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The Willys-Overland Strike, 1919 (Part I)

By David A. McMurray

1. BACKGROUND

The purpose of this article is to study the labor conflict in Toledo at the Willys Overland Company in 1919. In so doing, we also have to understand the whole labor situation in the United States at that time. Labor had come a long way and during the first world war had achieved much, but as the war ended and peace began, a reaction had set in.

Since 1910 the American Federation of Labor had been steadily increasing its membership. From 1914 to 1920 the membership of the American Federation of Labor increased from 2,020,000 to 4,079,000.[1]

The demand for labor during the war had strengthened the workers' case and had forced a general increase in wages. It thus provided for great gains in union membership. Owing to the support they had given the Democratic party in the Presidential campaigns in 1912 and 1916, the unions could claim return favors.[2]

With increased membership and greater financial strength, labor was ready in 1919-1920 to push its program aggresively and ever farther.

In 1919, the American Federation of Labor at the annual convention proposed a progressive reconstruction plan. It called for democracy in industry, abolition of unemployment, higher wages, shorter hours, equal pay for women for equal work, abolition of child labor, the right of public employees to organize and bargain collectively, limitation on the power of the courts, government ownership of public utilities, and many more points that ran in a similar vein.[3]

However, the employers did not share the unions' progressive thoughts. As the war ended and the cost of living reached twice the

pre-war level, the workers began to feel the pinch. Many employers were willing to grant a small wage adjustment, but saw in any extension of collective bargaining a threat to the management of their own businesses. They refused to recognize union spokesmen, and concessions that had been made under the pressure of the war were widely withdrawn.[4] The urge for a return to normalcy and the desire by both sides to have freedom of action and do away with wartime government controls created a situation of labor conflict.

Management, in order to break the unions after the war, started a campaign to give labor a stigma of being un-American. The idea that only the open shop was the American way was started. It implied that the unions were radical, corrupt, and responsible for high prices, and opposed to the American tradition of free enterprise. Other methods were also employed in an effort to weaken the unions. Company unions were set up, stock ownership and profit sharing tried, and welfare capitalism implemented.[5]

Public opinion was also marshalled in the fight. Many employers waged a bitter campaign to identify all strikers as Communists and supporters of the Bolshevik Revolution in Russia. Popular demand grew for a national policy of strike suppression in the name of economic and social stability.[6]

The courts played a major role in this conflict. The Clayton Anti-Trust Act of 1914 had stated definitely that labor unions and members thereof were exempted from prosecution under the anti-trust acts. It specifically declared that, "The labor of a human being is not a commodity or article of commerce." The new law stated that nothing in the anti-trust laws should be construed to forbid the existence of unions, prevent them from lawfully carrying out their legitimate objects or hold them to be illegal combinations or conspiracies in restraint of trade. Furthermore, it outlawed the use of injunctions in all disputes between employers and employees "unless necessary to prevent irreparable injury to property, or to a property right . . . for which injury there is no adequate remedy at law."[7]

Soon, however, many loopholes appeared. Court decisions tended to weaken the law. It was ruled that a secondary boycott was illegal.

This was particularly injurious to unions since it was normal for them to urge consumers not to buy a certain product. In another decision, it was decided that unions could be sued for damages the same as an individual. In addition to this, the use of the injunction in labor disputes was upheld.[8]

I hope the brief account of labor and management relations will help the reader of this chronicle obtain a clearer understanding of the situation and the time that the Willys Overland strike of 1919 took place.

Many of the things that occurred, I feel, reflect the times and locality. Therefore, I think to fully understand the problem, one has to delve deeply into a local situation. In the following pages I hope I will give the reader a clear understanding of a local matter and hence may enable him to understand a national period of labor strife better.

2. THE OVERLAND CAME TO TOLEDO

Since 1909, the Willys Overland Company has been a vital part of the Toledo scene. From the early Overland car to the world famous Jeep of the Second World War, Toledo has placed a certain pride in its hometown product. The Overland was not the first automobile company to locate in Toledo, but it has been the only one to endure to the present time.

Toledo possessed many qualities that a manufacturing company would want for a location. It had rail, water, and roads that placed it in a strategic spot for bringing in raw materials and distributing the finished product. It was about half way between the coal mines of the Ohio Valley and the ore mines of Minnesota. From the defunct Pope Toledo Company, which had manufactured automobiles in Toledo, it had a good supply of skilled labor with which a manufacturer needed to build his product. With all this in mind, John N. Willys came to Toledo in 1909. Willys was President of the Overland Company of Indianapolis. The company was looking for a factory site, since the plant at Indianapolis could not expand to meet the growing demand for the Overland car.

