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## Identity and Institutions: The Social Construction of Trade Unions in Nineteenth-Century Germany and the United States\*

The aim of this research note is to begin to develop the idea that trade unions are historically constructed as much through considerations of social identity as they are through calculations of economic self-interest, market power, or functional adaptation in the face of changes in the division of labor. By social identity, I mean the desire for group distinction, dignity, and place within historically specific discourses (or frames of understanding) about the character, structure, and boundaries of the polity and the economy. Institutions such as trade unions, in other words, are constituted through and by particular understandings of the structure of the social and political worlds of which they are part. In making this argument, it should be immediately said that I in no way intend to claim that trade unions are only to be understood through the lens of identity or that they do not engage in strategic calculation either in labor markets or in the broader political economy. The point is that action along the latter lines presupposes some kind of commitment on, and even resolution of, issues concerning the former. The discussion below focuses on the emergence of trade union movements in the United States and Germany during the nineteenth and early twentieth centuries. It attempts first to

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develop the two cases as constituting a paradox and then, second, explains the paradox with an argument about identity.

The paradox is the following: How is it that the country more dramatically transformed by mass production and large-scale industry than any other in the world before World War I (the United States) developed a trade union movement dominated by craft unionism, whereas the country whose industrial producers were perhaps more oriented to craft-based production than any others during the same period (Germany) developed trade unions organized as industrial unions? Why weren't union structures reversed in the two cases? I argue that this paradox is best explained by the way in which trade union structure was bound up with efforts to resolve dilemmas of social self-definition among groups of workers during the profound transformation of the social structure that accompanied late-nineteenth-century industrialization in both the German and American political economies. In both countries, union movements ultimately came to understand themselves as representatives of the industrial working class, but each union movement conceptually located and categorized industrial workers in a different way within their respective societies. Differences in trade union organizational forms expressed the different way in which the social identity of the industrial worker was constructed in each society.

## TRADE UNION STRUCTURE AND INDUSTRIALIZATION

This section critiques a view of the relationship between industrialization and organizational form which, I hope not unfairly, may be taken to be the standard view. It has been, in any case, the most systematic method of viewing the relationship between industrial development and organization without taking into consideration questions of identity. This standard account of trade union development in Germany and the United States emphasizes structural and material factors, such as calculations of material interest in the labor market and functional adaptation by organizations to the changing division of labor. On this view, craft unions in the United States and industrial unions in Germany before World War I appear paradoxical because industrial workers in the United States were far more likely to be employed in factories engaged in large-scale, high-volume, standardized production than was true of German industrial workers during the same period. Most attempts to explain this paradox resort either explicitly or implicitly to the idea of a "lag" or to the notion that industrial union formation was blocked. Some argue that craft union strategies in the labor market continued to be rational for skilled workers, while others resort to exogenous factors such as hostile employers or an unaccommodating state to explain the absence of industrial unions. None of these efforts to resolve the paradox, however, hold up under comparative scrutiny.

### The Anatomy of Standard Accounts

Most accounts of the development of trade union organization in the United States and Germany situate their explanations within a larger un-

derstanding of the historical process of industrialization. Within this process, development is driven by the endogenous unfolding of the division of labor. Such understandings of industrialization (of which there are both liberal and Marxian variants) see the division of labor both as determining the appropriate organizational forms that will exist in the economy and undermining those forms that cease to be useful at a new stage of evolution. For example, small firms and craft production are, on this view, appropriate to early forms of “free market”-based capitalism. In “later” stages the conceptual framing of small firms changes: They become backward, secondary, or competitively inferior to more efficient large-scale forms of production characteristic of “modern” and “monopoly” and “organized” and “corporate” capitalism.<sup>1</sup> In a similar way, craft unionism is regarded—coded—as distinctive of early competitive and artisanal forms of capitalism, whereas industrial unionism is thought to correspond to modern large-scale capitalist production.<sup>2</sup>

The key mechanism of change in these perspectives is usually one of three nonpolitical variables which seem to exist behind or underneath the organizational forms in question: Depending on the argument, these are the extension of markets, the development of large-scale technologies, or the balance of class forces.<sup>3</sup> Organizations in society, such as trade unions or industrial corporations (or states), “adapt” or “adjust” to pressures caused by change in the underlying division of labor. Many newer writings in this tradition go to great lengths to emphasize that adjusting organiza-

1. This is a trope of much literature on industrialization, both in the United States and Europe. In the U.S. case, two nicely paired works demonstrating the political range within the general view are Alfred Chandler, *The Visible Hand* (Cambridge: Harvard/Belknap, 1977), and Martin Sklar, *The Corporate Reconstruction of American Capitalism, 1890–1916. The Market, The Law and Politics* (New York: Cambridge, 1989). For Germany see the literature on “Organisierter Kapitalismus,” e.g., H.A. Winkler, ed., *Organisierter Kapitalismus. Voraussetzungen und Anfaenge* (Goettingen: Vandenhoeck & Ruprecht, 1972), as well as Juergen Kocka’s extensive essay: “Entrepreneurs and Managers in German Industrialization,” in Peter Mathias and M.M. Postan, eds., *The Cambridge Economic History of Europe, Volume VII, Part I* (New York: Cambridge, 1978) 382–441.

2. The broad lines in trade union development and class formation are presented, with more subtlety than my account in the text gives credit for, by Eric Hobsbawm, “The Making of the Working Class, 1870–1914,” and “The ‘New Unionism’ in Perspective,” in Eric Hobsbawm, *Workers: Worlds of Labor* (New York: Pantheon, 1984). Standard works in the historiography of American trade unionism, or the American labor movement more broadly conceived, adopt this kind of characterization of the historical evolution of trade union structure: see, e.g., David Brody, *Workers in Industrial America: Essays in Twentieth Century Labor* (New York: Oxford University Press, 1980), or David Montgomery, *The Fall of the House of Labor* (New York: Cambridge University Press, 1986). A representative German work is Klaus Schoenhoven, *Expansion und Konzentration. Studien zur Entwicklung der Freien Gewerkschaften im Wilhelminischen Deutschland 1890–1914* (Stuttgart: Klett-Cotta, 1980). Juergen Kocka’s “Problems of Working Class Formation in Germany: The Early Years, 1800–1875,” in Ira Katznelson and Aristide Zolberg, eds., *Working Class Formation. Nineteenth-Century Patterns in Western Europe and the United States* (Princeton: Princeton University Press, 1986), represents the view developed in the text for the earlier period.

3. For a methodological discussion of the range of explanations within such views, see Roberto Unger, *Social Theory: Its Situation and Its Task* (New York: Cambridge University Press, 1987).

tions have some measure of autonomy in how they restructure themselves in the face of these deeper historical imperatives in the economy. This makes it possible to account for considerable organizational variety cross-nationally, despite comparable levels of economic development. Such newer views, however, never quite reject the idea that deeper historical imperatives drive the development of the economy to which adjustment is called for.<sup>4</sup>

Within this broad conceptual frame, the evolution of the trade union as an organizational form in the United States is narrated as a slow, uneven, and arduous shift toward industrial unionism. Craft unions emerge, as if naturally, within the transformation of a precapitalist artisan economy, in which relations are governed by mutual understandings of honor and brotherhood, into a capitalist one, in which entrepreneurial masters increasingly separate themselves from wage-dependent journeymen and apprentices.<sup>5</sup> As the artisan economy was undermined by the emergence first of the factory system and second by the large-scale production processes of *fin de siècle* industrial corporations, craft unions struggled to retain their control over production in the new environment through the development of extensive work rules and jurisdictional boundaries.<sup>6</sup>

The relentless diffusion of large-scale factory work, the combination of different trades within single plants, and the explosive growth of unskilled factory labor unavoidably embroiled trade unions in myriad jurisdictional disputes, and complicated amalgamations.<sup>7</sup> Moreover, even though the AFL itself, at least by the beginning of the twentieth century, recognized the advantages of organizing the unskilled, such efforts were hampered by the fundamental principle of voluntarism that structured federation poli-

4. Generally on these newer views, see the essays in Peter Evans, Dietrich Rueschemeyer, and Theda Skocpol, eds., *Bringing the State Back In* (New York: Cambridge University Press, 1985), and in Ira Katznelson and Aristide Zolberg, eds., *Working Class Formation. Nineteenth Century Patterns in Western Europe and the United States* (Princeton: Princeton University Press, 1986). On the United States, see, for example, Stephen Skowronek, *Building a New American State* (New York: Cambridge University Press, 1982); William Forbath, *Law and the Shaping of the American Labor Movement* (Cambridge, MA: Harvard University Press, 1991), and Leon Fink, *Workingmen's Democracy: The Knights of Labor and American Politics* (Urbana: University of Illinois Press, 1983). For a survey of this kind of literature in the German case, see Geoff Eley and David Blackbourn, *The Peculiarities of German History* (New York: Oxford University Press, 1984), and John Breuilly, *Labour and Liberalism in Nineteenth-Century Europe. Essays in Comparative History* (Manchester: Manchester University Press, 1992).

