for workers in all manufacturing industries was $1,315. Woolen workers were averaging $1,117, silk and rayon workers

(21) *Biennial Census of Manufactures*, 1929, p. 477.
(22) *Biennial Census of Manufactures*, 1929, p. 477.
(23) *Ibid.*, p. 476.
(24) *Ibid.*, p. 488.
(25) *Ibid.*, p. 476.

$1,054, iron and steel workers $1,742 while automobile workers were averaging $1,621.[26] The 48-hour week prevailed generally in American industry.

As Rhode Island passed through 1930 some 30,000 people applied for jobs at the State Free Employment Office. Only 3,438 were placed.[27]

Implication

Perhaps, the most ominous implication of this phase of Rhode Island's past is that history is in the process of repeating itself. Currently, the woolen textile industry, heavily concentrated in both Massachusetts and Rhode Island, strongly threatens to follow cotton textiles South. Although official rationalization of the woolen industry's position stresses alleged work-load difficulties and wage-differentials, available evidence clearly indicates the basic problem to be one of productivity. Employing surplus textile workers bequeathed to them by the exodus of the cotton industry, and stimulated by a decade of direct or indirect government aid, New England woolen textile firms, with but a few exceptions, failed to sufficiently modernize plant and equipment. Speaking before the Advertising Club of Boston in March 1951, Walter Wheeler, president of the management's New England Council, stressed this fact when he said, "New England needs an industrial face lifting more than any other section of the country. Many of our buildings are 40 to 60 years old and are inefficiently and poorly suited for modern production methods."[28]

CONCLUSION

It might be argued that the tragic history of the N.E. textile industry's search for the greatest possible profit is, after all, but the logical pattern of conforming to the "laissez-faire" capitalism. That, of course, is true. However, it must be equally obvious that any industry which attempts to justify its tragic lack of social responsibility by an appeal to traditional economic procedure immeasurably strengthens the position of those who condemn the enterprise system *qua* system. Fortunately, the case history of the New England textile history is not typical of modern American Enterprise. It does, however, provide a prac-

(26) *Report of the Cabinet Committee on the Cotton Textile Industry,* Senate Document 126, p. 53.

(27) *Report of the Commissioner of Labor,* State of Rhode Island and Providence Plantations, 1930, p. 37.

(28) *The Providence Evening Bulletin,* March 27th, 1951.

tical example of an inherent contradiction in a system whose greatest achievement has been to provide the most goods and services for the greatest number of people. It must yield to the consistent application of the moral law in the marketplace or inevitably destroy itself. *

* "The Origin, Development and Problems of the Rhode Island United States Employment Service 1935-1950". Thesis presented for the degree of Doctor of Social Sciences, at the University Laval, September, 1951, by Rev. Charles B. Quirk, O.P., Providence College.