AFD Ep 464 Links and Notes - Anthracite Coal Strike of 1887-88 [Bill/Rachel] - Recording Apr 2, 2023

- [Intro Bill] In episode 452, on the Burlington Railroad engineers and firemen strike of 1888, we mentioned that there was another overlapping strike, which was said at the time to be a potential source of surplus labor to break the Burlington strike. This other, earlier strike in Pennsylvania's anthracite coal regions – a multi-faceted action against various mining and railroad companies, some of which were the same, due to vertical integration – was unusual because it was initially supported by the middle class and local press. They did so out of resistance to the power of minor local coal barons in that part of eastern Pennsylvania. The middle classes were very resentful of independent petit bourgeoisie coal operators, who wielded tremendous socio-economic control locally. They were rather less offended by the major corporations, who had been asserting near-monopoly dominance in the area since the early 1870s. The local and socially influential smaller capitalists struggled to compete with or bargain against the market power of big rail and coal corporations like the Reading Railroad, but they were still rich and powerful in their own fiefdoms, and they definitely treated these communities and their inhabitants like fiefdoms. The middle class residents, unaffiliated merchants, and newspapermen spent years actively trying to foment labor insurrections to curb the power of the local barons. They did not object nearly as much to the major capitalists, who were based outside of the region and disconnected from the local community. In no great surprise, however, after they had successfully triggered a large strike by the working classes of the region, eventually the merchant classes and the local press turned on the strikers anyway, especially as the major corporations got pulled in after the smaller operators. Ethnic conflict and immigration were also major themes of this particular strike. It is not as well known as some other Pennsylvania labor strikes of the post-Civil War 19th century, but we felt it deserved an episode from us because of how well it illustrates some of the contradictions and periodically conflicting interests within capitalism. For this episode our major source is a journal article titled https://www.jstor.org/stable/27771683 "THE ANTHRACITE STRIKE OF 1887-1888" by Harold W. Aurand in Pennsylvania History: A Journal of Mid-Atlantic Studies Vol. 35, No. 2 (APRIL, 1968), pp. 169-185.
- [Rachel] Conditions for local mine workers when the strike arrived:
 - "It was difficult to see the advantages of working in knee deep water, breathing powder fumes, and having coal dust settle on faces and bodies drenched by seepage. But being uncomfortable was only a minor irritation when compared with the terrors of working underground. Despite mine safety laws, the anthracite mines claimed 2,703 lives in the decade of 1876-1887. Miners' asthma awaited many who escaped the mines unscathed." (pp. 171-172)
 - Mine workers had to pay for their own equipment, including even the blasting powder. This seems relatively odd to us today but is consistent with an older model of capitalism and industrialization where workers were almost like independent contractors or tenant-farmers working a plot of land, in this case one underground, or in other cases a factory building. The article's author found a similar comparison from the time period itself, quoting a local news article from January 1888 referring to mine owners as "lords of the domain" of the surface lands above and around the mines, where they exercised nearly total economic and social control. The so-called "Independent" mine owners were like local feudal lords, and even if they were much smaller than the huge corporations from outside the region, they were still extremely important and powerful in the areas where they owned land...and other businesses. Beyond the usual company

