## EISENHOWER ERA POLITICS AND THE 1959 STEEL STRIKE Van W. Hutchison Kansas State University

Nineteen-fifty nine's steel strike was the largest labor strike of the 1950s, yet it is little remembered in most histories of the Eisenhower era. This omission is not only surprising given the scale of the strike, but it also misses a major part of the postwar political and social order, as well as the thought of President Dwight D. Eisenhower and his administration on those very questions of the postwar order, extending to labor-capital relations. These issues cannot be fully understood without an examination of the response to them by Eisenhower and his Secretary of Labor, James P. Mitchell. This event was one in which Eisenhower's political instincts noted by historian Fred Greenstein-"hidden-hand" leadership style and a centrist approach to keep him above political fighting-did not serve him well, as he failed to satisfy either the Steelworkers' Union, the steel corporations, or their political allies.<sup>1</sup> The reasons for this failure were partly because the steel strike occurred near the end of his administration, but they also were related to unresolved questions surrounding labor's role in postwar America, questions that Eisenhower inherited from the Roosevelt and Truman administrations.

Given that Eisenhower was now confronting issues of capital-labor confrontation that had given his predecessor political headaches, it is critical

<sup>1.</sup> Fred Greenstein, <u>The Hidden-Hand Presidency: Eisenhower as Leader</u> (Baltimore: John Hopkins University Press, 1994), 57-58; Federation of Women Shareholders in American Business, Petition From Wilma Soss to President Dwight D. Eisenhower, July 22, 1959, Folder: 1959 Steel Strike: August 1-15 (1), Box 92 and Political Memo From the Committee on Political Education (COPE) "Another Reason Vigorous Leadership Is Needed in Washington," Committee on Political Education, AFL-CIO, December 19, 1960, Folder: 1960 AFL-CIO (1), Box 117, both found in the James Mitchell Papers, Dwight D. Eisenhower Presidential Library, Abilene KS (hereafter cited as Mitchell Papers, DDE Library). Soss was a Republican businesswoman who bitterly complained about the sluggishness of administration action on Taft-Hartley, while COPE was the political arm of the AFL-CIO; Jack Metzgar, <u>Striking Steel: Solidarity Remembered</u> (Philadelphia: Temple University Press, 2000), 81-83.

to identify clearly what his attitudes on capital-labor issues were. Eisenhower had distinctive ideas about the ways in which society should be organized and a distinctive style of exercising presidential leadership. These had significant consequences for the administration's course of action during the strike.

It is for this reason that it is crucial to define the terms used in this article before discussing the strike and its larger political context. When the phrase "The Corporate Commonwealth" is used, it is in reference to a specific analysis of Dwight Eisenhower's thought on social and economic questions that was coined by political scientist Robert Griffith in the early 1980s.<sup>2</sup> Griffith intended "corporate" in this context to refer to the older meaning of the term as voluntary association, rather than the contemporary sense of the word, with its connotations of modern capitalist organization.<sup>3</sup> Eisenhower, Griffith maintained, had a vision of an ideal society grounded in classical republican notions of virtue based on a corporate-in this older sense-society in which different interests worked together for a common good.<sup>4</sup> References to "hidden-hand" methods of presidential leadership that follow refer to historian Fred Greenstein's analysis of an Eisenhower political style that sought to exercise presidential leadership behind the scenes, while cultivating a public image of aloofness from the often unsavory business of politics.<sup>5</sup> Unfortunately for Eisenhower, the very nature of strikes in general was profoundly disruptive to such cooperative notions of societal harmony, and a prolonged strike in an industry critical to national defense would expose his style of leadership's weaknesses.

The strike began on July 15, 1959 at the headquarters of Bethlehem Steel in Buffalo, New York, and quickly spread to other steel-producing areas around the country.<sup>6</sup> It was the fifth to occur between 1945 and 1960-with previous strikes

- 4. Ibid., 91-92.
- 5. Greenstein, Hidden-Hand Presidency, 57-58.

6. Dwight D. Eisenhower, <u>Waging Peace</u>, <u>1956-61</u>: <u>The White House Years</u> (New York: Doubleday and Co., 1965), 453; <u>New York Times</u> "Steel Strike Begins: Mills Shut," July 15, 1959.

<sup>2.</sup> Robert Griffith, "Eisenhower and the Corporate Commonwealth," <u>American</u> <u>Historical Review</u> 87 (1982): 88.

