

The Mind of the Mill Owner: Welfare Capitalism and Child Labor in Southern Cotton Textiles

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Abstract

From the 1880s through the 1920s, the mill villages of the southern textile industry manifested a unique blend of paternalism and welfare capitalism. They also employed thousands of young children in the mills. This paper explores the intersection of three key institutions—the mill village, the family wage system, and the child labor system—in order to gain a better understanding of the mind of the mill owner on the question of child labor.

The most dramatic period of growth in southern cotton textiles was from the 1880s through the early 1920s. Creation of mill villages was part and parcel of this growth. Juxtaposed to the mill village, and part and parcel of the larger system, were institutionalized and pervasive family wage systems, which in turn required such pervasive use of child labor that it had become an institution unto itself in the industry. This paper attempts a critical examination of the mill village, the family wage system, and the child labor system, from the perspective of the mill owners and their apologists.

Southern Mill Villages

During early years of the southern textile boom, mill owners were seen as benevolent civic boosters and stewards of an indigenous economic revival—in short, heroes who brought both economic and cultural sustenance to a heretofore impoverished South. Mills not only brought industrial vigor to the South, but they also provided employment to “poor girls who might otherwise be wretched” (Freeze 1991). If mills generated wealth and profit, these were seen to benefit the entire surrounding commercial economy as much as the owner and other subscribers. To gather a workforce, mills were required to build houses and often supplemented these with provisions for churches,

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stores, and schools. Nearly all mills provided houses for the majority of their workers. Most mills provided at least churches, stores, and schools, though the extent to which the mill actually operated the stores and schools has often been exaggerated (Herring 1929). The owner, as the most prominent member of the local community, set the moral tone.

As the mill boom progressed, a second generation of mill owners adopted a more pecuniary interest in their mill villages. To be sure, their interests were often expressed in paternalistic terms, but the mill villages accounted for roughly one-third of the capital of the mill operation and were, of themselves, nonproductive investments. Owners building or expanding were advised to give close attention to the construction of their villages and at least some forethought to how the village would be managed. The village had to provide a return on its investment. It could do so in three principal ways—directly, by supplying a workforce, and indirectly, by reducing turnover and creating an obedient and appropriately “trained” workforce. To assure adequate labor supply, Daniel Augustus Tompkins, the most important of the industrial engineers who designed and developed mills and mill villages, recommended a ratio of one worker for each room (Winston 1920). Other arrangements varied—a minimum of three workers per house was common. To reduce turnover, mills competed with each other on the quality of their housing and the array of other amenities provided in the mill villages. Better mills could attract and retain a more desirable workforce. Those deemed less desirable gravitated to less desirable villages. Finally, the mill village system, through numerous formal and informal methods, assured a future labor supply that was not only technically well trained in the operation of the mill, but also socially well entrained in the moral and cultural norms of the local community.

As the value of the village in managing “the labor problem” came to be recognized, welfare activities were expanded. In addition to housing, churches, stores, and schools, most mills provided fuel at little or no cost, gardens, and recreational activities (bands and baseball teams were especially popular). Many mills, especially the larger ones, provided welfare workers, public health services, savings and insurance plans, and a panoply of services that stretched from cradle to grave. In addition, unincorporated villages provided most of the services expected of a local government, including streets, drainage and sewerage, and law enforcement. At the same time they were expanding their welfare activities, however, the mill village system began to come under criticism. In contrast to the benevolent paternalism of the industry pioneers who were motivated by philanthropy and altruism first and profit second, the new breed of mill owners were seen as providing corporate welfare because it paid an economic, social, and political return. Mill villages bred dependence and a learned helplessness among the villagers. They were “stall-fed” and became

docile, developing into the “cheap and contented labor” for which the South was famous. What had been an instrument of benevolent paternalism had become an instrument of deliberate control (Mitchell 1921).

Family Wage

The village had to pay for itself in labor supply. It did so both by reducing wages and other labor costs and by reducing uncertainties in managing the labor supply. First and foremost, each household was expected to provide multiple workers to the mill. A typical arrangement was that of the so-called Pelzer Contract, named after the “show mills” owned and operated by Captain Ellison Smyth of South Carolina. All children under 12 were required to be in school; all children 12 and over were required to be in the mill. The essence of the deal was that all able-bodied villagers were expected to report for duty in the mill; exceptions for age (old or young), infirmity, or other special circumstances required written authorization from the mill superintendent (McHugh 1988). Families that could provide more workers over a longer projected future were more highly valued. With all able-bodied family members now and into the future a part of the bargain, this was a relatively pure family wage system.