5. See the rich account along these lines in Sean Wilentz, *Chants Democratic. New York City and the Rise of the American Working Class, 1788–1850* (New York: Oxford, 1984), chapters 1, 3, and 6.

6. Cf. David Montgomery, *Workers Control in America* (New York: Cambridge, 1979), and Montgomery, *The Fall of the House of Labor*, *op. cit.* On the general transformation of nineteenth-century American production processes and labor markets that Montgomery and others elaborate, see David Gordon, Richard Edwards, and Michael Reich, *Segmented Work, Divided Workers. The Historical Transformation of Labor in the United States* (New York: Cambridge, 1982).

7. For an interesting contemporary account, very much in the frame being developed, see Theodore W. Glocker, "Amalgamation of Related Trades in American Unions," *American Economic Review*, 5 (1915): 554–575.

tics. In this sense, craft egoism was structurally protected within the AFL. All of these factors together slowed down and even blocked the adjustment of the craft union structure to the new situation. It wasn't until the late 1930s and the creation of the CIO unions, decades after the emergence of the large-scale industrial corporation, that industrial unionism established a solid foothold in the United States.<sup>8</sup>

In the standard literature on the German case, the same conceptual move of matching forms of organization to the division of labor also produces industrial unions, but in a different way: No lags or blockages hinder development as in the American case. The German arguments begin with the claim that because guild structures in the German artisanal economy were so strong, craft unions were slow to develop in early German capitalism.<sup>9</sup> Indeed, not until the pace of industrial growth began to quicken after 1848 did independent unions begin to form at all, and then they arose not out of journeymen's associations as in the United States, but out of friendly societies, workers' clubs, and the solidarity created by spontaneous strikes.<sup>10</sup> The new unions were craft unions that continued to be deeply rooted in an artisanal milieu: Despite their independence from older guild organizations, Juergen Kocka notes, "to many workers self-organization and collective self-help appeared to be a quasi-natural way of protection against the insecurities of the market economy and the superiority of the employers."<sup>11</sup>

During the last half of the nineteenth century, two things occurred which paved the way for the formation of German industrial unions: Large-scale factory production spread rapidly throughout the economy, either undermining or pushing smaller craft producers to the margins.<sup>12</sup> At the same time, the German state in 1878 initiated a twelve-year-long campaign of

8. John Dunlop, "The Changing Status of Labor," in Harold F. Williamson, ed., *The Growth of the American Economy* (New York: Prentice-Hall, 1944), 607–632; David Brody, "The Emergence of Mass Production Unionism," in idem, *Workers in Industrial America. Essays in 20th Century Struggle* (New York: Oxford, 1980), 82–119.

9. Christiane Eisenberg, *Deutsche und englische Gewerkschaften* (Goettingen: Vandenhoeck & Ruprecht, 1986).

10. See Juergen Kocka's account of early trade union formation and the sources he cites there in "Problems of Working-Class Formation in Germany: The Early Years, 1800–1875," in Ira Katznelson and Aristide Zolberg, eds., *Working Class Formation, Nineteenth-Century Patterns in Western Europe and the United States* (Princeton: Princeton University Press, 1986), 330ff.

11. *Ibid.*, p. 338.

12. The diffusion of the factory and large-scale enterprise in the later half of the nineteenth century in Germany is outlined in Juergen Kocka's "Entrepreneurs and Managers in German Industrialization," in Peter Mathias and MM Postan, eds., *The Cambridge Economic History of Europe, Volume VII, Part I* (New York: Cambridge, 1978), 382–441. Most accounts interpret the continued existence of small producers within a "dualist" framework in which small producers are understood to be backward, more fragile, and less technologically sophisticated than producers in the large firm, or core, sector of the economy. The classic "dualist" statement on the fate of small producers in German industrialization is Wolfram Fischer, "Die Rolle des Kleingewerbes im wirtschaftlichen Wachstumsprozess in Deutschland 1850–1914," in Friedrich Luetge, ed., *Wirtschaftliche und soziale Probleme der gewerblichen Entwicklung im 15.–16. und 19. Jahrhundert* (Stuttgart: Gustav Fischer Verlag, 1968), 131–143.

repression against all socialist organizations in the society, a category that included many of the newly formed craft unions. Thus in 1890, when the antisocialist law was rescinded and trade union organizing once again became possible, the logic of establishing industrial rather than craft unions was extremely compelling, even overdetermined: The requisite preconditions in the division of labor had been established, while state hostility had galvanized solidarity within the working class.<sup>13</sup> Although at first only the metal- and woodworkers' organizations established themselves as industrial unions, in the years leading up to the First World War, tremendous industrial growth and concentration, accompanied by the emergence of strong employers' associations hostile to the unions, helped to diffuse this form throughout the rest of the union movement. Of forty-six national unions belonging to the national federation (the *Generalkommission*) in 1914, seven industrial unions (the metalworkers, construction workers, transport workers, factory workers, woodworkers, textile workers, and miners) comprised 70 percent of total membership.<sup>14</sup>

As familiar—even folkloric—as these narratives are, a number of problems, both empirical and conceptual, undermine the claim that German and American trade union organization corresponds to the historically regnant structure of the social division of labor. The more the two cases are examined, and particularly when they are compared with one another, the more the differences in trade union development stop being paradoxical and become inexplicable.

Start first with the U.S. case. One difficulty in the above account is that two important attempts to establish industrial unions (or at least multicraft and multiskill organizations) were made prior to the formation of the CIO: The Knights of Labor and the IWW. Both of these movements were unsuccessful, the latter due largely to state repression; but the former simply fell apart, for reasons still highly disputed. Why didn't the more inclusive model advocated by the Knights of Labor diffuse and supplant the craft union? The Knights' conception of a multicraft and multiskill union has traditionally been dismissed in the standard literature as a utopian and impractical aberration. Both Selig Perlman and Lloyd Ulman viewed the idea of combining skilled and unskilled as wrongheaded, the former be-

13. On the time during the antisocialist law, see Gerhard A. Ritter and Klaus Tenfelde, "Der Durchbruch der Freien Gewerkschaften Deutschlands zur Massenbewegung im letzten Viertel des 19. Jahrhunderts" in Heinz Oskar Vetter, ed., *Vom Sozialistengesetz zur Mitbestimmung* (Koeln: Bund Verlag, 1975), 61–120, esp. 69–88. On the organizational structure of the German "Free Trade Unions" after 1890, see Klaus Schoenhoven, *Expansion und Konzentration. Studien zur Entwicklung der Freien Gewerkschaften im Wilhelminischen Deutschland 1890 bis 1914* (Stuttgart: Klett-Cotta, 1980), esp. 306–330.

