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Condensed Capitalism: Campbell Soup and the Pursuit of Cheap Production in the Twentieth Century

Abstract

[Excerpt] The Campbell experience demonstrates that many strategies of late twentieth-century capitalism had precursors earlier in the century. Many components of Campbell's strategy, surprisingly, are as typical of today's neoliberal globalizing economy as was RCA's escape to a Mexican export-processing zone. The Campbell Soup Company made heavy use of contingent labor, increasing its workforce by 50 percent during tomato harvest season, then laying these workers off eight weeks later, just as multinational corporations today hire various types of nonstandard workers to handle specific tasks and add to flexibility. Campbell Soup was an eager advocate of transnational labor migration, importing thousands of workers from Puerto Rico, Mexico, and the English-speaking Caribbean to fill certain functions, just as immigrants fill niches in today's "global cities." The corporation used immigrants in another way, similar to today's clothing retailers who deny any responsibility for the working conditions of sweatshop laborers officially employed by subcontractors. The firm paid suppliers prices that left them little choice but to exploit largely immigrant farm laborers to the furthest limits possible. The company constantly revolutionized production methods, employing technology and "scientific management" techniques to replace workers and lower costs, and even experimented with practices remarkably similar to many of the features of today's "lean production." Over time, Campbell implemented a few limited paternalistic elements to its dealings with its workers but mostly resorted to an adversarial position toward the unions they organized. The firm had a reputation, especially from the 1930s through the 1960s, as the most antiunion of Camden's "Big Three" employers, foreshadowing the "get-tough" policies toward unions common in the 1980s and 1990s. Finally, when structural changes in the food supply system finally made it possible, Campbell joined RCA in abandoning Camden as a production site, over a century after Joseph Campbell began the company in that city, the last act in the deindustrialization of Camden. The fact that it resisted relocating production for so long makes Campbell Soup an excellent case for studying the other techniques available to corporations, and its long history may hold important lessons about the consequences of such strategies.

Keywords

production, efficiency, Campbell, labor, employment

Comments

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CONDENSED CAPITALISM



CAMPBELL SOUP
AND THE PURSUIT OF
CHEAP PRODUCTION
IN THE TWENTIETH
CENTURY

DANIEL SIDORICK

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*For my mother and in memory of my father
and
for Sharon*

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CONDENSED CAPITALISM

Introduction

Global Strategies, Hometown Factories

Everyone in the United States knows Campbell's Soup, "America's Favorite Food" according to the title of the company-sanctioned history of the firm.¹ The famous red-and-white cans line shelves in kitchens fashionable and humble, most people recognize the "Mm, Mm, Good" advertising jingle, and Andy Warhol's arguably most famous paintings are his pop-art reinterpretations of the equally well-known soup cans. The quintessential comfort food for many Americans, according to numerous memoirs and blogs, is "a bowl of Campbell's Tomato Soup and a grilled cheese sandwich." The transformation of Campbell's Soup into an icon of American culture was carefully guided by company publicists through the use of streetcar signs at the beginning of the twentieth century, and then with advertisements in magazines like the *Saturday Evening Post* and sponsorship of the most popular programs on radio and television, including *Amos 'n' Andy* and *Lassie*. Campbell's marketing and public relations efforts were spectacularly successful, creating a myth of a product and company as wholesome as hometown America yet at the forefront of scientific and hygienic modern food production. Corporate critic Jim Terry has argued that "some companies have been so successful in creating a wholesome, 'apple pie' image that the myth clouds the reality. . . . One corporation that has been particularly successful in creating and maintaining such an image is the Campbell Soup Company."² On a financial level, the Campbell Soup Company today has

annual revenues over seven billion dollars, and the profits resulting from its almost total dominance of the condensed soup industry have made the Dorrance family one of the wealthiest in the United States.

Despite the iconic status of the company's flagship product, however, most people are unaware of what was behind Campbell management's success at generating wealth that started with the company's founding in 1869 in Camden, New Jersey. Even more invisible are the people in the soup plants who pared the vegetables, blended the ingredients, and ran the labeling machines—without whom there would be no Campbell's Soup.