Willys came to Toledo to negotiate for the purchase of the Pope Toledo factory in May, 1909. The Pope Toledo Company had manu-

factured a luxury type of automobile in Toledo, but had encountered financial difficulty and, at that time, was trying to consolidate its business in the East. The main reasons for the financial trouble of the company were fourfold: the panic of 1907; the policy of the company to employ strike-breakers; the limited market for the type of car manufactured; and a labor strike in Toledo in which the unions had sought the right to organize and defend the right to work against the organized importation of strike-breakers.[9] On May 24, 1909, the deal for the Pope Toledo factory was closed by John Willys in Cleveland. The purchase price was $400,000.[10]

There were qualities to the Overland Company that seemed to warrant great expectations for its future. For one thing, it produced a popular priced car whose market was expanding. The people of Toledo saw John Willys as a person who would help Toledo grow after the unfortunate departure of the Pope Toledo Company. The *Toledo Blade* stated, "Under the able management of J. N. Willys, who is a man of great force and executive ability, the factory will become a veritable beehive of industry."[11] Events quickly justified these expectations. Between 1909 and 1918, the work force increased from 1,000 to 15,000 workers.[12]

During these years, conditions concerning labor relations seemed harmonious. On May 29, 1909, Willys had said, "I am not afraid of the labor situation here. Our company has never had any trouble with its men and we do not expect any in the future."[13] After 1914, full employment and advancing wages were results of war production and kept most people satisfied. If there were grievances, the necessity for loyalty during wartime kept them from reaching the stage of serious disputes. After United States' entry into World War I, the company entered into defense contracts with the U. S. Government and the future seemed bright indeed.

As the war ended and things began to return to a more normal condition, unrest among the working mass increased. In 1919 the United States witnessed 3,630 strikes involving more than 4,160,000 workers.[14] The requirements of wartime loyalty no longer existed; the desire for a fuller share in the fruits of their work and for improved working conditions became more evident. The problem of a high cost of living in relation to the buying power of wages now became a matter of concern to the workers. By wartime inflation, the purchasing power of the dollar sank from a normal 100 to 45 and wages did not increase as

rapidly to keep pace with the soaring prices.[15] Out of this would come the Willys Overland strike of 1919, the most important and also the most violent of the strikes Toledo would see until the Autolite strike of the 1930's.

3. THE PROBLEM: OUTBREAK OF THE STRIKE

As the year 1919 came on, business prospects looked optimistic to many people, even though the army was being demobilized and unemployment was rising. Samuel Gompers said, "Labor faces the new year calmly and confidently in the knowledge of having done its utmost in the performance of a noble task and is ready to give service for the need of all our people and our Republic."[16] Toledo union men expected cooperation between labor and management, as well as continued postwar prosperity. Labor leaders felt that a broader understanding would exist and with that a likelihood of more tolerance on both sides. They said that spirit of good will ought to exist between leaders of labor and employers and prevent strikes.[17] As the war ended, people looked to a better life with the factories producing again for the consumers' needs.

One fear that was voiced was that the army demobilization would flood the labor market and create widespread unemployment. Caution was urged in letting the troops out so that the situation would not get out of hand. The *Blade* said, "There is a feeling of confidence among all trades that unemployment will disappear soon and that a prosperous year is assured."[18] An optimistic editorial stated, "Everything points to a demand for labor, even to difficulties of obtaining labor."[19] At this time, various groups estimated that there were between 10,000 to 17,000 unemployed in Toledo.[20]

Talk of projects to absorb surplus labor was in the air. The state and city planned to meet rising unemployment by starting public works. John Willys announced that a high-expansion project would be started at the Overland and it would eventually add 50,000 people to Toledo's population.[21] In all, things still looked hopeful for a peaceful and prosperous year.

But there was a cloud on the horizon. This was the disparity between the wages and the rise in prices. In fact, it soon became apparent that the war's end produced factors that stopped major increases in wages,

but had not halted the increasing cost of living. This view was reflected in a statement by Samuel Gompers, when he said, "Workers must have their full share; since labor played a great role in winning the war, it should share in the fruits of the victory. The cost of living has risen 70%, but wages have not risen accordingly."[22]

By 1919, John Willys had become quite a hero in Toledo. During the war, Willys Overland continued to grow and Willys became an increasingly important figure on the Toledo scene. An editorial stated, "J. N. Willys has been the most important factor in the growth and upbuilding of Toledo in the last decade."[23] Willys was not only active in running the company, but took a large role in civic leadership in Toledo, even though his home was in New York. In the 1918 Y.W.C.A. drive, Willys gave $1,000. He headed the War Chest Advisory Committee to which he subscribed over one million dollars during the war years. This was over and above what his company had subscribed.[24] Thus, through these and other civic enterprises, Willys established a favorable feeling between the public and himself.