14. Schoenhoven, *ibid.* See also his "Localism—Craft Union—Industrial Union: Organizational Patterns in German Trade Unionism," in Wolfgang J. Mommsen and Hans-Gerhard Husung, eds., *The Development of Trade Unionism in Great Britain and Germany, 1880–1914* (London: George Allen and Unwin, 1985), 219–238. On the strength of employers' associations as an encouragement for industrial unions, see Schoenhoven, *Die deutschen Gewerkschaften*, (Frankfurt: Suhrkamp, 1987), 85–94, and Alexander Wende, *Die Konzentrationsbewegung bei den deutschen Gewerkschaften* (Marburg: dissertation, 1913).

cause skilled workers were unwilling to give up their intrinsically stronger bargaining position, the latter because the nationalization of markets obstructed organizing multiple crafts and the unskilled.<sup>15</sup> Lately it has been suggested that these arguments, though logically sound, have no factual basis in the way the Knights actually fell apart. On this newer view, the reason for the failure of the Knights was the hostility of employers' associations, supported, either tacitly or explicitly, by the government and the courts.<sup>16</sup>

None of these arguments, however, holds up well when compared to the German case. There, crafts aligned with crafts and skilled with unskilled according to the explanation that such alliances created a stronger bargaining position within the new concentrated economic structure. Moreover, employer-association mobilization against the unions is seen in the German literature as a stimulus for the solidification of industrial unionism, while hostile courts and labor law appear as no deterrent to the emergence of interskill solidarity.<sup>17</sup> In other words, the same variables would seem to produce exactly opposite outcomes. The persistence of the craft union in the United States remains mysterious.

Closer examination of the German case makes the weakness of these explanations for the adoption of union organizational form even clearer. The most interesting fact about early industrial unions in pre-World War I Germany was that they organized workers who were overwhelmingly employed in specialized, craft-production-oriented, small- and medium-sized firms, located for the most part outside the areas of highly concentrated, large-scale German industry.<sup>18</sup> Indeed, in those areas where the processes of centralization and concentration offered to explain industrial unionism actually did occur, such as in the Ruhr Valley, or in the large

15. For the Perlman argument, see Selig Perlman, *A Theory of the Labor Movement* (New York: MacMillan, 1928), 182–200. For Ulman's subtle argument (one which seems to work much better for the IWW) see Lloyd Ulman, *The Rise of the National Trade Union* (Cambridge MA: Harvard, 1955), 374–377.

16. Specifically on the Knights' collapse, see Kim Voss, "Disposition is Not Action: The Rise and Demise of the Knights of Labor," in *Studies in American Political Development* 6 (fall 1992): 272–321. For a sprawling argument on the important role of employers in undermining American trade union efforts, in general, see Sanford Jacoby, "American Exceptionalism Revisited: The Importance of Management" in idem., ed., *Masters to Managers. Historical and Comparative Perspectives on American employers* (New York: Columbia University Press, 1991), 173–200. For an argument about the shaping influence of the courts, see William Forbath, *Law and the Shaping of the American Labor Movement* (Cambridge, MA: Harvard University Press, 1991), esp. 68–79, 94–97.

17. On the relative severity of German labor law on collective bargaining and union organization, see the early essays of Hugo Sinzheimer, in Hugo Sinzheimer, *Arbeitsrecht und Rechtssoziologie. Gesammelte Aufsätze und Reden, Band 1* (Frankfurt: Europäische Verlagsanstalt, 1976); Thilo Ramm, "The German Law of Collective Agreements," in Otto Kahn-Freund, ed., *Labour Relations and the Law: A Comparative Study* (London: 1965) pages 84–91; Otto Kahn-Freund, *Labour Law and Politics in the Weimar Republic* (Oxford: Basil Blackwell, 1981).

18. See Schoenhoven, *Expansion und Konzentration*, op. cit., pp. 91–149. The industrial structure of these regions of trade union strength (Saxony, the Rhineland, Wuerttemberg, Baden, and Hesse) is outlined in chapter 2 of my book manuscript, *Reconceptualizing The Sources of German Industrial Power* (Cambridge University Press, forthcoming).

machinery, chemical, and electrical firms in Berlin, Nuremberg, Augsburg, Hannover, and elsewhere, unions were either completely shut out or only weakly represented.<sup>19</sup> In the face of this kind of evidence, it is difficult to sustain the claim that the industrial unions in Germany were a rational adjustment to the practical imperatives of an endogenously unfolding process of industrialization.

### TRADE UNION STRUCTURE, INDUSTRIALIZATION, AND SOCIAL IDENTITY

The alternative approach to the development of trade union form to be presented here avoids the above problems by drawing on a different theoretical tradition, which I will call social constructionism. This tradition completely reverses the lines of causality in what I have called “the standard accounts.” Thus, rather than view industrialization as an endogenously driven process of the unfolding of the division of labor, social constructionist accounts maintain that the process of industrialization and the development of the division of labor are themselves constituted and shaped exogenously (as it were) by political and social ideas, institutions, and relations. Organizational construction and reform are not seen as a problem of adaptation or adjustment to pressures somehow independent of themselves. Rather, organizations in a political economy (labor organizations, corporations, associations, public agencies, etc.) are understood to be collectively engaged in the definition and conceptual representation of what those pressures are. For social constructionists, the outcome of struggles among organizations is not conditioned or determined by the social division of labor. Rather, such struggles establish a framework for action and understanding which constitutes what that division of labor will be.<sup>20</sup>

In this framing, industrialization is recast as a historically open process.

19. Elizabeth Domansky-Davidsohn, “Der Grossbetrieb als Organisationsproblem des Deutschen Metallarbeiter-Verbandes vor dem Ersten Weltkrieg,” in Hans Mommsen, ed., *Arbeiterbewegung und industrieller Wandel. Studien zu gewerkschaftlichen Organisationsproblemen im Reich und an der Ruhr* (Wuppertal: Peter Hammer Verlag, 1980), 95–116.

20. This is the way that I understand the work of Roberto Unger, *False Necessity: Anti-Necessitarian Social Theory in the Service of Radical Democracy* (New York: Cambridge, 1988); Michael Piore and Charles F. Sabel, *The Second Industrial Divide. Possibilities for Prosperity* (New York: Basic Books, 1984); and Charles Sabel *Work and Politics* (New York: Cambridge, 1982). There are also strong affinities between the analysis I present below and the work of Pierre Bourdieu, in particular his “Social Space and the Genesis of ‘Classes’” in idem., *Language and Symbolic Power*, John Thompson, ed. (Cambridge, MA: Harvard University Press, 1991), 229–251, and more generally, part III of that same book, pp. 163–251. Two other traditions also adopt the reversal suggested in the text, but make different kinds of claims about knowledge, causality, and agency than the ones the above tradition advances. Here I have in mind, on the one hand, the “new institutionalism” in organization theory—e.g., Paul DiMaggio and Walter Powell, eds., *The New Institutionalism in Organization Theory* (Chicago: University of Chicago Press, 1990), and George Thomas, John Meyer, Francisco Ramirez, and John Boli, *Institutional Structure: Constituting State, Society and the Individual* (Newbury Park, CA: Sage, 1987). On the other hand, there is post-structuralism, e.g. Michel Foucault, *Discipline and Punish. The Birth of the Prison* (New York: Vintage, 1979) and more directly relevant, Joan W. Scott, *Gender and the Politics of History* (New York: Columbia University Press, 1988).



The path of development from past to present is scarred by alternative organizational, technological, and political pathways not taken. The stages of the industrialization process (or at least the chronicle of organizational changes in the political economy that we variously narrate) are understood to be contingently linked to one another through contested political transitions, in which different conceptions of industrial progress struggle for dominance. Conceptions of social identity are central to these conflicts and to their outcomes: The strategies of actors in struggles over the trajectory of industrial progress are shaped by images of the social order that they hold in their heads, both as it is thought to be in the present and as it is desired to be in the future. Most important in these conceptualizations of the social order are the position and rights of actors relative to others and relative to public institutions.

Transitional moments arise either through endogenously generated or exogenously induced problems in the social governance of economic activity. Prominent examples are disputes over the development possibilities of a new technology (e.g., railroads in the nineteenth century or mass production and microelectronics in the twentieth) and/or through confrontation with powerful foreign technological and organizational competition. Such moments give rise to alternative conceptions of development and strategies for their realization, in which the struggles that ensue destabilize not only the institutional contours of the economy but the structure and position of social groups and how those groups understand their position in society and politics. The outcomes constitute, reconstruct, reposition, and reconceive the entire range of social and political institutions that structure economic activity and, as such, shape the development of the division of labor, both within firms and within society as a whole.