The company's management philosophy was set in place by the inventor of condensed soup, John T. Dorrance (1873–1930), who ran the company with a stern zeal during the crucial first three decades of the twentieth century. Other members of his family, and later, others schooled in the Campbell way, continued his approach. Dorrance believed that only by tightly controlling his supply chains, production, and marketing could he succeed. At the starting point of the canned-soup operation, company agronomists grew the seeds for the painstakingly developed varieties of tomatoes ideally suited for tomato soup, then provided young plants to farmers under strictly monitored contracts. The culmination of the process was equally controlled. The company's marketing department demanded specific placement of its advertisements in magazines and refused to negotiate its pricing policy with grocers.

But it was at the center of the life cycle of the canned soup business, in production, that Dorrance paid closest attention in his attempt to scientifically manage the Campbell Soup Company. Making soup was a difficult process to automate, and many procedures remained manual for as long as Campbell made soup in Camden. Dorrance simply took this problem as another challenge that he would overcome. He refused for years to raise his soup's selling price of ten cents a can and counterbalanced rises in other costs by relentlessly pushing down the costs of production. The people on the receiving end of his efforts—the production workers—did not congenially accept speedups and intensification of work, and decades-long trench warfare ensued. Individual workers found ways to beat the system, and small groups were able to undermine foremen's efforts to increase output. But the company was equally imaginative in countering opposition to its designs. Eventually workers strengthened their position by organizing a militant union in 1940 (after a seven-year campaign), and for about three decades the two sides faced each other more or less as equals.

These contending forces—management's drive for low-cost production and employees' attempts to achieve some control over their working lives and

livelihoods—are the focus of this book. In particular, I examine the obstacles faced by management in keeping production costs low and the strategies it used to overcome these problems, from Campbell's adoption of scientific management practices in 1927 through the plant shutdown in 1990. These hurdles were not unique to Campbell Soup; they are, in fact, faced by virtually every firm in a capitalist economy, although they acquire special prominence at certain times. The push to lower costs that started as a solution to the economic crises of the 1970s and continues into the twenty-first century has accelerated the drive to work intensification, outsourcing, "offshoring," and deindustrialization. Yet these methods of lowering costs have a much longer history than most popular accounts acknowledge. The most well known of the recent corporate cost-cutting strategies is the movement of production to low-cost regions with weak or nonexistent union traditions, as exemplified, for example, by Campbell's neighbor across Market Street in Camden, RCA. Historian Jefferson Cowie (in his book *Capital Moves*) has described how RCA began moving its assembly work in 1940 to a series of new locations in its never-ending "quest for cheap labor."³

But the particular industry that Campbell was in precluded—or at least made unappealing—any solution that included moving the soup plant far away. For, while workers in Bloomington or Juárez could assemble television receivers as well as anyone in Camden, the tomatoes ripening in South Jersey fields had to be processed into soup within hours of their harvesting. In the food-processing industry, location near agricultural inputs is critical, but Camden had other attractions that prevented management from seriously considering leaving any time in the company's first century. For distributing its finished products, Camden was ideally situated in the core northeast corridor of the United States with direct access to rail and marine transport. And the Dorrance family, which watched over the giant company with the attention a small proprietor might pay to his family business—for it was the family business—could not allow the company's flagship plant to be moved out of the family's reach from its base in Philadelphia's wealthy Main Line suburbs. As a result, Campbell Soup became even more than an icon of consumerism in southern New Jersey. By the mid-twentieth century it had become a bedrock institution of the region as well. Older residents reminisced about scrambling among the long lines of farmers' trucks piled high with baskets of ripe Jersey tomatoes. Tens of thousands had, at some point in their lives, worked at the sprawling soup plant, and everyone driving across the Benjamin Franklin Bridge from Philadelphia knew they were in Camden when they saw the red-and-white Campbell's Soup-can-painted water towers rising above the factory.



FIGURE 1. Industrial Camden. In foreground, Campbell Soup Company Plant No. 1. In center, from upper left to lower right, RCA. On the river between RCA and the bridge, Campbell Plant No. 2. At top, the Benjamin Franklin Bridge and Philadelphia.
Temple University Libraries, Urban Archives, Philadelphia, Pennsylvania.

Campbell Soup Company thus faced a quandary in being unable to run away from the problems that, as we shall see, made its achievement of financial success such a challenge, for the basis of that success by necessity lay in Camden and its surrounding farmlands. In this way it had much in common with many other firms that do not always have the luxury of moving production on a whim, a point missed by those who see capital flight as a viable strategy for any corporation. When RCA ran from militant unionized workers and communities supportive of those workers, Campbell had to stay in Camden and fight, or at least find other ways to keep pushing production costs down. Because the capital flight option was off the table for most of its first century, Campbell can be viewed as a veritable test case for exploring those other options that corporations used—and still use—to minimize costs and maximize profitability.