- stores and company housing, doctors or even clergy were provided by the independent mine owners, but all charged back to the workers.
- Mine worker wages in the region were pegged to a base value and would rise or fall above or below that peg as the price of coal rose or fell. This meant that wages could fall extremely low as coal production rose and drove down market prices. It was often possible for all the obligations to the mine company to exceed the payout, thus putting the worker into debt.
- Coal prices experienced variability in part due to wild fluctuations in production levels and demand levels over the course of a year. Anthracite was a heating coal, among other uses, which meant that there was a lot more demand in the winter. Independent operators would often shut down a mine for months at a time until a more profitable season, rather than consistently mining year-round and stockpiling the resulting coal. Workers generally only had work for 8 out of 12 months of the year, and in those 8 months they were frequently given only half or three-quarter shifts, rather than full employment. This made it difficult to earn a consistent year-round survival wage to support the miner and any family members he might have. In the 1870s and 1880s, workers in the independent mines would sporadically stage small strikes over these problems, with very little success. It was easy for mine owners to promise minor concessions, usually with a delayed implementation based on future market conditions, which would never actually be implemented but would defuse the strike anyway.
- [Bill] The big strike approaches: In 1884, the Miners and Laborers' Amalgamated Association was formed, drawing mostly from English, Welsh, and German immigrant miners. The pre-existing Knights of Labor, reaching its zenith, tended to attract the Irish immigrant miners. The two organizations managed to put together a joint committee in 1885 to coordinate action between them and reduce turf wars. By the summer of 1887, the Knights of Labor was already beginning its rapid national decline, as we have covered in other episodes, but it was still a major force in Pennsylvania coal country. The joint committee of the two unions authorized a strike to begin September 10 at any anthracite coal mine whose operator did not either concede to a 15% increase in the wage base peg or open negotiations on the matter. Some areas were much better organized than others and the unorganized areas tended to have low participation in this labor action. In places where the Philadelphia & Reading Company, one of the largest corporations in the world at the time, held nearly monopoly control of the anthracite coal mining sector, a miners' strike was forestalled by negotiations, leading to a temporary settlement of an 8% increase. That agreement would run until January 1st of 1888 and the idea was to secure a general agreement with all operators in the meantime. But the smaller, independent mine owners flatly refused to negotiate with the unions, rejecting them as an outside force disconnected from the business realities of running a coal mine.
- [Bill] At this point, 20,000 mine workers walked off the job. The independent operators attempted unsuccessfully to lure other immigrant populations to take the vacant jobs, but apparently Italian and various Slavic worker communities were more inclined toward solidarity with the strikers. Workers who did show up interested in mine work did not actually have mining experience, which was a dicey proposition for the owners. Rumors then began spreading that the owners were bringing over Belgian workers to break the strike. Belgium had been in a recurring state of severe worker unrest, verging on revolution, since March 1886, which was well-known to American workers and newspapers at the time. (We've seen it mentioned in contemporary news stories about other US strikes we've covered in the same years.) This possibility, denounced in the local papers, provoked such fury that populist and labor-friendly Greenbacker

- Republican Congressman Charles N. Brumn appealed successfully to Democratic President Grover Cleveland to order the Treasury Department's customs agents to crack down on any Belgian immigration in major US Atlantic coast seaports. Apparently 12 Belgian miners were detained in Philadelphia, but that's not exactly a deluge.
- [Rachel] The independent mine owners, used to shutting down production completely for much of the year anyway, although usually not in the fall and winter, decided to shut production when smaller, insulting raise offers were rejected. They attempted to follow the usual playbook of evicting the workers from company housing, but surprisingly this was denied by a court injunction. They did however take full advantage of their iron-fisted control over the rest of the local economy to prevent workers from buying groceries and other necessities on credit from the company stores. Some of the local coal barons said they would starve out the workers for 20 years, and the workers responded with a defiant anthem pledging to stay on strike for 35 years, even if their children had to take over the strike. Nevertheless, many striking workers did actually opt to relocate, rather than starve, often quickly finding work for the giant rail-coal corporations who had reached that earlier interim agreement with the unions to keep their mines going. Other strikers simply switched industries, seeking work in Pennsylvania's major cities, or traveled west. Still others even went home to Europe to wait out the strike, since it was still relatively common for immigrant workers in the US to cycle back home periodically.
- [Rachel] For those who did remain on strike in coal country, union relief committees raised money from sympathizers or members elsewhere. Railroad workers at the Reading donated too. The most interesting source of striker support and donations, however, was the local business community unaffiliated to either the independent or corporate mine owners. Rather than the usual hostility toward any labor action, they began the strike period in mid-September 1887 in a favorable mood. One editorial stated "For years have the intelligent people of this region been looking upon this picture of despair, but they like the toilers have been deaf, dumb and blind until now. The time has come, however, when silence ceases to be a virtue, and we believe that if the strikers will stand united they may be successful." Another editorial in a different paper in October 1887 illuminated the animosity between the locals generally and the domineering local coal barons, stating "The tactics of the petty nabobs of Lehigh are more like the antics of the old time Russian despots in dealing with their serfs, than the conduct of American employers towards American workingmen." Yet another paper in December 1887 added that the strike "points out very clearly that public opinion is moulded in favor of the miners in their struggle of might against right; the defiant stand taken by the operators, against what is only fair and just, has awakened the American people to the fact that a few millionaires have combined to gather [sic] to defeat the mining class of people in their endeavors to get a fair compensation for a fair days [sic] labor." No wonder then that a Congressman felt more than comfortable taking action against these ostensibly powerful interests. The newspapers also argued, further clearing up any mystery as to why the local middle classes resented the coal barons, that these mine owners were making their money in the region but spending it elsewhere, including on philanthropic interests, and that their company stores and debt peonage crowded out any opportunities for local shopkeepers – described as "legitimate business houses" - to succeed in commerce. Protestant pastors delivered pro-strike lectures and raised money for worker relief, while Catholic priests also refused to condemn the strikes.
- [Bill] After the first few months of strike action against the independent operators, backed by the local middle classes, the mood began to turn against the bigger, corporate operators. These rail-coal companies based outside the region, like the Reading or