There is a growing literature that adopts this kind of social constructionist understanding of the industrialization process with regard to small firms.<sup>21</sup> In this literature, small firms are not coded teleologically, making them appropriate for a particular stage in the industrialization process and marginal in another. Rather, this historical work has shown that decentralized, small and medium-sized producer-based industry not only existed as a viable alternative to the large industrial corporation in the past, but, in certain places, such as Denmark and many parts of Germany, political and economic conditions were established to sustain this kind of industrialization right into the present.<sup>22</sup> In these accounts, the success or failure of

21. For general theoretical discussions of European and American industrialization in his way see the essays by Charles Sabel and Jonathan Zeitlin, "Historical Alternatives to Mass Production: Politics, Markets and Technology in Nineteenth-Century Industrialization," in *Past and Present* 108 (August 1985): 133–174, and Sabel and Zeitlin, "Stories, Strategies and Structures: Rethinking Historical Alternatives to Mass Production," in idem and idem eds., *Worlds of Possibility: Flexibility and Mass Production in Western Industrialization* (volume prepared under the auspices of the Maison des Sciences de l'Homme, forthcoming).

22. For a discussion of alternatives to the large-scale corporation in the United States, see Gerald Berk, "Constituting Corporations and Markets: Railroads in Gilded Age Politics," in *Studies in American Political Development* 4 (1990): 130–168, and Gary Herrigel, "Industry as Form of Order: A Comparison of the Historical Development of the Machine Tool Industry in the United States and Germany," in Wolfgang Streeck, Philippe Schmitter, and J. Rogers

decentralized and smaller producer-based alternatives is attributed to the relative capacity on the part of the relevant actors to create institutions in the political economy that allow their conceptions of industrial progress to be realized.

The argument below applies this social constructionist framing of the politics of industrialization to the specific problem of trade union construction during the nineteenth century. The analysis sees trade unions as holding not only conceptions of a desired social order but also of their own position, and the position of those they represent, in the existing social order. In other words, far from being adaptations to a given division of labor (or holdovers from some previous “stage” in the development of the division of labor), trade unions in this analysis embody (or express or enact) particular understandings of what the social division of labor is (what Bourdieu calls “the space of positions”) and of how their members are positioned within it.

These broader characteristics of trade union identity may be seen clearly in the comparison of the emergence of craft unionism in the United States and industrial unionism in Germany at the end of the nineteenth century. In both countries, conceptions of the aims of trade unions and who should belong to them competed with one another and changed over time. The final crystallizations were products of immense, societal-wide struggles during the mid and late nineteenth century over the character and trajectory of the further development of a capitalistically structured economy. These struggles, I claim, generated great disarray in the social structures of both societies. They created a range of new social actors, redefined relations among social groups, and threw into flux previous understandings that actors had of their position within society—that is, of their social identities.

In the United States, the struggle was won by the advocates of the large corporation, mass production, and progressive liberal government. Within this new social and political order, the craft union constituted a way to dignify and defend the status of the nativist, white, skilled craftsman. In Germany, the same struggle over the character and trajectory of industrial development resulted in a set of complicated regional compromises that allowed a sophisticated decentralized industrial craft production to prosper alongside large-scale industrial corporations. In regions where the large corporation was dominant, trade unions were completely shut out, while in decentralized regions they competed with other artisanal organizations, not only for membership, but also over the definition of who was an industrial worker. In the end, a German industrial worker became one who, regardless of craft or skill level, could not be conceptually associated

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Hollingsworth, eds., *Comparing Capitalist Economies: Variation in the Governance of Sectors* (New York: Oxford University Press, 1993). On decentralized industrialization in Germany, see my forthcoming book, *Reconceptualizing the Sources of German Industrial Power* (Cambridge University Press). On Denmark, see Charles Sabel and Peer Hull Christianson, “Denmark” in Sabel and Zeitlin, eds., *Worlds of Possibility*, *ibid.*

with any of the existing organizations and social identities that constituted the regional labor market. In this context, membership in industrial unions gave such workers a coherent identity and way of understanding and valuing their place in Wilhelmine society.

### Early Nineteenth-Century Artisanal Capitalism in Germany and the United States

The key first moves in the development of this argument are to characterize the early nineteenth-century artisan economies that existed in Germany and the United States prior to the giant struggle in the latter half of the century and to lay out the most salient possible trajectories that people during the middle and late nineteenth century wanted industrial development to take. One may begin by pointing out that in both countries the artisan economy in the early nineteenth century was a capitalist economy, not an old honor-bound, master-centered one. In the earlier "precapitalist" economy, there were typically three actors: Masters, journeymen, and apprentices. Masters were at the top of the social hierarchy. They controlled the buying and selling of materials and monitored a wage structure that was established normatively (by a "just price") and not by market forces. Journeymen and apprentices, in the symbolic system of the old order, were masters-in-waiting: They were entitled to eventually attain the same social position as their masters by becoming masters themselves. This ideal ordering frequently generated considerable resentment and conflict when the passage to master became blocked, or when differences of opinion emerged over what constituted a just level for prices. Despite the prevalence of such conflicts, the old artisanal economy, was not collectively conceived as a class-divided production economy, but as a moral economy of craft honor, status, and mutual obligation.<sup>23</sup> During the first half of the nineteenth century, this "precapitalist" economy in both Germany and the United States broke down.

Simplifying greatly, one could say that the old economic order was done in by the dramatic social and political changes that resulted in the pervasive diffusion of market exchange throughout both societies. Beginning already in the eighteenth century, product markets were becoming more competitive and masters were forced to make changes in the character of production to keep pace: In particular, they felt compelled to lower production costs by introducing market criteria into the setting of wages and by dividing labor tasks in ways that made production more efficient or more flexible (or both). Some masters resorted to subcontracting work out to cheaper, less-skilled workers outside the workshop. Masters whose adjustment strategies met with success became entrepreneurs: They sought investment capital from wealthy merchants and nascent bankers, expanded

23. A nice description of this kind of economy in eighteenth-century America is presented in the first chapter of Sean Wilentz's *Chants Democratic* (New York: Oxford, 1984). A case study of one such German artisan economy is Ekkard Wiest: *Die Entwicklung des Nuernberger Gewerbes zwischen 1648-1806* (Stuttgart: Gustav Fischer Verlag, 1968).

their production, sometimes extended the division of labor, tried to achieve economies of scale—etc. Unsuccessful masters either wound up increasingly dependent upon merchant putters-out or they gave up their independence and sought work in shops and factories of more successful colleagues. This process of transformation introduced great ambiguity into the social identity of masters.<sup>24</sup>

These same broad historical pressures totally disrupted the stable internal relations that had governed the artisan economy. The honorable world of the just price was converted to a world of market prices in which masters and journeymen calculated their relative capacity to acquire as much as they could of the surplus generated in production, based on the laws of supply and demand in the labor market. In this way, a common world was transformed into an adversarial one. Masters and journeymen (and unsuccessful masters) became capitalists and wage laborers. Early trade unionism emerged as a tactic by which journeymen might improve or protect their position in the labor market. But the construction of early trade unions had an important social identity dimension as well. Journeymen battles with employers were always tinged with deep political outrage that the maneuverings of the capitalists constituted an attempt to undermine the rightful or just place of laboring craftsmen in society.<sup>25</sup> Except for peculiar cases such as miners' unions, these early journeymen's unions are characterized in most of the standard literature as craft unions.<sup>26</sup> In many ways, however, the distinction between craft unions and industrial unions in this context is anachronistic, because the division of labor in production, despite the introduction of machinery, was still so rudimentary that the old craft basically constituted the new industry. Unions representing a craft in effect represented an industry.