<sup>3.</sup> Ibid., 87.

in 1946, 1949, 1952, and 1956-and was the largest of the postwar steel strikes.<sup>7</sup> The way in which the strike unfolded reflected some of the same major issues of conflict between labor and management that had produced the wave of steel strikes when Harry Truman was President. As Christopher G. L. Hall has noted in his history of the steel industry, <u>Steel Phoenix</u>, recurring conflict in the industry over identical issues occurred because collective bargaining in the industry established a pattern of three-year contract negotiation cycles that led to major strikes when the previous contract expired.<sup>8</sup>

A crucial element of the 1947 steel contract was Section 2-B, with corollaries won by the United Steelworkers in the subsequent strike of 1956, such as Supplemental Unemployment Benefits (SUB) and Cost of Living Adjustments (COLAs).<sup>9</sup> SUBs and COLAs were part of a system of labor-management negotiated benefits that one labor historian has termed "welfare capitalism" or "private welfare plans."<sup>10</sup> COLAs were guarantees that union wages would be adjusted for price inflation over a three-year period, while SUBs covered a range of benefits such as severance pay, pensions, health care, and job security guarantees.<sup>11</sup> Unionized workers' guarantees under the contract were the major issues of conflict in the strikes of 1949, 1952, and 1956, and they were still the major issues at the heart of the 1959 steel strike.<sup>12</sup> Section 2-B of the 1947 steel

8. Christopher G. L. Hall, <u>Steel Phoenix: The Fall and Rise of the Steel</u> Industry (New York: St. Martin's Press, 1997), 43.

9. Metzgar, <u>Striking Steel</u>, 54, 102-04; "1959 Dispute in the Steel Industry: Exhibit D: SUB," Folder: 1959 Steel Strike-President's Board of Inquiry (1), Box 7, David W. Kendall Records (hereafter cited as Kendall Records), DDE Library.

10. Stephen Amberg, "The CIO Political Strategy in Historical Perspective: Creating a High-Road Economy in the Postwar Era," in Kevin Boyle, et al., Organized Labor and American Politics: 1894-1994: The Labor-Liberal Alliance (Albany: University of New York Press, 1998), 169.

11. Hall, Steel Phoenix, 46.

12. Metzgar, Striking Steel, 54, 102-04.

<sup>7.</sup> Metzgar, <u>Striking Steel</u>, 59; "Statement By Secretary of Labor James P. Mitchell, News From U. S. Department of Labor," July 21, 1959, Folder: Reading File-July (2), Box 219, and "Memorandum From Harry Weiss to Philip Arnow: Issues in the 1959 Steel Strike," July 23, 1959, Folder: 1959 Steel Strike-June-July 1959, Box 92, Mitchell Papers, DDE Library.

contract additionally spelled out that "the scope of wages, hours of work, or other conditions of employment" would be determined by local agreements between the companies and trade union locals. But Section 2-B was otherwise written in such a vague manner that conflict over its precise meaning was inevitable.<sup>13</sup> For example, Section 2-B contained a clause allowing for the companies to "change or eliminate local working conditions," but only if "the basis for the existence of the local working condition is changed or eliminated," and affected employees had the opportunity to file grievance procedures.<sup>14</sup> Furthermore, the company had to justify its action during such proceedings.

Beyond ambiguous and complex wording, conflict was also made quite likely by a downturn in the United States economy in 1959, which caused the steel corporations to hold out for much lower labor cost increases during the steel industry talks, which then deadlocked.<sup>15</sup> Even before the strike, the companies were operating at only two-thirds capacity, which reflected a weaker economy than that which had prevailed in 1956. Steel corporations for this reason felt justified in asking for changes in the contract, and they saw these changes as necessary in order to remain competitive and to avoid steel price increases for consumers. The circumstances that led to the strike thus did not stem from a strong desire for a strike by either side, but they were instead the consequences of incompatible goals in a year of economic recession.

All parties involved in and observers of the strike, including Eisenhower himself, asserted that a long strike would be detrimental to the overall US economy. Where they disagreed strongly, and split sharply along ideological lines of political economy, was on the question of what was to be done about it. From Eisenhower's standpoint, it was imperative to keep presidential interference in the strike minimal in order to maintain both "free collective bargaining" and the kind of nonpartisan leadership in the public interest that could avoid drawing the administration into divisive public controversy.<sup>16</sup>

- 14. Quoted in ibid.
- 15. Hall, Steel Phoenix, 46.
- 16. Greenstein, Hidden-Hand Presidency, 5.