Though the Campbell Soup Company faced many of the same problems as RCA, its experience and tactics were markedly different for each of the workforce-related obstacles to profitability that RCA overcame by relocating

production. Campbell's actions over several decades were complex, but they can, for the most part, be categorized as direct responses to three impediments to profitability:

Cost of production. Rather than moving to an area with cheaper labor costs, Campbell held down wages by dealing harshly with wage demands, often refusing to deal with the union at all, and by searching out those groups of workers who would accept low pay. Further, the company kept down production costs by constantly revolutionizing the production process, using automation, "scientific management" techniques, and piece rates.

Increasing sense of entitlement, solidarity, and militancy of workers. Again, instead of running away from united and assertive workers, Campbell implemented practices to minimize or actively defeat unity. Piecework promoted individualism, the company split the workforce between year-round workers and a large contingent of seasonal workers, and, before other employers in Camden, it hired female, African American, and Puerto Rican workers, then funneled them into distinct and inferior job classifications.

Community support for workers. One effect of Campbell's labor market recruitment strategies was to undermine the community solidarity that drove other manufacturers to seek new locations. As Camden's major provider of low-wage industrial work, Campbell brought into the city's neighborhoods workers from groups without a long history there. Some older, more established residents had little sympathy for the aspirations of Campbell workers and even blamed Campbell for the "decline" of Camden. Higher-paid employees of neighboring RCA and New York Shipbuilding sometimes resented the migrant workers that Campbell attracted, who often stayed in the area after their work contracts were completed and even "took over the neighborhood."⁴

Campbell's multifaceted response to these obstacles fell into four broad categories. The company directed its greatest efforts toward the control of production, with the aim of reducing costs and maximizing efficiency. The techniques it used ranged from the adoption of the Bedaux system of scientific management in the 1920s to the widespread encouragement in the 1980s of quality circles (a management technique imported from Japan to encourage "voluntary" worker groups that discussed workplace improvement), and they always included the aggressive mechanization of work processes to replace

labor with technology. Campbell's second strategy grew out of the peculiarities of its labor force requirements: the segmentation of the workforce into permanent and seasonal sectors was further exploited by splitting job categories along gender, ethnic, and racial lines. The company's third strategy, a vicious antiunionism combined with anticommunism, reached its height during the McCarthy era but persisted into later decades. The final strategy, the movement of production to low-cost, rural sites, started to become a viable option in the second half of the twentieth century as mechanization of tomato harvesting in California, the interstate highway system, the growth of trucking, and deregulation changed the economics of the food-processing industry. For Campbell, this strategy began on a limited basis in the 1950s and culminated in the transfer of the remaining work in Camden to the ultramodern plant in Maxton, North Carolina, in 1990.

Campbell's strategies and techniques for keeping down production costs and workers' militancy worked well enough for it to stay in Camden—while remaining highly profitable—for decades, but this was not a one-sided history. Throughout Campbell's long tenure in Camden, workers responded in various ways to company strategies, sometimes gaining the upper hand, sometimes accommodating company wishes, sometimes suffering defeat. For example, when RCA workers were succumbing to company tactics of encouraging multiple, competing unions in the 1940s, Campbell's Camden workers were solidly united with workers at the Campbell plant in Chicago; however, by the end of the decade, Campbell managers joined with the ascendant anticommunist Congress of Industrial Organizations leadership to split Camden workers from their union brothers and sisters in Chicago. Yet most efforts to divide the workers failed. Women working the vegetable inspection tables surreptitiously helped each other subvert the production incentive system. Black and white shop stewards stood up against tyrannical foremen regardless of the workers' race. And the union membership returned a leader (an Italian remembered as "a Martin Luther King" by a black worker) to office by a landslide vote two months after his conviction under the anticommunist provisions of the Taft-Hartley Act.⁵