In contrast to the standard view of industrialization outlined in the initial section of this article, the claim here is that it was not at all clear to the actors involved what direction the development of this early nineteenth-century capitalist artisan economy would take. A variety of conceptions for

24. On the transition from precapitalist to capitalist artisan economy in the United States, see Wilentz, *ibid.*, and David Gordon, Richard Edwards, and Michael Reich, *Segmented Work, Divided Workers*, *op. cit.*, pp. 48–99; for the same transition in Germany, see my *Reconceptualizing the Sources of German Industrial Power*, *op. cit.*, chapters 2 and 3.

25. Wilentz, *op. cit.*, especially chapters 6 and 7, makes this clear. Victoria Hattam's discussion of early trade union battles in the antebellum United States makes an instructive critique of Wilentz's conceptualization of the journeymen's position in society and underscores the broadly political character of trade union rhetoric of the period; see Hattam, *Labor Visions and State Power. The Origins of Business Unionism in the United States* (Princeton: Princeton University Press, 1993), 76–111. On early German trade unions, see Ulrich Engelhardt, *'Nur vereint sind wir stark' Die Anfänge der deutschen Gewerkschaftsbewegung 1862/63 bis 1869/70* (Stuttgart, Klett-Cotta 1977). See also the interesting essays by John Breuilly, *Labour and Liberalism in Nineteenth-Century Europe* (*op. cit.*)—especially, "The Artisan Economy, Ideology and Politics: The Artisan Contribution to the Mid-Nineteenth-Century European Labour Movement" and "Liberalism or Social Democracy? Britain and Germany, 1850–1875," pp. 76–159.

26. See, again, Wilentz *Chants Democratic*, chapter 6; and Kocka, pp. 330ff.

development competed with one another, two of which we may, for the sake of simplicity, consider here as most important. One envisioned a process resembling the traditional path of centralization, concentration, increasing scale, mass production, and so on. The other conceived of a more decentralized path in which flexible, small and medium-sized producers of specialty products continuously absorbed new technologies and generated new products while utilizing and generating demand for skilled labor.<sup>27</sup>

Ultimately the success of one or both of these trajectories in society would have to presuppose the construction of a whole array of institutional arrangements: The character of the financial system and the availability of investment capital; the organization of national transportation networks; regulations on the capacity of producers to cooperate in the market; the organization of industrial training; and the role of government in the economy. Deciding these things quite literally would involve deciding what kind of industrial society interested parties wanted to have: i.e., struggles among intersecting and conflicting visions would ultimately lay down the institutional framework shaping economic activity and the distribution of power and status within the social and political community. Questions of industrial strategy, institutional design, and social identity in many respects dominated political struggle in postbellum America and in the Wilhelmine Reich.

The details of this struggle and its arduous movement toward outcomes have been written about elsewhere and I will not deal with them here.<sup>28</sup> Instead, I want to suggest how the outcome of this giant conflict in the late nineteenth century affected the construction of trade union organizations in each country. Interestingly, in both countries, struggle over the definition of the trajectory of development gave rise to a similar split within the labor movement. In both cases, the split involved different conceptualizations of trade unionism, of categories of workers, and of the boundaries of the working class. These different conceptualizations of social identity in each case were made possible by the profound dislocation in the underlying topography of groups and relations in society created by that same ongoing struggle over the constitution of an industrial trajectory.

On the one side, there were those who embraced the vision of a decentralized trajectory and advocated its institutionalization in a way that would

27. This bifurcation in the debate is brought out clearly in Hattam's work; see *Labor Visions and State Power*, op. cit., pp. 112-179. My own book, *Reconceptualizing the Sources of German Industrial Power*, op. cit., chapters 2-4, develops an analogous range of alternatives in Germany.

28. For my view of nineteenth-century German industrialization, see *Reconceptualizing The Sources of German Industrial Power*, op. cit., chapters 2-4. For the struggle between alternatives in the United States, in addition to Berk, "Constituting Corporations and Markets," op. cit., see Martin Sklar, *The Corporate Reconstruction of American Capitalism, 1890-1916* (New York: Cambridge, 1989), Philip Scranton, *Proprietary Capitalism* (Philadelphia: Temple, 1984), James Livingston, *Origins of the Federal Reserve System. Money, Class and Corporate Capitalism, 1890-1913* (Ithaca: Cornell, 1986).

transform the wage system into one of cooperative producers. The Knights of Labor in the United States and the Lassallean Socialists in Germany represented this tendency. Their associative vision of industrial society conceived not of a working class but of a more inclusive producing class. Both organizations, moreover, maintained that the creation and preservation of that class was consistent with the foundational social and political principles governing each society.<sup>29</sup>

On the other side were trade unionists and socialists influenced by the ideas of Karl Marx who believed that it was either utopian or politically impossible (or both) to push for the political transformation in basic property relations that their opponents in the labor movement advocated. The labor movement, on this view, was too weak to influence the outcome of the struggle over the broad societal institutionalization of a particular trajectory of capitalist development and should instead focus on solidifying, defending, and bolstering the rights and position of labor within whatever structure emerged. This conception of the trade union and its position in society was characteristic of both the pure-and-simple trade unionism of Samuel Gompers and the newly reconstituted industrial unionism in Wilhelmine Germany. It also describes the practice (though not the ideology) of Wilhelmine social democracy.<sup>30</sup>

In both countries, the cooperative socialists lost and the Marxian integrationists won. But here the similarities between the two cases ends. Setting aside the absence of a Social Democratic party in the United States, it remains the case that Gompers's pure-and-simple unionism was used to encourage the development of craft unions, whereas Marxian trade unionism in Germany encouraged the development of industrial unions. To see how this came about, and to understand the crucial role of social identity

29. See Vicky Hattam's discussion of the KOL from this point of view in *Labor Visions and State Power*, op. cit. A good overview of the KOL's general ideology is presented in the first two chapters of Leon Fink's *Workingmen's Democracy* (Champaign-Urbana: University of Illinois Press, 1983). On Lassallean Socialism see William Harbutt Dawson, *German Socialism and Ferdinand Lassalle* (London: Swan Sonnenschein, 1891); Edward Bernstein, *Ferdinand Lassalle as a Social Reformer* (London: Swan Sonnenschein, 1893); S. Na'aman, "Lassalle—Demokratie und Sozialdemokratie," in *Archiv fuer Sozialgeschichte* 3 (1963).

30. On Gomper's roots in Marxian conceptions of the social role of trade unions in a developing capitalist society, see the excellent introduction to Gomper's autobiography by Nick Salvatore, "Introduction," in Samuel Gompers, *Seventy Years of Life and Labor. An Autobiography* (Ithaca: ILR Press, 1925), xi–xli, and also Stuart Bruce Kaufman, *Samuel Gompers and the Origins of the American Federation of Labor, 1848–1896* (Westport CT: Greenwood Press, 1973), and H. M. Gitelman, "Adolph Strasser and the Origins of Pure and Simple Trade Unionism," in Daniel J. Leab, ed., *The Labor History Reader* (Urbana: University of Illinois Press, 1985), 153–165. On the divide between revolutionary ideology and reformist practice in pre-World War I German social democracy one can still do little better than Carl E. Schorske, *German Social Democracy, 1905–1917* (Cambridge MA: Harvard, 1955). Schorske is particularly good on the importance of the trade unions in the basically dominant reformist faction. Mary Nolan's essay, "Economic Crisis, State Policy and Working Class Formation in Germany, 1870–1900," in Ira Katznelson and Aristide Zolberg, eds., *Working Class Formation* (Princeton: Princeton University Press), 352–397, makes the point quite explicitly that the German Social Democrats did not pursue any policies in parliament that aimed at changing the basic institutional structures of the Reich in any way.

in shaping the two outcomes, it will be necessary to look more closely at each case.