<sup>13.</sup> For details on Section 2-B, see ibid., especially p.102.

The Truman administration had resolved the 1952 strike by resorting to direct seizure of the steel plants by the military.<sup>17</sup> Such an action was anathema to Eisenhower and Labor Secretary Mitchell, raising as it did Eisenhower's fears of creeping governmental control of society.<sup>18</sup> Truman's base of support had consisted of anticommunist liberals around the organization Americans For Democratic Action, and these liberals were christened "The Vital Center" by founding member and historian Arthur M. Schlesinger, Jr., as a means of identifying themselves to the public as occupying an anticommunist middle in between both the right and left-wing communist sympathizers.<sup>19</sup> Their chief political goals were the preservation of the existing New Deal reforms, especially as pertained to organized labor, and fighting "communist totalitarianism," at home and abroad.<sup>20</sup> To Schlesinger and the Vital Center liberals, the two goals complimented each other, as labor unions free of communist influences and "the social-welfare state" represented by Roosevelt's New Deal were needed to prevent communists from exploiting social inequality, which a return to "business rule" would ensure.<sup>21</sup> "Strong government" in the tradition of "the Hamilton-TR faith" that had marked a Roosevelt administration in which "Keynes, not Marx," was "the prophet of the new radicalism" was what the ADA liberals deemed necessary to safequard American society from totalitarianism and preserve union gains of the 1930s.<sup>22</sup> In contrast to ADA liberals' staunch backing of Truman's seizure of the steel mills as a necessary emergency measure of the Korean War, Eisenhower refused to consider any action along the lines of presidential or military seizure of the steel plants despite considerable public

18. Griffith, "Eisenhower and the Corporate Commonwealth," 90; Eisenhower, Waging Peace, 454.

19. Arthur M. Schlesinger, Jr., <u>The Vital Center: The Politics of Freedom</u> (New Brunswick, N.J.: Riverside Press, 1949), xxi, 165-66.

- 20. Ibid., 168, 186-87.
- 21. Ibid., 29-30 , 249
- 22.Ibid., 180-81, 183.

<sup>17.</sup> R. Alton Lee, <u>Truman and Taft-Hartley: A Question of Mandate</u> (Lexington: University of Kentucky Press, 1966), 216-19.

pressure from some Democrats to do precisely that.<sup>23</sup>

Another legacy of Truman administration-era labor politics was the approach that had been taken by Truman's Republican enemies. Truman's conservative opponents had attempted to solve repeated industrial strife between capital and labor by proposing laws to curb labor unions' social and political power, which they regarded as out of control.<sup>24</sup> Conservatives led by the National Association of Manufacturers were aided in this endeavor by a public mood which was exasperated with a wave of postwar strikes in 1946-47.25 Responding to significant segments of public opinion who were disgusted by "labor bosses" and their "abuses of power," Republicans gained control of Congress in 1946 for the first time since the 1920s.<sup>26</sup> The National Labor Relations Act of 1947-or the Taft-Hartley Act as it was popularly known, named after Senators Robert Taft of Ohio and Fred Hartley of New Jersey-was the outcome of anti-union political ferment.<sup>27</sup> Among Taft-Hartley's major provisions: the "closed shop" (a labor union practice of compelling all workers to join the union) was outlawed, injunctions and eightyday cooling off periods could be sought in federal court by the President and Attorney General when strikes threatened an entire industry or a major portion thereof, and all unions had to swear an affidavit declaring their opposition to communism yearly or forfeit their ability to legally operate as unions.<sup>28</sup>

Considering the Republican Party leadership's strong identification with Taft-Hartley in the Truman years, the fact that Eisenhower initially resisted pressure from his own party's right wing to invoke the act immediately in 1959 seems at first observation puzzling. However, concerns that too much heavy-handed

- 24. Lee, Truman and Taft-Hartley, 8-9.
- 25. Ibid., 8-9, 11-12.