Lehigh Valley railroads, had bought themselves some good will by quickly negotiating a temporary agreement and even offering excursion service to a benefit concert by the Philadelphia Academy of Music. But the clock was ticking down toward the January 1st expiration of the temporary agreement, when they might decide to join forces with the shuttered independent operators, and the big corporations were ramping up coal production levels in their mines to unprecedented volumes. It began to slowly dawn on the strikers and their supporters that not only did high production levels drive down the price of coal and thus the wages floating against the base peg, but also it might even be the case that these operating mines were secretly fulfilling the contracts of the closed mines, to strengthen the overall position of the owners in the region if they did end up joining forces against the workers in early 1888.

- [Rachel] Suddenly the labor-friendly mask dropped at the Philadelphia & Reading Company when their railroad division suddenly fired and blacklisted every Knights of Labor member on the railroad after some of them refused to deliver a carload of flour because of a labor action at the Philadelphia Grain Elevator Company. In this move. railroad management was gleefully supported by the Brotherhood of Locomotive Engineers. Management also issued a provocative statement that "the company will hereafter operate its own road if it takes a regiment of military at every point," which vividly called to mind the Reading's brutal suppression of workers during the Great Railroad Strike of 1877, just a decade earlier. It was now difficult to imagine that the Reading, also the largest coal mine owner in Pennsylvania's anthracite region, was actually going to continue working in good faith with the striking mine workers when 1888 arrived. The unions guickly moved to request an extension of the temporary agreement before the January 1st expiration and this time the corporation refused any negotiation. citing the price of coal, which they had been driving down for months through over-production. The company also was simultaneously set to come out of receivership after a prior bankruptcy, which meant they did not feel as much pressure as they had in September to accept or extend a temporary agreement. Independent operators in the Reading-dominated areas, who had accepted the temporary agreement unlike some of their nearby peers, had been open to continuing the temporary agreement, but they were essentially at the mercy of whatever Reading decided to do, since workers would respond accordingly toward all the operators.
- [Bill]On January 3rd, Reading company miners finally walked out too, joining their comrades who had been striking at independent mines elsewhere since September. Moreover, there was now a major strike among Knights of Labor rail workers on the Reading Railroad itself, which could affect coal shipping in the region. At the few remaining operational independent mines, workers halted their mining because they refused to supply coal that would be carried on strikebreaker Reading Railroad trains.
- [Bill] At this point, with the entry of a giant corporate monopoly into the conflict, the labor unions pivoted their strategy and began a legal and public relations campaign to seek the breakup of the Philadelphia & Reading Company. They wanted to force the railroad to divest its coal operations. This was not a question of federal antitrust law, which was still two years away. The Pennsylvania state constitution of 1874 explicitly prohibited railroads from owning mines, but the Reading had acquired these mines beginning in 1871 and was thus apparently protected from being broken up by the state. Members of Congress did however begin a round of investigations and inquiries into the situation in Pennsylvania's anthracite coal country, mostly because they had various political conflicts or rivalries with some of the different power players involved, and this did eventually lead to proposals of federal legislation forcing the de-integration of the rail and coal industries. They also found evidence of collusion and cartel activity among coal