The Campbell experience demonstrates that many strategies of late-twentieth-century capitalism had precursors earlier in the century. Many components of Campbell's strategy, surprisingly, are as typical of today's neoliberal globalizing economy as was RCA's escape to a Mexican export-processing zone. The Campbell Soup Company made heavy use of contingent labor, increasing its workforce by 50 percent during tomato harvest season, then laying these workers off eight weeks later, just as multinational corporations today hire various types of nonstandard workers to handle

specific tasks and add to flexibility. Campbell Soup was an eager advocate of transnational labor migration, importing thousands of workers from Puerto Rico, Mexico, and the English-speaking Caribbean to fill certain functions, just as immigrants fill niches in today's "global cities." The corporation used migrants in another way, similar to today's clothing retailers who deny any responsibility for the working conditions of sweatshop laborers officially employed by subcontractors. The firm paid suppliers prices that left them little choice but to exploit largely immigrant farm laborers to the furthest limits possible. The company constantly revolutionized production methods, employing technology and "scientific management" techniques to replace workers and lower costs, and even experimented with practices remarkably similar to many of the features of today's "lean production." Over time, Campbell implemented a few limited paternalistic elements to its dealings with its workers but mostly resorted to an adversarial position toward the unions they organized. The firm had a reputation, especially from the 1930s through the 1960s, as the most antiunion of Camden's "Big Three" employers, foreshadowing the "get-tough" policies toward unions common in the 1980s and 1990s. Finally, when structural changes in the food supply system finally made it possible, Campbell joined RCA in abandoning Camden as a production site, over a century after Joseph Campbell began the company in that city, the last act in the deindustrialization of Camden. The fact that it resisted relocating production for so long makes Campbell Soup an excellent case for studying the other techniques available to corporations, and its long history may hold important lessons about the consequences of such strategies.

Of course, the story of the Campbell Soup Company is complicated by many other factors beyond those highlighted here. These include the family ownership of the company (it was privately held until 1954, and the Dorrance family continued to hold a majority of the stock well into the 1990s). The types of production at Campbell—a combination of continuous-process but mostly small-batch production—differed from the assembly work at RCA. And, perhaps most important, this company and its employees worked out their history within the ever-changing context of an American and global capitalism that transcended even the dynamics of the food-processing industry, while external events (such as World War II) had enormous impacts on that history. Yet even in the heyday of the Campbell Soup Company its experience was far from unique among American businesses. All companies sought to keep production costs low, and the strategies depicted in this book were duplicated, to varying degrees, across the American corporate landscape.

As with most firms in America, the organization of production at Campbell was tied in a complex manner to assumptions and expectations about

gender, race, and ethnicity. In the early decades of the twentieth century Campbell was the primary local employer of recent immigrants from southern and eastern Europe—mostly Italians. Long before other major manufacturers in Camden hired nonwhite workers, Campbell employed African Americans and Puerto Ricans. But the company placed African Americans in only certain jobs and departments, and brought in Puerto Ricans, initially, only during the peak processing months. Similarly, most jobs were strictly gender-segregated, with women earning significantly less than men. Furthermore, the contingent nature of work at Campbell left most employees unsure of the stability of their jobs: the company's boast that it was able to "offer year-round employment to three-quarters of its employees" was not very reassuring to its workers.⁶

The Campbell Soup Company tapped into the same labor markets used by truck farmers in New Jersey (and more generally in Atlantic coastal agriculture) for virtually all of its recruitment efforts. It thus played a critical role as a transition point for agricultural laborers moving into the industrial sector. Historian Cindy Hahamovitch has documented the growth of a migrant stream of farmworkers along the Atlantic seaboard, starting in 1870. She found that this agricultural proletariat drew from Italians in South Jersey and Philadelphia and African Americans from the upper South; later it included African Americans from the lower South, Puerto Ricans, Jamaicans and other Caribbeans, and even German prisoners of war during World War II. Remarkably, Campbell used exactly the same groups to fill its factories.⁷

In addition to segmentation of the workforce, automation and continuous redesign of the work process were central premises of the Campbell strategy to remain at its original site. For decades the company relied on the "Bedaux system," a variant of Taylorism developed by Charles Bedaux (later a Nazi collaborator). Throughout their existence, Campbell's Camden plants operated on a combination of hourly rates and wage incentive premiums for exceeding targets.

The men and women who processed the tomatoes and chickens, cooked the soup, manufactured the cans, and did the myriad other tasks in the Campbell enterprise did not passively accept the company's strategies. For the most part they performed their often difficult jobs well and adapted to management's demands and experiments, but they also helped each other circumvent management plans, organized unions, went on strike, conducted unauthorized slowdowns, and in some cases sued the company. Alongside militant and sometimes violent strikes at Camden's other large companies, Campbell's workers staged walkouts in the mid-1930s, but they won their first union contract only in 1940. Through the next decade they built a

remarkably democratic local of the left-leaning United Cannery, Agricultural, Packing and Allied Workers of America (later renamed the Food, Tobacco, and Agricultural Workers, or FTA). A vicious red-baiting campaign destroyed the FTA, but the United Packinghouse Workers of America (UPWA) local that took the place of the FTA local in the 1950s had many of the same activists as members and a similar dedication to racial and gender equality and unity.