26. Ibid.

27. Ibid., 54-55.

28. Ibid., 75-76.

<sup>23.</sup> Letter from Paul Michelet to Secretary of Labor James P. Mitchell, July 15, 1959, Folder: 1959 Steel Strike: June-July (1), Box 91, Mitchell Papers, DDE Library. Michelet was a Democrat. The letter advocates emulating Truman's seizure of the mills.

interference by the federal government endangered the process of collective bargaining were highly significant in determining this course of action, as the primary source record demonstrates.<sup>29</sup> The independence of collective bargaining was emphasized repeatedly in public speeches and private letters by both the President and his Secretary of Labor, and Mitchell especially saw uncoerced collective bargaining as key to a democratic society.<sup>30</sup> Mitchell forcefully made the case for the administration's ideal view of labor-management relations in 1960:

I believe that the concentrations of economic power in America have a responsibility to the common good, and that many of our needs can best be met through the exercise and the initiative of that private responsibility. This is one of the reasons why there must be a wider, better, more profound, more continuous communication between those in whom the power to control resides . . . Such cooperation rests upon voluntary, dependable, and abiding communication. The time for labor and management to start talking to each other is now.<sup>31</sup>

Eisenhower was in favor of the Taft-Hartley Act, but only when all other options were exhausted. Reaction to the strike by the public was so strong in large part because, as one historian has noted, steel was integral to the US economy in the 1950s, from the defense sector to that "quintessential symbol of America in the late 1950s . . . the automobile" in the domestic economy.<sup>32</sup> Steel

30. Telegram From Edward G. Johnson to President Eisenhower, July 12, 1959, Folder: 1959 Steel Strike: June-July (1), Box 91, Mitchell Papers, DDE Library. Edward Johnson was a businessman. His telegram requests immediate invocation of the 1947 Taft-Hartley Act.

31. "Address by Secretary of Labor Mitchell to Economic Club of Detroit, January 11, 1960"

32. Hall, Steel Phoenix, xii.

<sup>29.</sup> Concerns about the maintenance of collective bargaining independent of excessive federal governmental interference were in fact considered so important by the administration that they were inserted into the 1960 Republican Campaign Platform on Labor-Management Relations. See "1960 Campaign Platform, Page 3," January 1960, Folder: 1960 Campaign Platform (2), Box 4, Dwight D. Eisenhower Papers As President (Ann Whitman File), Series: Campaign Series, DDE Library. Also see "Secretary of Labor Mitchell Speech To Economic Club of Detroit, January 11, 1960, 'Where Do We Go From Here in Labor-Management Relations?,'" Folder: 1960 Steel Strike (January 1-13) (1), Box 95, Mitchell Papers, DDE Library. This speech also found in Folder: 124-D Steel Strike (4) (1959), Box 636, White House Central Files-Official File, Eisenhower Papers As President, DDE Library.

indeed was integral to the macroeconomic well-being of 1950s America, as much as the computer would be later in the century. $^{33}$ 

For their part, the "Vital Center" liberal Democrats of Americans for Democratic Action endorsed Eisenhower and Mitchell's initial policy of government nonintervention, with the qualification that if nonintervention did not work, Taft-Hartley should be avoided, and a fact-finding board appointed instead to investigate the strike's causes.<sup>34</sup> Their visceral aversion to the Taft-Hartley Act, like the Republican Right's advocacy of the law, was rooted in the politics of the previous presidential administration. Former First Lady Eleanor Roosevelt sent a more strongly worded telegram than the other ADA liberals to President Eisenhower, requesting that a fact-finding board be appointed without hesitation.<sup>35</sup> Democratic Senators such as Hubert Humphrey and John F. Kennedy concurred with such an assessment.<sup>36</sup> ADA liberals' version of centrism was thus in accord with the spirit of Eisenhower's initial policy, but they would not accept Taft-Hartley as part of any such political consensus around moderation. They rejected the idea that Taft-Hartley was in any way necessary for the public good. Liberals also lacked patience for Eisenhower's "hidden-hand" presidential style of approaching crises, and ironically like their opponents to Eisenhower's right, they mistook this style for a lack of leadership on Eisenhower's part. To liberals, the New Deal approach of direct and bold presidential exercise of leadership and protection of organized labor from attacks on it by business were pillars of a good society.

The Steel Corporations and the Republican right, on the other hand, defined

33. Ibid., xii-xiii.

34. Americans For Democratic Action (ADA) Letter From Edward Hollander to President Eisenhower, September 18, 1959, Folder: 1959 Steel Strike (September 15-30), Box 93, Mitchell Papers, DDE Library

35. Telegram From Eleanor Roosevelt and Herbert Lehman to President Eisenhower, National Council For Industrial Peace, September 28, 1959, Folder: 124-D--Steel Strike (3), Box 636, File: White House Central Files-Official File, Dwight D. Eisenhower, Papers As President (hereafter cited as Eisenhower Papers as President), DDE Library.