### Industrial Unionism in Germany and the Solidarity of Class

The key to understanding the formation of industrial unions in Germany is the social position and identity of the skilled craftsman. This continued to be ambiguous in those regions where the industrialization of the artisan economy was ultimately institutionalized in a decentralized manner. Different kinds of organizations—industry associations, trade unions, craft chambers (*Innungen*)—competed for craftsmen's allegiance and membership while they in turn sought membership or association with one of those organizations. For example, successful masters joined industry associations; unsuccessful ones joined craft chambers or trade unions. And, given the circulation and recombination of skills and assets that were characteristic of the highly specialized, decentralized production arrangements in these industrial districts, it was often the case that success and failure turned quickly into the other.<sup>31</sup>

Within this fluid socioeconomic world, the conceptual burden on emergent organizations in their efforts to attract members was actually twofold: They not only had to persuasively present themselves as representing positions in a social topography of groups and positions; they had to construct a stable conception of which groups legitimately constituted or composed the social space of positions and for what reasons. For example, craft chambers, the representatives of the fin de siècle traditional *Mittelstand*, are widely interpreted as having had the burden not only of defining whom they represented, but also of explaining how their members continued to have and deserve a respected place in the rapidly industrializing Wilhelmine Reich.<sup>32</sup> The construction of organizational form, in other words, was intimately bound up with social and political struggles over the redefinition of social identities and with the invention of ideologies that elaborately characterized the growth and composition of modern society.<sup>33</sup>

How did this special twofold burden result in the formation of industrial

31. For a discussion of this with examples, see chapter 2 of my manuscript *The Sources of German Industrial Power*.

32. An excellent discussion of the *Mittelstand* sensitive to this dimension is David Blackburn, "The *Mittelstand* in German Society and Politics, 1871–1914," *Social History* 4 (January 1977): 409–433. The standard work on the politics of the lower middle classes (including the artisanate) in modern German history is Heinrich August Winkler, *Liberalismus und Antiliberalismus. Studien zur politischen Sozialgeschichte des 19. und 20. Jahrhunderts* (Goettingen: Vandenhoeck & Ruprecht, 1979).

33. Cf. Bourdieu:

If the objective relations of power tend to reproduce themselves in visions of the social world which contribute to the permanence of those relations, this is therefore because the structuring principles of the world view are rooted in the objective structures of the social world and because the relations of power are also present in people's minds in the form of categories of perception of those relations. But the degree of indeterminacy and vagueness characteristic of the objects of the social world is, together with the practical, prereflexive

unions? Here one must look to the particular way that decentralized industrialization affected the structure of precapitalist guild membership in different industries. As noted above, the traditional literature claims that trade unionism took shape independently of guild and journeymen organizations in the precapitalist artisanal economy. Those traditional organizations,—tailors, shoemakers, construction workers, and many (though not all) workers in the metal trades—were structured in ways close to the ideal type outlined above, with the master completely in control of purchases and sales and on top of the social hierarchy. When industrialization occurred in these trades, successful masters became capitalists, and, in many cases, transformed their guilds into industrial associations. Unsuccessful craftsmen and journeymen, on the other hand, were gradually cut loose from these older corporate affiliations both materially and symbolically. They were left to fend for themselves in the labor market and in the emerging new modern industrial society of status, citizenship rights, and social hierarchy. We will deal with the fate of this later group in a moment, but the important point here is that the control and social identity of the master within the master centered guilds were transformed by the process of industrialization into the control and social identity of a capitalist employer.<sup>34</sup>

But this account is only partly true. The historian Rudolf Boch has pointed out that this argument only disposes of the influence of old master-centered, guild-organized crafts established in medieval or early modern times through grants from landed aristocrats.<sup>35</sup> There were other, differently structured guilds in Germany, not as ancient as the ones mentioned above and affected by industrialization differently. These alternative guilds were typically established during the eighteenth century by city

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and implicit character of the patterns of perception and evaluation which are applied to them, the Archimedean point which is objectively made available to truly political action. Knowledge of the social world and, more precisely, the categories which make it possible, are the stakes *par excellence* of the political struggle, a struggle which is inseparably theoretical and practical, over the power of preserving or transforming the social world by preserving or transforming the categories of perception of that world. (in "Social Space and the Genesis of 'Classes'," in idem, *Language and Symbolic Power*, op. cit. pp. 235–236)

34. Kocka treats this specific kind of evolution as the general one in his article, "Problems of Working Class Formation in Germany," in Katznelson and Zolberg, eds., *Working Class Formation*, op. cit., pp. 338–339. See also his general article on the emergence of entrepreneurs in German industrialization: Juergen Kocka, "Entrepreneurs and Managers in German Industrialization," in Peter Mathias and M. M. Postan, eds., *The Cambridge Economic History of Europe, Vol. VII* (New York: Cambridge University Press, 1978).

35. Much of the following uses the analysis that Boch gives in "Zunfttradition und fruehe Gewerkschaftsbewegung. Ein Beitrag zu einer beginnenden Diskussion mit besonderer Beruecksichtigung des Handwerks im Verlagssystem," in Ulrich Wengenroth, *Prekaere Selbststaendigkeit. Zur Standortbestimmung von Handwerk, Hausindustrie und Kleingewerbe im Industrialisierungsprozess* (Stuttgart: Franz Steiner Verlag, 1989), 37–70.



merchants who desired to organize a labor force to produce a particular article or commodity. In many cases the production arrangements were established on a decentralized, putting-out basis: Boch's best examples are the specialty cuttingware industries in Solingen and the specialty cotton and wool industries in the kingdom of Saxony. But there were also cases in which work was performed in workshops, as in the printing trades.<sup>36</sup>

The distinctive feature of these newer guilds was the role of the master: He (always *he's*, even in putting out) did not control the purchases and sales of the trade as in the other guilds, but was simply a fully qualified craftsman. The position of control that the master occupied in the older guilds was in these newer guilds typically occupied by the merchant. Thus, when these trades began to industrialize, a clear cleavage emerged between merchants on the one side and the outworker guilds (masters, journeymen, and apprentices together) on the other. When guilds were legally outlawed, the outworkers organized themselves into what were called *Fachvereine*, or associations of skilled outworkers. In the putting-out industries cases, these *Fachvereine* were much like craft unions because they excluded workers with different craft skills who worked in different parts of the decentralized production process (e.g., forgers excluded grinders and vice versa in the cutlery trades).<sup>37</sup> But, importantly, the continuity of membership between the *Fachvereine* and the earlier merchant-centered guilds left the status and social position of these workers in their communities less ambiguous than in those areas where, as we have seen, there was continuity with the guilds only among successful masters. The workers in the *Fachvereine* understood themselves, socially, economically, and politically, to be a specific kind of independent, non-factory-based industrial worker.

With the social status of the guild craftsmen transformed in the process of industrialization on the one hand into a set of entrepreneurial identities and on the other hand into a set of independent, non-factory-worker identities, there remained a large social space for unaffiliated workers who labored in factories and workshops. Such workers, as noted above, often experienced their social position as temporary: They circulated through a variety of different positions, as factory worker, as independent subcontractor, as small employer, etc. But, given the way industrialization had transformed the social identity of the guild affiliations, these workers liter-

36. Cf. Boch, *ibid.*

37. On the cutlery workers in Solingen, see Boch's fabulous book, *Handwerksozialisten gegen Fabrikgesellschaft* (Goettingen: Vandenhoeck & Ruprecht, 1985). Boch's book is about the conflict that developed between the craft unions of the putting-out tradesmen and the industrial unions of the factory cutlery workers during the first quarter of the twentieth century. The experience of the printing trades is a favorite example of most students of the labor movement interested in the creation of national unions because they were the first. See the discussion in Peter Swensen, *Fair Shares* (Ithaca: Cornell University Press, 1989), and Gary Marks, *Unions in Politics* (Princeton: Princeton University Press, 1989). The printers' union is always characterized as an industrial union, because it organized the entire industry. But in many ways there is a lot of anachronism in that characterization for most of the nineteenth century because the organized craft was basically the organized industry. The distinction between craft union and industrial union is inappropriate for the case. See remarks above.

ally had no status and little sense of how to articulate their experience to themselves and to others in social or political terms.

This negative space, so to speak, in the social topography was ultimately filled—that is, given an identity, by the social democratic movement and by allied trade unionists motivated by the Marxian integrationist ideas discussed earlier. Both of these sets of actors constructed the idea of the working class, positioning it, conceptually, in a broader understanding of society and politics. They gave this working class, so defined, a historical mission and declared that it had (or deserved) social and political rights within German society. The ideas of the social democrats and their allied trade unionists made it possible for these workers to recognize that they shared a social world. Most importantly, this connection reached across craft and skill distinctions: This common social space was not based on skill, but on the fact that all were factory workers cut off from old forms of social, corporate identity.