Despite continuous automation and rationalization of work processes, increasing demand for its products kept from four to five thousand workers employed year-round at Campbell's Camden plants from the late 1930s through the 1950s. However, by the end of the 1960s, Campbell's automation, early attempts at "lean production," and the growth of plants elsewhere led to a decline in the number employed to about three thousand. The reductions continued steadily through 1986, when management announced a three-year, thirty-seven-million-dollar modernization program for Camden that would further reduce the number of workers from 1,700 to 1,250 though, the company promised, "over the long term, the size of the workforce at the plant may return to and even exceed its [then] present level." Nevertheless, three years later the announcement came that all production would cease the following year in Camden, with the work moving to newer plants such as the highly automated ones in Paris, Texas, and Maxton, North Carolina (see table 1).⁸

Table 1. Year-Round Production Employees, Campbell Soup Company, Camden, New Jersey, Plants

	1886	1934	1942	1946	1950	1958	1962	1968	1979	1986	1990
Male			2450	2547		2100		1941			
Female			1554	2284		2000		740			
Total	25	2400	4004	4831	5000	4100	3000	2681	1850	1250	0

Sources:

1886: Mary B. Sim, *History of Commercial Canning in New Jersey* (Trenton: New Jersey Agricultural Society, 1951).

1934: "Dorrance Defines Issues in Strike," *Evening Bulletin* (Philadelphia), April 6, 1934.

1942-1946: U.S. Department of Labor, Mediation and Conciliation Service Records.

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1968: "Campbell Soup—Camden," January 17, 1968, AMC Papers.

1979: Eileen Stillwell, "Campbell Cans 300 Employees," *Evening Bulletin* (Philadelphia), April 21, 1979.

1986: Campbell Soup Company, press release, January 27, 1986, *PR Newswire*, retrieved August 10, 2008 from Lexis-Nexis.

Note: Some sources did not break numbers down by gender; only a total is given in these cases.

Scholars, journalists, and activists have warned about the strategies and effects of neoliberal capitalism at the beginning of the twenty-first century, including not only the globalization of production but also the rise of unstable, contingent work, the growth of “lean production” and other methods that intensify work, and the increasing use of low-paid immigrants to fill various niches in the economy.⁹ Often, however, these analyses have lacked any historical depth—they seem to imply that these features of the early twenty-first century are entirely novel. Cowie’s *Capital Moves* has demonstrated that plant shutdowns and moves to cheap labor areas were already a common corporate strategy before World War II. This book expands the examination of the historical precedents of neoliberal capital’s strategies to look at the full range of those strategies—not just capital mobility—and, just as important, to uncover the varieties of labor’s responses and evaluate their relative effectiveness.

The impacts of recent corporate strategies have led some to conclude that the world of the new millennium is being transformed by the “manic logic of global capitalism.” Prime among the helpless victims of globalization and post-Fordism, in this view, is labor. Many proponents of neoliberalism, and even some leftists, emphasize the weakness of labor resulting, apparently inevitably, from trends in the global economy since at least the 1970s. Other scholars and activists, however, see the mobility of capital and the changes in production characteristic of post-Fordism as far more complex and contingent, and they challenge the notion that labor’s current weak state is predetermined. These alternative approaches revitalize the project of studying the full range of capitalist strategies vis-à-vis labor and reject the inevitability of labor’s decline, instead proposing questions about which strategies on the part of workers are most successful in countering capital’s hegemony.¹⁰ In the case of Campbell, the relative success its workers had in countering corporate strategies during the militant and united social-unionist period of 1940 to 1968, and their relative failure later may provide evidence on the likely effectiveness of alternative labor strategies today.

The structure of this book is basically chronological; such an organization most clearly reflects the historical and dialectical development of the company and its workforce. However, the four dominant management strategies—continuous production redesign; the use of contingent labor and workforce segmentation; antiunionism and anticommunism; and movement of production—took on varying levels of importance over the course of this history. Certain chapters will thus go into more depth on one or another of these strategies.