The family wage system reduced turnover. From an employer perspective, a quit meant the loss of multiple workers. “The Superintendent told me that he always makes a special effort to get workers in families because then he has a greater hold on them as they can’t move about from place to place too readily” (Hine 1910:1). From a labor perspective, it was difficult for individual workers to quit unless the whole family quit, and such a dramatic quit invariably meant moving from the mill village, a move made only by those who could get a better deal elsewhere or those forced out. Grover Hardin, who entered the mill at age 10 recalled, “They’re glad to get them big families. Then they can scatter them out, over the mill, and most of that time the children would have to stay, you know, till they got up big enough to set out on their own. Whether they liked the mill or not, why they’d have to stay” (Tullo 1989:267–68).

The family wage system reinforced an industrial discipline advantageous to mill owners. The value of an employee was not limited to the value of that employee’s own work but was reflected in the present and expected future value of the employee’s entire family. The presence of parents in the workplace affected the behavior of the children. Parents had clear interests in bringing their children up right—that is, to bring them up to the mill—so that they would at least not be an embarrassment and at best would show promise of a successful and productive career in textiles. Further, the family wage system assured that, by the time children were ready for regular work, they would

already be well trained both in performing specific valuable tasks and in conforming to the general expectations of the mill. Likewise, the presence of children in the workplace affected the parents. Directly, it made parents less likely to risk overt resistance to management. Indirectly, competition with children reduced adult wages by almost the same amount as the wages children contributed to family income (Parsons and Goldin 1989).

Theory of Child Labor

The cost of the mill village created the family wage system, which, in turn, implied child labor. The mill must have its quota of workers, if not from each and every household, at least on average. From the 1880 boom, children were a relatively constant 20–25 percent of the textile workforce until child labor largely disappeared during the industry depression of the early 1920s (though some child labor remained and industry resistance to regulatory intervention persisted well into the 1930s). Through the 1880s, in the Piedmont textile region, widows headed from one-third to one-half of all households and were a far larger proportion in many villages (Hall et. al. 1987:33; Freeze 1991). Relatively few adult males were employed, but through the 1890s, the proportion of adult males began to grow, first relative to women and later relative to children (Mitchell 1921:180).

There were two broad patterns of migration to the mill villages. First came the widows and orphans and other desperately poor families. Then, child labor was seen as natural, “if not absolutely necessary, [it] was practically so, and never excited the least question. . . . The use of children was not avarice then, but philanthropy; not exploitation, but generosity” (Mitchell 1921:95–96). Second came the families from the cotton tenant farming regions and the subsistence farmers of the southern Appalachians. “What was hardship to the farmer was a boon to the manufacturer, and the number of mills erected varied inversely with the price of raw material” (Davidson 1939:5). The mill villages became a new kind of asylum as “penniless families trooped from the land to the mills with all their worldly goods in one wagon, ‘full of children and nothing else’” (Mitchell and Mitchell 1930:104). The children, who were accustomed to hard work on the family farm, followed their elders into the factory.

By the turn of the century, when child labor laws were common in other regions, the South was called upon to justify its continued insistence on maintaining a child labor system. Many continued to defend child labor in moralistic tones. Some continued to stress asylum and how child wages were essential to the household’s meager subsistence, but this argument was losing force with the declining proportion of widow-headed households. Others stressed the timeworn caution against the sins of idleness. For example, Daniel Augustus Tompkins warned, “It’s as easy to teach a boy to love work with the result

of capability as it is to let him drift into habits of idleness with the result of incapability." In a speech to the National Civic Federation, he stated, "As long as there are tenderhearted women, there will be sentiments that are liable to injure children, as the tender mother so often spoils the child. I believe there are just about as many children spoiled by indulgence as there are by over-work" (Winston 1920:142, 276–77).