36. Telegram From Senators Clark et al. to President Eisenhower, September 25, 1959, Folder: 124-D--Steel Strike (3), Box 636, File: Official File-White House Central Files 124-D, DDE Library.

the public interest as endangered by what they said were the selfish and "inflationary" designs of "Big Labor."<sup>37</sup> Conservatives maintained that labor's abuse of power included aspects of the 2-B section of the 1947 steel contract to which they strongly objected. Business leaders and conservative politicians especially deplored work practices that included both superfluous work and extra breaks at work, which they called "featherbedding," and charged that these wasteful practices flowed from "rigid work rules" in the existing steel contract.<sup>38</sup> Steel company officials vehemently denied that they were trying to break the Steelworkers Union in any way or to reduce benefits. They also accused the Steelworkers Union of interfering with needed automation that would improve efficiency, and they demanded an end to "wildcat strikes" (unauthorized by labor leadership) in the industry. Their version of what constituted the public good was if anything even more suspicious than Eisenhower was of New Deal-era developments that they regarded as creeping statism, and they could not conceive of organized labor as a force for anything positive in American society. Unlike Eisenhower, the Republican right did not envision an ideal society being guaranteed by compromise.

For its part, the union responded to charges by the steel companies that 2-B and its corollaries were part of wasteful "featherbedding" by charging with equal vehemence that the companies were engaged in a drive to "break the union."<sup>39</sup> They saw any concessions on the issues of work rules and the 1947 steel contract's 2-B section as "backward steps," which were part of a deliberate attempt by the steel companies to roll back the gains made by organized labor since the Great

38. Ibid.; Gilbert A. Harrison, "Steel's Strategy," <u>The New Republic</u> 141: 4/5 (July 27, 1959): 2; Metzgar, <u>Striking Steel</u>, 98.

<sup>37. &</sup>quot;Statement By R. Conrad Cooper Before the President's Board of Inquiry in the Steel Strike, Washington D.C., October 14, 1959," 19-20, October 14, 1959, Folder: 1959 Steel Strike-The President's Board of Inquiry Into the Steel Dispute (2), Box 7, Kendall Records, DDE Library.

<sup>39. &</sup>quot;Union Exhibit No. 6: Union Fact Sheet on Companies' Proposal of October 1, 1959," October 9, 1959, File Folder: 1960-Inquiry Board-Steel (3), Box 143 and "News From the AFL-CIO," April 8, 1959, Folder: 1959 AFL-CIO (correspondence on various labor matters), Box 117, Mitchell Papers, DDE Library; Metzgar, <u>Striking</u> Steel, 64-65.

Depression.<sup>40</sup> Furthermore, the union would not agree to discuss the work practice clauses in the 1947 steel contract without prior agreement on the private welfare plans in the contract that they called "the economic issues. "The unions thus saw at stake hard-won gains that guaranteed workers' prosperity and well-being, "such as overtime distribution systems, relief periods, spell arrangements, wash-up arrangements, safety precautions, lunch periods, [and] crew size."<sup>41</sup> They insisted that they did not oppose automation to improve efficiency, and that greater mechanization did not require significant changes in work rules.

The strike lasted eight months, resulting in a shutdown of a staggering eighty-seven percent of the steel industry's capacity, making it nearly impossible for the administration to continue to stay out of the strike.<sup>42</sup> Eisenhower found fault with all sides. He could not understand why the parties to the strike would be so oblivious to his conception of the common good, especially because he was on such cordial personal terms with both Steelworkers Union leader David McDonald and US Steel Corporation head Roger Blough.<sup>43</sup> Eisenhower became "sick and tired" of the strike, and on October 9, 1959, he created a Board of Inquiry to study the strike and to recommend appropriate actions.<sup>44</sup> The economic damage that would be done by a long strike already made the strike part of an "intolerable situation" that "must not continue."<sup>45</sup>

42. Eisenhower, <u>Waging Peace</u>, 456-57; Hall, <u>Steel Phoenix</u>, 46; David Brody, <u>Workers in Industrial America: Essays on the Twentieth Century Struggle</u> (New York: Oxford University Press, 1980), 197.