Inclusiveness marked the character of Marxian-influenced social democratic trade unions from their very beginning in the 1860s. To the late-twentieth-century eye these early unions appear to have been craft unions, and many scholars, including Kocka, have described them as such. But this is once again only an indication of how inappropriate this distinction is for those early forms of artisanal capitalism. As elaborated earlier, because the internal division of labor within firms was so little developed, the craft was in many cases the industry. A better indication of the social and industrial inclusiveness of the Marxian unions in the context of the circulation of workers among different positions in the division of labor is that both workers and small employers belonged to the same unions. The strategy of the early unions was to target those who had no other status or affiliation, not to focus on those who occupied the same position in the labor market.<sup>38</sup>

Seen from this perspective, the fact that the German trade unions opted for industrial and not craft unions after the antisocialist law restrictions on labor union organizing were lifted in the 1890s makes sense. Even though industrialization of the artisan economy during the twelve years in which the unions were banned introduced new technologies and new skills into the decentralized industries, the way in which the identity and status of the *factory laborer* had been constructed in German society by the Marxism of the unions and the Social Democratic party made the formation of unions that organized differently skilled workers in the same factory, as well as their unskilled comrades, seem completely natural. The only dissenters to the formation of industrial unions were the independent nonfactory workers in the *Fachvereine*, who had a completely different social identity.<sup>39</sup>

38. See Kocka, "Problems of Working Class Formation in Germany," p. 341.

39. See Boch's rich discussion of the conflicts between the two kinds of worker identities in Solingen in his *Handwerksozialisten gegen Fabrikgesellschaft*, op. cit. To avoid confusion it is important to note that though there were no large conflicts over the idea of an industrial union in Germany beyond the conflict with the *Fachvereine*, there were many intra- and

### Craft Unions in the United States: Republicanism, Work, Respectability, and Race

The social, institutional, and political world in which artisanal capitalism in the United States was embedded was an entirely different one than in Germany. Social distinctions that were crucial in the construction of the identity of German workers could not be made in the United States. There were, for example, no guilds in the United States. As a result, the crucial distinction between master-centered and merchant-centered guilds so important in creating open social space for German Marxism to construct the general skill-spanning identity of factory laborers could not be drawn. Social identities were structured by different distinctions, distinctions stemming from the particular way in which artisanal capitalism in the United States was institutionalized and conceptually located within the surrounding society.

Seen comparatively, the key feature of artisanal capitalism in the United States was that the cleavages created between masters and journeymen by the breakdown of the traditional artisanal economy gave rise to the creation of "craft" unions of journeymen. Journeymen were already widely recognized to have a social position and identity in "republican" society based upon their possession of a craft skill before that transition. Thus by all accounts, the new journeymen's unions used the relative stability of that social identity as a base upon which they could articulate a new "producer-republican" understanding of themselves, of their union organizations, and of the position and value of both within the early capitalist (Jacksonian) social order. The organizations and activities of journeymen craftsmen all presupposed this social identity: The early "craft" unions that journeymen formed for purposes of strikes, their general hostility toward employers, their broad political activity—all deployed and were embedded in a republican understanding of society and the polity. This understanding enabled the journeymen to articulate their grievances in terms of an offense to their dignity as skilled producers.<sup>40</sup>

Just as important as this producerist and republican transformation in the identity of journeymen craftsmen was the fact that the journeymen never carried the corporate, ascribed social and political status of guild members in Germany and other European countries. The formal political and legal status of the journeyman craftsman in the United States was that of an individual citizen. This is significant for a number of reasons, but most of all because it meant that the salient part of the journeyman's self-conception and of the producer-republican ideology was not membership in a journeymen's association or a craft union per se, but the posses-

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interunion conflicts during the 1890s and early twentieth century. In particular, there was tremendous debate over the creation of centralized national union structures. Localists were very strong during the 1890s. But, here again, even the localists had no problem with the formation industrial unions. See Schoenhoven, *Expansion und Konzentration*, op. cit.

40. See the discussion of artisanal republicanism in Wilentz, *Chants Democratic*, op. cit., and esp. Hattam, *Labor Visions and State Power*, op. cit., chapter 3.

sion of a skill.<sup>41</sup> The fact that identity and social status came to be constructed as stemming from skill and not from corporate membership meant that anyone who possessed skill could make a claim to the status of producer and could understand themselves in those terms. This was true, naturally, of workers whose skills were generated through the process of industrialization, and of those who plied their trade in workshops and factories. This was not conceivable in the German case because the relationship between the possession of skill and corporate identity was far more complicated.

Now, if social status and identity within a producer-republican frame was linked to the possession of skill, it is easy to see that it would be important that others be able to recognize one who possessed it. The continuing salience of the linkage between skill and citizenship in the self-understanding of workers and their organizations, and especially the continuing need for this kind of distinction, lay at the root of the strength of craft unionism in the United States throughout the period of nineteenth-century industrialization. Workers in the United States understood their social position, their status, their respectability as citizens, and their dignity as laboring beings as rooted in their possession of skill and in the fact that possession of that skill was special, not common.

Throughout the nineteenth century, then, and well into the twentieth, skilled workers and craft unions in the United States determined to protect their trades and to exclude from them all workers who they believed would in some way diminish the social integrity of the trade. Crucially, because decisions about who to exclude were driven by social and political considerations of identity and not simply by calculations of market advantage, craft unions more frequently than not shut out not only unskilled workers but all workers who were coded in American society as per se undesirable and whose membership would therefore have undermined the social standing of the trade. The classic "undesirables" for craft unions were black artisans and skilled immigrant laborers. Neither of these groups of people was excluded on the basis of economic calculation or skill. They were excluded because they were either ostracized or treated with great suspicion within American society generally.<sup>42</sup>

The paradox of American trade union development is that the evolution of this exclusivist craft identity within the union movement was intensified

41. Judith Sklar makes the connection between skill and citizenship in *American Citizenship. The Quest for Inclusion* (Cambridge MA: Harvard University Press, 1991). This is also an important theme in Eric Foner, *Free Soil, Free Labor, Free Men. The Ideology of the Republican Party before the Civil War* (New York: Oxford University Press, 1970).

42. On the fate of black artisans and their exclusion from white trade unions, see W.E.B. Dubois, *The Negro Artisan* (Atlanta: Atlanta University Press, 1902), which provides statistics on the progressive decline in their numbers after reconstruction. See also Harold M. Baron, "The Demand for Black Labor: Historical Notes on the Political Economy of Racism," *Radical America* 5 No. 2 (March–April 1971). On the hostility of the AFL unions to immigrants, see Salvatore's introduction to Gompers, *Seventy Five Years of Life and Labor*, op. cit., and Gwendolyn Mink, *Old Labor and New Immigrants in American Political Development: Union, Party and State, 1875–1920* (Ithaca: Cornell University Press, 1986).

by the historical transformation of the artisan economy into one dominated by large-scale factory production. I propose, however, that the victory of what we now know as the modern large-scale corporation was less important in determining this outcome than was the fact that more decentralized alternatives for industrial society were defeated. The advocates of these alternatives, in particular the Knights of Labor, self-consciously attempted to transform the producerist social identity within the laboring classes into a basis for more inclusive organizations and broader solidarity.

The idea of creating solidarity out of a conceptual understanding of society based upon distinction and difference was not as implausible at the time as it may appear to us today. After all, the early antebellum producerist visions of a republican political economy were articulated by craftsmen laboring in that liminal zone referred to several times above in which possession of a skill, membership in a craft, and working in a particular industry were virtually overlapping activities. In that context, to declare oneself a producer and thus publically celebrate and defend the integrity of your skill was not only a way to distinguish oneself from nonproducers (the unskilled, bankers, lawyers, merchants etc.): It also declared one's solidarity and commonality with other craftsmen. Expanding this latter dimension of the producerist understanding into a form of social identity that could have supported multiskill industrial organization simply required a whole array of developments which never occurred, but which can be counterfactually posed (or simply reconstructed from what the advocates of more inclusive labor organizations actually said).