A "widders and orphans" defense of the child labor system may have served for the late-nineteenth century, but the industry needed a new defense for the twentieth century. The industry eventually coalesced around a theory of child labor that was tailored to features unique to the southern industry and fit with the basic demographic facts. More importantly, the theory suggested that the child labor problem was naturally self-correcting, and so there was no need for meddlesome intervention. Any number of mill owners or their representatives might be cited here, but Lewis W. Parker, a leading South Carolina mill owner, may have articulated the theory most clearly and succinctly when he addressed the U.S. House of Representatives Committee on Labor in 1914:

The unfortunate families back in the backwoods drifted to the cotton mills. When they drifted to the cotton mills what was to be done? It is not possible for a man who has been working on a farm, who is an adult—after the age of 21 years, for instance—to become a skilled employee in a cotton mill. His fingers are knotted and gnarled; he is slow in action, whereas activity is required in working in the cotton mills. Therefore, as a matter of necessity, the adult of the family had to come to the cotton mill as an unskilled employee, and it was the children of the family who became the skilled employees in the cotton mills. For that reason it was the children who had to support the families for the time being. I have seen instances in which a child of 12 years of age, working in the cotton mills, is earning one and one-half times as much as his father of 40 or 50 years of age. . . . [F]or this reason, the child-labor question is solving itself by reason of the fact that we are now getting into the second generation and as we get into the second generation of employees we get the skilled employees. (U.S. House of Representatives 1914)

The Mind of the Mill Owner

The mill owners' theory is a variation on the "nimble fingers" argument that is one of the more historically durable defenses of child labor. The theory was further buttressed by the alleged benefits of life in the mill villages. Industry apologists pointed to the amenities offered and argued that families were far better off in the mill villages, where living conditions were at least decent, wages were regular, and children might have some opportunity for

education in the mill school, than they were on the rural farms with no sanitation, few schools, back-breaking work, and abject poverty. Although this defense greatly aided the industry in the arena of public sentiment, it failed to explain why children had to work to enjoy the benefits of mill village life.

But this was a particularly pernicious variant of the “nimble fingers” argument, because at the same time that it proclaimed the superior productive efficiency of children it announced the incompetence of the adult, male, presumptive heads of the households. Each and every one of the former farmers came to the mill village under the stigma of failure. If they could have made it on the land, they would have stayed there. Once in the mill villages, insult was added to injury and the former farmers were made dependents. The few former farmers who were employed in the mill were often placed in menial, low-wage positions. Some found work elsewhere in the surrounding community. Some were disabled and could not work. A few loafed and became dependent on the wages of their “dependents.” Where early mills had offered asylum to widows and orphans, the mills now offered a new kind of asylum to women and children whose husbands and fathers could no longer provide for them. The patriarchy of the rural countryside was replaced with the paternalism of the mill village (Freeze 1994).

Why were adult male farmers deemed unsuited for southern textile labor? Why was it “not possible” for a farmer “to become a skilled employee in a cotton mill?” What role did knotted and gnarled fingers and slowness of action play? How was patriarchy lost so that “the adult of the family had to come to the cotton mill as an unskilled employee, and it was the children of the family who became the skilled employees in the cotton mills?” The family wage system in southern textiles is the only one in America in which the adult male, presumptive head of the household, was the marginalized member of the system (Hindman 2002). In other family wage systems where the patriarch failed to participate, it was because he earned substantially better wages outside the system. In southern textiles, that was generally not the case. But if employers “confronted a workforce whose skill counted for little and whose cost and reliability counted for much” (Carlton 1994:25), it is likely that adult, male former farmers were deemed unsuitable by virtue of cost and reliability estimates more than perceived skill deficits.

The extent to which child labor was a self-correcting problem was overstated, but there was a kernel of truth to the theory. As children who grew up in the discipline of the mill village came to adulthood, this second generation of operatives could, indeed, provide a suitably reliable workforce. Adult men began assuming their proportionate share of the workforce and were taking the better-paid and more prestigious weaver, loom-fixer, and overseer positions. As economic patriarchy was restored, the mills lost the central justifica-

tion for their paternalism. But child labor remained a persistent problem as long as the industry continued to grow. It was not until the postwar retrenchment of the early 1920s that mill owners began to relinquish the child labor system. When economic patriarchy was restored, the moral justification for mill village paternalism was undermined. When child labor was finally abolished, the economic rationale for the mill village was eliminated. The mill village no longer provided a sufficient quota of workers to justify its cost. So, beginning around 1934, mills began selling off their mill villages and the age of paternalism passed (Herring 1949).

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