43. Dwight D. Eisenhower, <u>Mandate For Change: 1953-56</u> (New York: Doubleday and Co., 1963), 490-91; James C. Hagerty, "Statement By The President," October 9 1959, Folder: 1960 -Inquiry Board-Steel (2), Box 143, Mitchell Papers, DDE Library.

44. Hagerty, "Executive Order: Creating A Board of Inquiry to Report on a Labor Dispute Affecting the Steel Industry in the United States," October 9 1959, Folder: 1959 Steel Strike-October 1-14, Box 93, Mitchell Papers, DDE Library.

45. "The White House: Statement By The President," September 28 1959,

<sup>40. &</sup>quot;A Summary of the Steel Dispute: Positions of the Parties (Based on a Board of Inquiry)," December 16 1959, Folder: 1959 Steel Strike, Box 7, Kendall Records, DDE Library.

<sup>41. &</sup>quot;Text of Exchange Between Unions and Companies on Steel Negotiations: David McDonald Letter," <u>New York Times</u>, July 15 1959, 16.

What finally forced a shift in administration policy from initial aloofness through preliminary action to strong intervention in the form of invocation of the injunction and eighty-day cooling off period provisions of the Taft-Hartley Act were the strike's ramifications for the military.<sup>46</sup> Eisenhower's political advisors and the Defense Department found especially intolerable the strike's interference with the production of ATLAS, TITAN, and POLARIS missiles, all of which required a special steel.<sup>47</sup> In the case of POLARIS, it was a shortage of plate steel that was the problem; with ATLAS and TITAN, steel shortages were interfering with the production of pressure vessels. This appalled Eisenhower and Secretary of Labor Mitchell, who held that "an economic institution like a steel corporation or a labor union must serve the public interest as fully as its own interests."<sup>48</sup> Clearly, given such Cold War considerations of national defense, the strike was considered an especially egregious violation of the public trust expected of economic institutions. Eisenhower could not abide disruption of the US military and national defense for a prolonged period of time, especially given the protracted geopolitical struggle with the Soviet Union.

President Eisenhower instructed Attorney General William Rogers to seek an injunction in court against the strike on October 21, 1959, which the US Supreme Court upheld on November 7, 1959.<sup>49</sup> This action pleased no one. The anti-union

Folder: 124-D Steel Strike (3), Box 636, Eisenhower Papers as President, White House Central Files-Official File, DDE Library.

46. Hagerty, "Statement By The President," September 28 1959, Folder: 124-D Steel Strike (3), Box 636, White House Central Files-Official File, and "Affidavit of Thomas S. Gates Jr. Acting Secretary of Defense of the United States in District Court of the United States For the Western District of Pennsylvania," October 16 1959, Folder: 124-D Steel Strike (3), Box 636, White House Central Files-Official File, Eisenhower Papers As President, DDE Library.

47. Ibid.

48. "Address By Secretary of Labor James P. Mitchell to the Economic Club of Detroit, January 11 1960, 'Where Do We Go From Here in Labor-Management Relations?'"

49. William P. Rogers et al., "Memorandum of the United States in Support For An Injunction" and "Letter From President Eisenhower to Attorney General Rogers," October 19 1959, Folder: Steel Strike, Box 10, James Hagerty Papers, DDE Library; Eisenhower, <u>Waging Peace</u>, 456; Louis Galambos and Daun Van Ee, eds., <u>The</u> Papers of Dwight D. Eisenhower: The Presidency: Keeping the Peace, XX (Baltimore: wing of the Republican Party and the steel corporations saw the action as having been delayed for far too long, while organized labor was angered by the injunction, and politically mobilized for the 1960 election.<sup>50</sup>

Adding to the right-wing frustration with Eisenhower's handling of the strike was the fact that it ended in a significant defeat for Bethlehem Steel management and the largest postwar union victory, as the steel industry's central demand for change in work rules lost out in the Mitchell-brokered negotiations.<sup>51</sup> The January 1960 settlement that Mitchell and Vice-President Nixon negotiated did include smaller wage increases than those that had prevailed in the previous steel contracts. But the Steelworkers Union successfully retained the Cost of Living Adjustment clause for inflation, and it actually expanded the Supplemental Unemployment Benefits for union members.<sup>52</sup> Health care and pension programs provided for in the contract were also strengthened.<sup>53</sup>