Consider the following: Suppose industrialization in the United States actually had traveled along more decentralized craft industrial lines as it had in many regions of Germany. And, suppose further that the Knights of Labor were successful in institutionalizing that decentralization according to their associationalist principles (with producer cooperatives, an accommodating financial system, and a system of equitable national transport).<sup>43</sup> Then the proliferation of new forms of skill and the circulation of producers through different positions in production entailed in that kind of industrialization could easily have been accompanied by a redefinition of the social understanding of who counted as a producer in a way that emphasized membership in a community of producers, rather than possession of skill.

The defeat of this more decentralized alternative in the United States had the important consequence of reenforcing the significance of skill as a basis for social status and social identity within the working class. This was true for two reasons. First,<sup>44</sup> the dissolution of the Knights of Labor (KOL) was precipitated by the notoriety of the Haymarket affair, an event that tainted affiliation with the KOL with social disrespectability based on the manufactured impression that it was an organization run by anarchists

43. For a good outline of the producers' vision of industrialization, see the discussion in Hattam, *Labor Visions and State Power*, op. cit., pp. 122-129.

44. I thank Kim Voss for suggesting this general argument to me.

and foreigners.<sup>45</sup> This attribution caused an immediate precipitous decline in membership in the KOL. But the scandal was also bad for the inclusive vision of the movement and for the understanding of an alternative ordering of society and politics that it represented. An essential aspect of the allure and strength of the KOL had been their ability to attach their controversial inclusivist and associational ideas to fundamental American values and myths. The movement continuously evoked, for example, the ideals of the American revolution in the articulation of its own program, and the unfavorable coding of the Haymarket scandal in society at large made it increasingly impossible for the KOL to convincingly achieve this kind of ideological linkage, leaving its inclusivist programs exposed to charges of being un-American—and, by implication, incapable of manufacturing criteria for respectable citizenship. It was in the face of this kind of social risk and ambiguity that many white skilled workers withdrew into a form of social organization that had already proven that it could preserve social respectability: The craft union.<sup>46</sup>

Second, the flight back to the political ideals associated with skill and the strategic orientation of the AFL craft unions that benefited from the collapse of the KOL led, in turn, to the strengthening and institutionalization of craft divisions within the late-nineteenth- and early twentieth-century American working class. Since the priority of the Marxian/Gompersian trade unionists was to organize and defend the rights of workers in society as they found it and not to change the structure of the society in which those workers found themselves, they organized workers the way they wanted to be organized: That is, according to skill distinctions. Moreover, since the stated goal of these unions was to improve as best they could the position and integrity of laboring men in American society, they were extremely attentive to the way in which American society itself distinguished a valued and respectable citizen from a suspicious or less desirous one.

The post-1890 history of the AFL is one of continuous capitulation to the reigning tenets of organizational and social respectability in the United States. The central association, for example, ultimately accepted the repeated rulings of American courts that efforts to establish linkages across labor markets between skilled and unskilled violated fundamental norms underlying the constitutional order.<sup>47</sup> Gompers, after a long and frustrat-

45. Paul Averich, *The Haymarket Tragedy* (Princeton: Princeton University Press, 1984), pp. 215–240 and passim.

46. See the interesting discussion of the early years of the machinist's union in Atlanta in Mark Perlman, *The Machinists: A New Study in American Trade Unionism*, (Cambridge: Harvard University Press, 1961). The craft union was founded by former Knights who felt that their reputations would be tarnished by further associations with the order. The craft union they formed excluded all unskilled, all other crafts, and all black workers.

47. This is the message of Forbath, *Law and the Shaping of the American Labor Movement*, op. cit., though he doesn't appreciate the dimension of social identity that I am emphasizing. Hattam's, *Labor Visions and State Power*, op. cit., makes an argument that in some respects parallels Forbath's, but her argument is much more nuanced on identity questions.

ing struggle, caved in to the intransigence of member unions and stopped pushing for racial inclusiveness among all AFL affiliates.<sup>48</sup> On the eve of the U.S. entry into the First World War, Gompers demonstrated the uprightness and thorough Americanness of skilled, white, craft unionists by railing against the dangers of unrestricted immigration and lawless behavior on the part of immigrants.<sup>49</sup>

## CONCLUSION

The above account of the role of social identity in the construction of craft unions in the United States and industrial unions in Germany before the First World War is admittedly far from definitive, even on its own terms. Much greater attention must be paid to actual discourses and debates in both countries, and a greater elaboration of the way in which forms of social identity also involve relations of power in society is also required. The aim of this note, however, has not been to make a definitive historical case, but to suggest and sketch out an alternative, social constructionist, way of thinking about the historical emergence of institutions in a political economy. Moreover, making an argument about the identity contours of organizational development is not inconsistent with arguments about workers' tactical and strategic behavior in the labor market or vis-à-vis the state. My point is simply that the self-definition of the trade union organizations involved ways of understanding and valuing the social world more broadly and that these forms of social understanding were crucial determinants for adoption of particular organizational forms over others.

There are two reasons that further development of the social constructionist perspective outlined here could be important in the context of current debates in historical and contemporary political economy both in Germany and the United States. First, traditional literatures in both countries have been so driven by the Cold War concerns about socialism and its presence or absence that they have tended to overlook or take for granted fundamental questions about the history of unions—such as what they meant and represented to their members. Very little of the literature on American exceptionalism, for example, makes explicit arguments about why there were craft unions in the United States. Their concern has been more with the political and class consciousness of workers and with the possibilities for the formation of a coherent Left political movement in the

48. On racism and late-nineteenth-century AFL unions, see Mark Karson and Ronald Radosh, "The American Federation of Labor and the Negro Worker, 1894–1949," in Julius Jacobson, ed., *The Negro and the American Labor Movement* (New York: Anchor Books, 1968), 155–187. On the general increase of racism in late-nineteenth- and early twentieth-century American political discourse, in all areas of social, political and economic life, see Carol Horton, *Race, Liberalism and American Political Culture*, Ph.D. dissertation (in progress), Department of Political Science, University of Chicago.

49. See Salvatore's Introduction to Gompers's autobiography, *Seventy Years of Life and Labor*, op. cit., pp. xxxii–xxxvii, as well as relevant sections of autobiography itself. See also Mink, *Old Labor and New Immigrants in American Political Development*, op. cit.

United States. These are important questions, yet they reflect a narrow understanding of the range of the socially and politically possible. In an age when liberalism and socialism, free markets and planning, no longer define the parameters of the social imagination, questions open up concerning the relationship between organizational form and social identities that the old dichotomies did not allow to be posed.

Second, the relationships among ideas of citizenship, social identity, and the contours and role of labor market organization are central for the labor movement of today. The racial and ethnic contours of the labor market are changing dramatically both in the United States and Europe, and the underlying structure of society is being radically redefined by dramatic industrial, technological, and political changes analogous to the transformation in the nineteenth century.<sup>50</sup> Traditional structural and materialist approaches to trade unions too frequently fail to problematize the identity dimension of trade unions in our contemporary social and political world. Yet, unless one believes not only that material interests are transparent to individual actors but also that they unproblematically suggest to those actors unique organizational forms for the pursuit of their interests, the confrontation of questions of social identity and institutions as developed here in this article cannot be avoided.

50. For some who address problems of American trade unions from this perspective, see Michael Piore, "Post-Reaganomics: The Resurgence of the Social Sphere in Economic and Political Life? Part One," MIT Center for International Affairs, Working Paper Series, January 1989, and Alice Kessler Harris and Bertram Sliverman, "Beyond Industrial Unionism. Into Politics, Into Communities," *Dissent* (Winter 1992): 61-66. English-language literature on similar processes within European unions is very noticeably meager. One partial exception is Horst Kern and Charles Sabel, "Trade Unions and Decentralized Production: A Sketch of Strategic Problems in the West German Labor Movement," *Politics and Society* 19 No. 4 (1991): 373-402.