Certain improvements in working conditions were being made in 1918 and 1919 that seemed to make the Overland a progressive place to work. A hotel for unmarried men employees was built to provide them with the most comfortable and attractive living conditions.[25] The company adopted a system of employment for placing a man on the best-suited job for which his abilities suited him. This program was thought to be the foundation for improved morale and greater efficiency among the workers.[26] A school was opened in January, 1919, to train employees in skilled trades, such as machinists, and to better the employees' ability to earn a wage.[27] These and many other programs seemed to make the Overland a good place to work.

On January 27, 1919, John Willys announced a profit-sharing plan. The *Blade* called it the "Greatest Sharing Plan Ever Adopted."[28] The plan was to have the workers share 50-50 with the stockholders after a reasonable return was made to the owners on the capital invested. This money would be distributed annually and would attempt to reward efficiency and length of service. The plan gave the worker 4½ cents for every hour worked since January 1 or a minimum of 8% of the worker's salary, whichever was the higher. For length of service, 1% for each month's work over a year would be added until it would reach 50%.[29]

As this plan was set up, it would give the worker a greater share as profits increased. Thus the worker was supposed to produce more and work more efficiently so that his share would increase. Also, the plan would pay more the longer a person worked for the company and thus tried to hold the skilled labor to the plant. The first distribution of shares took place on April 19, 1919 with $250,000 split among 10,500 employees. The minimum share was $24, while some received as much as $100.[30]

Post-war conditions brought about a need for adjustments at the Overland, in order to meet the expected competition. The company, therefore, was making a full study of wages and working conditions. For one thing, there was a desire to bring wages in line with the cost of living. Forty cents would be the minimum for men, while thirty cents would be the minimum for women. A 48-hour week was proposed with time and a half for overtime and double-time on Sundays and national holidays. During the war, the 45-hour week had been in operation. This new plan was to be put into effect on May 1. [31]

Labor did not like the profit-sharing plan and many thought it was a cover to keep wages down. It also objected to the 48-hour week. A small radical group within the union which wanted to strike at once was beaten down and the conservative elements favoring negotiations prevailed. The radical group wanted an immediate strike to force the company to accept the 44-hour week. However, the union at the Overland decided to try for collective bargaining. It aimed at having all labor agreements expire at the same time. The union claimed this would be more efficient for both employer and employee, since less time would be wasted in negotiations.[32] They also desired an increase from 10¢ to 15¢ an hour and a 44-hour week with adjustments on overtime.

A meeting called by the Wage Committee of the Automobile Workers Council was to try to get the company to discuss the new wage and working condition proposals made by the Willys Overland officials. A vote at the meeting was taken and it was decided that if by April 14, 1919, the Willys Overland officials did not meet with the Wage Committee, a strike vote would be taken immediately. Here again the conservative element in the union won, since an immediate strike vote was averted and negotiations made possible.[33] At this meeting, a discussion of the piecework system as well as of the profit-sharing plan took place.

The company had proposed a type of piece-work, but had not yet put it into operation and much doubt was held that they ever would. Labor seemed to dislike both plans of the piece-work system. John Quinlivan, business agent of the Central Labor Union, said, "I believe in efficiency, but not through a stop watch, but efficiency based upon human rights. If given a chance, a decent wage and good conditions, workers will do efficient work."[34]

On April 14, a meeting was held between the Willys Overland officials and the Joint Labor Committee. At this meeting, both sides presented their cases. The eight labor organizations demanded a wage advance of 15¢ an hour in seven departments and 10¢ an hour for the die sinkers. It was also insisted that the men work 44 hours a week, five 8-hour shifts on week days, and on Saturday, four hours, with overtime to be paid as doubletime. The other demands were: a limit on the amount of overtime one could have in a week; in case of depression reduce the week to 33 hours before starting to lay off employees; and that women should receive equal pay for the same work performed as a man does.[35] The Overland stated its case in rebuttal, favoring the 50-50 plan and the 48-hour week, instead of the unions' demand of a wage increase and a 44-hour week.

At this juncture, the Overland would not back down from this position. It repeated that the new adjustments would go into effect May 1, and it did not budge from this stand.