Examples of conservative fury at the settlement and the administration were found among newspaper columnists to Eisenhower's right. These columnists included Arthur Krock of <u>The New York Times</u>, who-along with the corporations themselveswas livid that Nixon and Mitchell had, as he saw it, sided with the union so strongly. Accordingly, these conservatives withheld their support for Nixon for the first half of 1960.<sup>54</sup> There were even rumors in the press at the time that Nixon influenced the settlement as part of an attempted bargain to garner the support of the Steelworkers Union in the 1960 election.<sup>55</sup> Mitchell and Nixon made

John Hopkins University Press, 2001), 1727; Robert H. Ferrell, ed., <u>The</u> Eisenhower Diaries (New York: W.W. Norton and Co., 1981), 366-67.

50. "Political Memo From COPE," Mitchell Papers, DDE Library; Metzgar, Striking Steel, 75-76, 82.

51. Carey MacWilliams, "The Pratfall in Steel," <u>The Nation</u> 190:3 (January 16, 1960): 41; Metzgar, <u>Striking Steel</u>, 81; Brody, <u>Workers in Industrial America</u>, 197.

52. Hall, <u>Steel Phoenix</u>, 44, 46.
53. Ibid., 46.
54. Metzgar, <u>Striking Steel</u>, 82.
55. Ibid.

a bold gamble for the vote of a traditionally Democratic constituency in what would be a very close presidential election. They underestimated conservative dissatisfaction with their policy decision, as much as Eisenhower had been taken by surprise at the degree of union anger directed at his use of the injunction.

To ideological conservatives such as William F. Buckley, Jr., the outcome of the steel strike was just one more reason to reject President Eisenhower's "Middle Way" Republicanism as philosophically "permitting so many accretions, modifications, emendations, emasculations, and qualifications that the original thing [conservatism] quite recedes from view."<sup>56</sup> This increasingly angry right wing of Eisenhower's party had grumbled throughout his presidency about his failure to dismantle New Deal liberal programs, and it would mobilize enough to take over the Republican Party four years later. Krock echoed the rage of the right against Eisenhower when he said, "This Republican administration has been as one with its Democratic predecessor in declining to attack the root of the labor monopoly."<sup>57</sup> In other words, angry anti-union conservatives saw little or no difference between Eisenhower and Truman in labor policy.

The consequences politically for Vice-President Nixon and Secretary of Labor Mitchell's attempts to court the labor vote for the Republicans in 1960 were detrimental: Kennedy increased labor support for the Democrats eleven percent over Stevenson's total in 1956, to sixty-four percent.<sup>58</sup> Such an increase in the Democratic share of the labor vote over such a short time was especially striking, considering the fact that just eight years earlier organized labor had a relatively high opinion of Eisenhower and a low one of Adlai Stevenson.<sup>59</sup> Labor

57. Krock cited in Metzgar, Striking Steel, 90.

58. Victor Riesel, "Rocky, Nixon Vie For Labor," <u>New York Mirror</u>, December 10 1959, Album Folder: December 1959, Box 50: Secretary's Album of Clippings, Mitchell Papers, and "Salute to James P. Mitchell," <u>The Washington Post</u>, June 29 1960, Folder: Mitchell, James P., 1959-61 (1), Box 26, Eisenhower Papers of the President of the United States (Ann Whitman File), Series: Administration Series, DDE Library; Metzgar, Striking Steel, 75-76.

59. David L. Stebenne, Arthur J. Goldberg: New Deal Liberal (Oxford: Oxford

<sup>56.</sup> Buckley quoted in E.J. Dionne, Jr., <u>Why Americans Hate Politics</u> (New York: Touchstone Books, 1991), 174.

leaders had considered Stevenson too aloof and out of touch with working-class voters and did not see Eisenhower as a serious threat to the achievements of the New Deal and organized labor in the 1930s.

Eisenhower's use of the act during the 1959 steel strike shattered such assumptions and undermined his carefully crafted reputation for neutrality in public controversies.<sup>60</sup> Damage to Nixon's chances in 1960 was indeed done, because the AFL-CIO leadership viewed the injunction as a betrayal of the postwar contract that they would not forgive.<sup>61</sup> Labor leadership had tolerated, and some labor members had supported, Eisenhower in 1952 and 1956 because they sensed that he was a supporter of the postwar labor-capital order that was opposed to the expansion of the New Deal social programs but would not dismantle established ones.<sup>62</sup> Now they turned to Kennedy, who like Eisenhower had been in 1952, was perceived by voters as someone who would preserve Roosevelt's New Deal but not go any further. Given defeats suffered with the Taft-Hartley and Landrum-Griffin labor reform acts by organized labor in the late 1940s and 1950s and the hard struggle required to beat back the "right-to-work" campaign by corporations a year earlier, organized labor was in no mood to forgive the use of an injunction.