Chapter 1 sets the context for the rest of the book. Critical features of the firm, from its founding in 1869 through its almost total dominance of

the industry by the 1930s, included the invention (or at least the first mass marketing) of condensed soup, the pioneering use of advertising, the division of the workforce into permanent and seasonal sectors, and the introduction of the Bedaux system of scientific management in 1927.

The next three chapters, which carry the history of the Camden plants from the mid-1930s through the mid-1950s, have much in common, but each focuses on a different management strategy. Chapter 2 counterposes Campbell's attempt to wrest complete control of the shop floor, through the use of scientific management, mechanization, and the old-fashioned "drive system," with workers' efforts to resist this move by organizing a union. World War II, the period of chapter 3, pushed the company to cast its net ever wider to find recruits for its low-wage, and especially its seasonal, workforce. A massive campaign to bring in workers from Puerto Rico (imported with help from the War Manpower Commission) and elsewhere, and the union's demands that the company drop its ban on hiring black women, led to a labor force more diverse than ever, with important implications for both company and union. Company, government, and a union splinter group's attempts to break the Left-led union in the late 1940s and early 1950s (the period for chapter 4) bring into sharp relief the antiunion and anticommunist strategies that were always present at Campbell. The company's failure to separate the Camden workers from their union and its leadership demonstrates the other side of this complex period. Local 80 navigated the turbulent times remarkably well, affiliating with the antiracist UPWA after its national Communist-led union was destroyed.

The man who brought together all of Campbell's production strategies during his presidency of the company from 1953 to 1972 was William Beverly Murphy (1907–1994). Chapter 5 explores the period during which this hard-nosed anticommunist expanded the company's efforts to consolidate control of production and fought the inclusion of an antidiscrimination clause in the union contract, while building new plants in the South and in rural Ohio. Chapter 6 examines the pivotal event in the history of company-union relations: the 1968 strike. Unions at all Campbell plants, in an unprecedented experiment in unity, waited until the start of tomato season, then all struck together, with the goal of winning coordinated bargaining and a common contract expiration date. Unfortunately for the union, that summer also saw the demise of the UPWA and its merger into the conservative Amalgamated Meat Cutters (AMC). The weakened union front was no match for the unyielding stance of Murphy, and the ensuing period witnessed a shift in Local 80's orientation from militant social unionism to a business unionism focused on maintaining wages and benefits.

The final two chapters deal with the period in which changes in transportation, demographics, and food-processing technology made it possible, finally, for the Campbell Soup Company to consider moving production out of Camden. With divided and increasingly ineffective unions, the company was free to experiment with newer and better ways to control production and replace workers with machines, and then to abandon Campbell's original soup plant in 1990. Though some union activists in Camden and Mexican migrants in the Farm Labor Organizing Committee continued to challenge the company, the national AMC merged into the even less assertive United Food and Commercial Workers. In spite of promises to the contrary, Campbell finally joined RCA and Camden's other industries, imploding Plant No. 1 in 1991 and moving production to automated plants in the low-wage South, as incoming president David Johnson proclaimed a new era of higher profits and more cost cutting. However, the shutdown did not herald uninterrupted smooth sailing for the company. In October 2001, seven hundred workers at the Paris, Texas, plant walked off their jobs and the company responded with a lockout; this dispute was resolved, but it demonstrated that the conflict between the corporation and the soup makers continues.

One final word about what *Condensed Capitalism* is and is not. This book is an exploration in political economy that takes the form of a business history and a labor history. It uses the lens of one important company to get at questions of the relationship of capital and labor, the changes both have undergone throughout the twentieth century, and the strategies they have used to accomplish their goals. Though the people and the stories that emerge in this exploration are important in their own right and are often fascinating, this is not an ethnographic study nor a social history of Camden (nor, as mentioned earlier, an analysis of Campbell's marketing and distribution innovations). Others have produced or embarked on such projects, and many more are waiting to be written. One essential work that must be mentioned is Howard Gillette's *Camden after the Fall*. This insightful exposition of the transformation of Camden from industrial powerhouse to defeated city must be read to understand the context of Campbell's experience.¹¹

For Campbell's former workers in Camden, the story did not end on a bright note. But the food products they made, the families they raised, and the communities they built have become a deep-rooted part of the American landscape. Even more important for later generations, their trials, tribulations, and victories hold crucial lessons for how working people can confront global capital and, sometimes, win.