- operators in the region to control production levels, prices, and labor activity. Nothing came of these findings and no divestment legislation was passed.
- [Bill] The Reading company was vastly more powerful and deep-pocketed than the independent coal barons had been. They weren't going to fiddle around with bringing in a dozen Belgian strikebreakers or starving out workers slowly. They simply kicked strikers off their property, brought in hundreds of Italian strikebreakers, and refused to sell any heating coal in the region so long as the strike continued. They also significantly increased their already sizable permanent private security force. In the regions where the Reading was not a big player, independent operators had long since alienated the local middle classes and their newspapers, but in the Reading's zones of near-monopoly control, the local economy was dependent upon but not owned by the Reading, and they were not only unwilling to back the strikers but actively endorsed the position of management. Newspapers were now firing back anti-strike editorials and denunciations of Congressmen, insisting that cartel coordination of production levels to stabilize prices and prevent overproduction was economically legitimate and not speculative profiteering. Whereas coal baron company stores had squeezed out rival economic activity, in places where Reading mines prevailed, many shopkeepers and other small merchants had been doing a vibrant business for years by selling to mine workers. With these workers now out on strike, these shops were teetering on the brink financially. Even if they sometimes sympathized with the plight of the workers, they were desperate for the strike to end and blamed the workers, not the inflexible Reading company. Soon they too were denying credit to striking workers, perhaps not even in a coordinated way, but simply because they were not a good credit risk anymore. In these areas, Protestant and Catholic clergy did not endorse the strikes and often spoke against them. Even the newspapers that had encouraged the strike early on began to suggest that the middle class business community's objectives of breaking the power of the local coal barons and allowing free commerce outside their grasp was probably also achievable by simply attracting other heavy industry to the region and reducing the significance of coal. (p.185) Worker unrest and frustration grew as the mine managers at the end of January began announcing with more confidence that they would be reopening in February despite the strike. Morale and resolve collapsed. The Knights of Labor called off the strike on February 17 and their miners went back to work. The Amalgamated Association held out several days longer and obtained a minor concession on the cost of mining supplies that workers had to provide themselves in order to work in the mines. Reading Company president Austin Corbin made a charitable donation of \$20,000 to worker relief as a gesture to the defeated strikers after they agreed to return to work. The more vindictive coal barons did not follow his lead. Their workers returned over the next few weeks and the strike was officially over across the region at both corporate and independent mines by March 12, 1888. They had neither obtained a rise in the base pay rate peg, nor won recognition of their unions for bargaining purposes. The sympathy strikes in support of the striking Reading Railroad workers also did not achieve anything notable and the rail strike failed too, as we discussed in our Burlington episode on the strike on that railroad that began in February 1888.
- [Rachel] The journal article author observes that organized labor was falsely encouraged by early support in some areas from some members of the local middle classes. This support was contingent upon self-interest and a shared conflict with the independent local coal barons. As the strike widened to include the powerful but external monopoly corporation of the Reading, strikers found they could not count on an escalation or expansion of support from the middle classes, who had a very different relationship toward this new, Second Industrial Revolution model corporate conglomerate than they did toward obnoxious nearby pseudo-feudal industrial barons of the earlier Industrial

model. Labor viewed its conflict within a region-wide or even state-level lens, whereas the middle classes of this area were much more geographically focused in a quite parochial way. They didn't like being bossed around by or commercially squeezed out by independent mine owners if that was the big presence near them. But if they lived and worked near the faceless corporation based outside their communities, they were dependent upon it but not controlled by it and they were not personally antagonized by it. The Reading and the other corporate rail-coal companies did not operate company stores or company housing, nor did they constantly put their workers into debt by nickel and diming them on everything. Their presence created a great opportunity to do business by selling and renting goods and services to workers, unlike the independent smaller operators whose presence discouraged or even precluded commerce. The author of the 1968 article cites a different author (Robert O. Schulze) from an article for American Sociological Review in 1958 on "The Social Order of the Anthracite Region" with the observation that the corporate executives also did not live in, work in, or generally even visit any of these mining communities where the companies owned mines, and they didn't really care who was influential or held elected office or received clerical posts, etc; the local coal barons on the other hand wanted to control every little detail and make everyone defer to them. If they had gone under, their mines would simply have been acquired by an outside corporation, and there was no risk that jobs would have been permanently lost.

- [Bill]In 1889, in a review of the industry titled "Coal and the Coal Mines," Homer Green wrote the following summary of the general perspective many people in the region held: "In general, it may be said that the control of the anthracite coal business by the great corporations, rather than by individual operators, is an undoubted benefit. Not only to all the parties in direct interest, but to commerce and society as a whole. The only danger to be feared is from an abuse of the great powers to which these companies have attained; a danger which, thus far, has not seriously menaced the community."
- Thematic things to talk about after the narrative on this strike:
 - First: Industrial feudalism of the local gentry Patrick Wyman writes (<u>"American Gentry: Local Power and the Social Order"</u> September 2020) about the modern counterparts (contrasting them to absentee major capitalism), but there was a transitional phase, and if we do an episode on the Rockdale book, this will come up again. In <u>our early 2023 series on the Boston Associates</u>, we looked at the earlier non-corporate model of industrialization (which was not the model used by the Boston Associates, but which became the prevalent system in the 1870s, 1880s, and beyond, as we discussed in <u>our 2020 series on the rise of Standard Oil</u>).
 - Second: Expanding on a point we began raising in the <u>Containerization</u> and <u>Third Industrial Revolution</u> episodes to what extent do we see current trends in capitalism reverting back to earlier modes of capitalism like those seen in smaller, independent operators in Pennsylvania coal country? Wild swings in boutique production levels instead of consistent, year-round smoothing of production. Gig worker relationship to operator companies. Etc.