Why, then, had the usually cautious Eisenhower risked and reaped such a result from his invocation of Taft-Hartley? From Eisenhower's own perspective, it made perfect sense: his vision of "corporate commonwealth" demanded departure from caution and hidden-hand approaches to leadership when he perceived the public good to be seriously endangered, especially if that involved national defense. Eisenhower therefore abandoned his hidden-hand political style out of considerations for the strike's impact upon the economy and the military, two major bulwarks of the public well-being in his worldview.

The pyrrhic nature of this union "victory" was quite ironic. The laborcontract cycle that had produced this strike as well as the previous four postwar steel strikes began to affect international trade in steel by 1959, with dire

University Press, 1996), 97.

- 60. Metzgar, Striking Steel, 76.
- 61. Ibid.
- 62. Ibid.

consequences for the future of large American steel.<sup>63</sup> The aftershocks of the strike combined with corporate-sponsored protectionist legislation to increase the cost of US steel, to the point of making it uncompetitive with cheaper Japanese steel. This development was an unintended and unforseen consequence of union strikes and company protectionism, which would greatly undermine the well-being of both the union and companies. In this sense, it can be said that neither side in the strike really won. The 1970s and 1980s would not be nearly as kind to American steel or labor unions as the 1940s and 1950s had been.

There were other consequences, felt much sooner. For example, the 1962 clash between the steel industry and President Kennedy over the decision by US Steel to raise its prices after it had pledged not to do so, was in some ways a result of this uneasy settlement in the industry. Having been defeated by the Steelworkers' Union, the companies tried to increase steel prices in order to offset their costs. In response, President Kennedy ordered the Justice Department and FBI to threaten them with arrest for criminal violations of antitrust law.<sup>64</sup>

Partially because of the pain and inconvenience felt by both sides in the 1959 strike, and also owing to continued economic growth, the 1960s did not have the major steel strikes that had marked the immediate postwar years of the 1940s and 1950s.<sup>65</sup> The 1960s, however, would be the decade that would continue the process of undoing the American Cold War consensus. If cracks had appeared with the strike and subsequent collapse of Eisenhower's presidential style and broader political program, Vietnam and race in the 1960s would similarly mean the end of the kind of anticommunist consensus liberalism identified with the ADA under Eisenhower. President Johnson would be the central figure around which the 1960s upheavals destroyed "Vital Center" liberalism, much as Eisenhower had been the key figure around which "Middle Way" Republicanism crumbled. The consequences for labor would be disastrous, as the most ardent anti-labor conservatives would dominate the American political scene as a result of the twin collapses of

- 63. Hall, Steel Phoenix, 43.
- 64. Ibid., 47.
- 65. Ibid.

moderate Republicanism and the old liberal Democrats.<sup>66</sup> Part of the reason for the former was that, for all of the strengths of Eisenhower's "Middle Way" political approach, he "failed to create" a long-term "base for Modern Republicanism" that would have otherwise stood between the right and a gravely weakened liberalism.<sup>67</sup>

Viewed from the perspective of the immediate aftermath of the strike, however, the outcome of the 1959 steel strike demonstrated the scope of organized labor's influence at the zenith of its prestige as well as the sharp divide between Eisenhower and members of his own party on the question of postwar industrial relations. Symbolically, it represented to victorious steelworkers of the time the culmination of decades of labor organizing and struggle, and the legacy of such struggle. It also was interpreted as part of the legacy of labor reform in the Franklin Roosevelt administration. The steel corporations, faced with an economic slump, had attempted to recover management prerogatives lost during the 1930s and 1940s, and had failed.<sup>68</sup> The New Deal-Keynesian order would be secure for the next decade, reaching its pinnacle during the years of Eisenhower's successors, John F. Kennedy and Lyndon B. Johnson.

68. Metzgar, Striking Steel, 86.

<sup>66.</sup> Stebenne, Arthur J. Goldberg, 378-79.

<sup>67.</sup> Dionne, Why Americans Hate Politics, 175.