Negotiations continued from April 14 to May 6, but little progress was made. The company did concede to let the men off Saturday afternoon, but they extended the working day from 3:30 to 4:06. This added 36 minutes, which brought the work week to 48 hours.[36] The union leaders did not accept this and said the union workers would walk out at 3:30, thus adhering to the 44-hour week. Harry Ebright, a business agent for the Machinists Union, said this would not be a strike. The workers would simply stop working and presumably return the following morning.[37] The company issued a counter-statement saying whoever left at 3:30 would not have a job if he came back, reminding the men that they would lose the benefit from the 50-50 plan.[38]

On April 26, Vice President Clarence Earl of the Overland authorized a shop committee to be elected from the ranks of labor to discuss

working conditions, safety, health, discipline, unfair treatment, or any other difference that might exist between management and labor. A board of adjustment was also created to hear cases on appeal. Earl said, "In an effort to keep pace with industrial progress and to give the workers a more important place in the industry, the Overland has decided on a Shop Committee."[39] The union, however, stated that this new committee would not affect the negotiations of the Wage Committee representing the Auto Trades Council with the Willys Overland officials. This new committee, the Council believed, would deny the working men proper bargaining power because the Shop Committee would be a company union, dominated by the company itself.

The strike came to a head over the question of hours the men would work. The union demanded a 44-hour week, while the company wanted a 48-hour week. The negotiations that ensued brought few concessions from either side. The company did shift the four hours from Saturday to the week days to enable the men to have Saturday afternoon off. The union said they would continue working the 45-hour week which they had been doing for the last three years, but would not go to 48, since they considered that a step backward.[40]

The company stressed that policy should remain in the hands of management, while labor thought they had won the right to a larger share for their labors from the war, and now were ready to take it. The union men objected to the 50-50 plan, the wage adjustment and working conditions study, and the new shop committee since it seemed to be an effort by the company to disrupt union negotiations and put the company in a more favorable position with the public.

FOOTNOTES

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2. Selig Perlman, *A History of Truck Unionism in the United States.* (New York: MacMillan Co., 1922), p. 226.
3. Harold U. Faulkner, *Labor in America.* (New York: Harper & Brothers, Publishers, 1949), p. 165.
4. Foster Rhea Dulles, *Labor in America.* (New York: Thomas Y. Crowell Company, 1960), p. 229.
5. Harold Faulkner, *From Versailles to the New Deal.* (New Haven: Yale University Press, 1950), p. 296.
6. Foster Rhea Dulles, *Labor in America.* (New York: Thomas Y. Crowell Company, 1960), p. 230.

7. *Ibid,* p. 203.
8. *Ibid,* p. 183.
9. Donald G. Bahna, *The Pope-Toledo Strike of* 1907, Northwest Ohio *Quarterly,* Vol. No. , 1963, p. 38.
10. *Toledo Blade, May* 25, 1909, p. 1
11. *Ibid,* p. 1
12. *Toledo Blade,* February 17, 1919, p. 1.
13. *Toledo Blade,* May 29, 1909, p. 1.
14. Harold Faulkner, *From Versailles to the New Deal.* (New Haven: Yale University Press, 1950), p. 71.
15. Mark Sullivan, *Our Times* 1900-25. (New York: Charles Scribner's Sons, 1935). p. 13.
16. *Toledo Blade,* January 1, 1919, p. 1.
17. *Toledo Blade,* April 1, 1919, p. 1.
18. *Toledo Blade,* January 20, 1919, p. 1.
19. *Toledo Blade,* January 24, 1919, p. 1.
20. *Toledo Blade,* January 16, 1919, p. 1.
21. *Toledo Blade,* January 28, 1919, p. 1.
22. *Toledo Blade,* January 3, 1919, p. 1.
23. *Toledo Blade,* May 28, 1919, p. 1.
24. *Toledo Blade,* April 19, 1919, p. 1.
25. *Toledo Blade,* April 19, 1919, p. 1.
26. *Toledo Blade,* April 22, 1918, p. 1.
27. *Toledo Blade,* January 18, 1919, p. 1.
28. *Toledo Blade,* January 27, 1919, p. 1.
29. *Toledo News-Bee,* April 4, 1919, p. 1.
30. *Toledo Blade,* April 19, 1919, p. 2.
31. *Toledo News-Bee,* May 2, 1919, p. 1.
32. *Toledo Blade,* March 18, 1919, p. 1.
33. *Toledo News-Bee,* April 7, 1919, p. 1.
34. *Toledo Union Leader,* February 14, 1919, p. 1.
35. *Toledo News-Bee,* April 14, 1919, p. 1.
36. *Toledo Blade,* May 5, 1919, p. 1.
37. *Toledo News-Bee,* May 5, 1919, p. 1.
38. *Toledo Blade,* May 6, 1919, p. 1.
39. *Toledo News-Bee,* April 26, 1919, p. 2.
40. *Toledo Nwes-Bee,* May 7, 1919, p. 1.