CHAPTER 1

Making Campbell's Soup

Camden, 1869–1935

“Campbelltown: A Foretaste of Industrial Utopia”: thus did the Philadelphia *North American* introduce its readers in 1915 to the “model workman’s colony” where John T. Dorrance planned to move production of his famous Campbell’s soups. Campbelltown was never built, and Campbell’s main production facilities remained in the city of the company’s birth, Camden, New Jersey, until they vanished in a spectacular planned implosion in 1991. Yet the motivations behind the imagined model town, despite the sudden decision to abandon it, reveal much about the core business philosophy of Dorrance and his successors.¹

In many ways, the idea of Campbelltown was a radical departure for the Joseph Campbell Company. Even twenty years later, the company had made only the feeblest attempts at paternalism, and *Fortune* magazine considered its philosophy “the purest laissez faire.” But in 1915 the Progressive impulse attracted even Campbell president Dorrance during a visit to Britain. Inspired by Port Sunlight, the Lever Brothers’ model workers’ town in northwest England, he returned to Camden fired with an idea that would solve many of the problems unleashed by the remarkably rapid growth of the industry launched by his “invention” of condensed soup in 1897. The unplanned proliferation of buildings in Camden to handle the increases in production and the improvised access to rail and marine transport were obstacles that

a planned facility would eliminate. Further, he believed, the workers in the model town four miles south of Camden on the Delaware River would be rescued from the "depressing city," and the refreshing air and recreational opportunities would make for contented employees (and, no doubt, ones less susceptible to the lures of unionism).²

The special attraction of the Campbelltown idea to Dorrance, however, lay in its potential to lower production costs through extracting greater productivity from its workers. The Joseph Campbell Company had pushed its way into a relatively secure niche in American industry by innovative use of advertising for a product that consumers did not previously realize they needed. The cornerstones of its marketing campaign were product quality and low cost—for decades the price of a can of Campbell's soup remained at ten cents. So strong was management's commitment to this price that company executives allegedly "knew that the psychological effect of raising their prices to 11 cents a can would prove disastrous to their business. So they decided to keep the price fixed at a dime and cut down expenses somewhere else." This "somewhere else," according to the latest tenets of scientific management, could be found in more rational direction of the workforce, more efficient design of production facilities, and increased use of technology to mechanize operations. Even the workers themselves could be made more productive. According to the calculus of Dorrance, the congested, saloon-filled streets of Camden had a measurable impact on the company's bottom line: "I figure that drink weakens a man's efficiency 10 per cent; and we are moving to Campbelltown soon because we want added efficiency."³

Dorrance's short-lived dream, had he carried through with it, might have provided a solution to most of the problems he was encountering in controlling production in a company rapidly advancing into the forefront of America's food industry, and Dorrance wanted to control every facet of producing Campbell's soups. To eliminate the problem of unreliable and innumerable suppliers of tomatoes and other ingredients, Campbelltown would have surrounded its factory and workers' homes with model farms turning out controlled quantities of consistently high quality ingredients. In place of the jumble of multistory buildings in Camden whose labyrinthine transport devices were subject to frequent breakdowns, the new plant would have been based on a radically new design: "All manufacturing floors will be on the same level, so constructed that the raw material will come in at one end and the filled cans will go out at the other." Prophetically, the ultra-modern Maxton, North Carolina, plant that replaced the six-story Camden plant seventy-five years later would utilize exactly this plan.⁴

The Creation of an Industry

In 1869, little of the company's remarkable future would have been obvious to anyone, including Joseph Campbell and Abraham Anderson. Anderson, a tinsmith, had opened a small cannery in 1862. His partnership seven years later with Joseph Campbell, a purchasing agent for a produce wholesaler, formed the basis for one of the many companies turning Camden into an industrial powerhouse. The transformation of the Village of Camden of the early nineteenth century into a city of twenty thousand by 1870 was due largely to industrial growth and its fortuitous location just across the Delaware River from Philadelphia. The industrialization of Camden proceeded at an even faster pace during the final decades of the nineteenth century and the beginning of the twentieth, with the establishment of many factories at the forefront of American industry, including Victor Talking Machines and New York Shipbuilding. The Camden County Chamber of Commerce went so far as to claim that Camden was, by 1931, "truly New Jersey's most highly industrialized city and it leads the entire Nation in the proportion of its population engaged in industry."⁵

Though the late nineteenth century was a time of explosive growth for American manufacturing as a whole, with production increasing sixfold between 1859 and 1899, food industries grew a remarkable fifteenfold during the same period. As the population of the United States urbanized, an increasing number of food-processing functions moved off the farms and out of the consumer household. Furthermore, whole new categories of food products were created. Nicolas Appert's invention of a method to preserve food for Napoleon Bonaparte's armies gave birth to the canning industry, and the American Civil War created a demand that propelled the industry forward in the United States. The firms that emerged as the best-known American canning companies—Campbell's and H. J. Heinz—were both founded in the aftermath of the war in 1869.⁶

Anderson sold his share in the new Camden business to Campbell in 1873, and the last association of the Campbell family with the company ended in 1900 with the death of Joseph Campbell, but an earlier reorganization of the partnership in 1882 brought in Arthur Dorrance, whose family would continue to play a leading role in the company into the 1990s. The most well known product of the Joseph Campbell Company was its canned South Jersey "beefsteak tomatoes," but it also sold a wide variety of other products, including ketchup, mincemeat, and preserves. South Jersey began acquiring its reputation as the best location for the cultivation of tomatoes in

the 1840s, as its climate and soil proved to be ideal for this relatively recent addition to the American diet. The demand brought on by the Civil War persuaded more growers and canners in the area to specialize in tomatoes, and new varieties were developed that were better suited to canning. Very quickly South Jersey became the top tomato-growing region in the nation. Though canners in the area soon came to specialize in tomato products, their product lines were extensive. The small market for canned soup was dominated by the Franco-American and Huckins companies, which produced ready-to-eat varieties selling for an expensive thirty-five cents per bulky thirty-two-ounce can, though Campbell also sold a small amount of ready-to-eat tomato soup.⁷

Arthur Dorrance succeeded Joseph Campbell as president of the firm then known as the Joseph Campbell Preserve Company in 1894, and three years later he hired his nephew, John T. Dorrance, allegedly with some reluctance, to set up a laboratory, on the condition that his nephew fit out the lab at his own expense. Much has been made of the fact that the younger Dorrance, just returned from the University of Göttingen with a Ph.D. in chemistry, was paid only \$7.50 per week, but as the scion of a wealthy family he was hardly concerned by the size of his salary. In any case, he set about with a passion to revolutionize the way soup was manufactured, sold, and consumed in the United States. His central concept—"the only basic idea that anyone in the Campbell Soup Co. ever had," according to a 1935 *Fortune* magazine article—was to remove most of the water from canned soups. This process drastically reduced the amount of water the company needed to ship around the country, and housewives could reconstitute the soup in their own kitchens simply by adding a can of water. Condensing soup may not, however, have been as original an idea as *Fortune* and the company maintained. According to food historian Andrew F. Smith, Joseph Campbell's original partner (and later competitor) Abraham Anderson was producing several varieties of "concentrated soup" at the time of Dorrance's "invention," and the Campbell company was likely working on condensing soups even before Dorrance arrived. Regardless of the provenance of the idea, the reduced shipping and warehousing costs enabled the company to sell ten-and-one-half ounce cans of condensed soup for ten cents. This the company did, and by 1900 Campbell soups were awarded a Gold Medallion at the Paris Exposition, and John T. Dorrance, at the age of twenty-seven, was elected a director.⁸

Dorrance was born in 1873 in Bristol, Pennsylvania, the grandson of John Barnes Dorrance. The elder Dorrance had amassed a fortune before the Civil War in flour mills, lumber, shipping, and railroads. His illustrious career

as owner of Bristol Mills was capped by the construction of the Dorrance Mansion, completed in 1863, its "elegant style represent[ing] the lavish life of the early Victorian industrialists making Bristol their home."⁹ His son Arthur continued the family's tradition of investing in new businesses with high growth potentials when he became a partner in the Joseph Campbell Company. Arthur's brother John, however, hoped for a more genteel life for his offspring. He sent his son—John T. Dorrance—to Rugby Academy and the Massachusetts Institute of Technology, and was pleased when Cornell University and Bryn Mawr College attempted to recruit him on his return from Göttingen. Though the father was disappointed when his son went to work in Camden, John T. Dorrance quickly demonstrated brilliant business acumen.¹⁰ Cornell may have lost a potential chemistry professor, but the university did ironically provide a key ingredient for the construction of the future consumer icon: the famous red-and-white colors for the soup-can labels. While company executives were mulling over label designs for their new product, company treasurer Heberton Williams attended a University of Pennsylvania-Cornell football game. Impressed by Cornell's smart red-and-white uniforms, he suggested that Campbell adopt the same colors. In January 1898 the first of the legendary red-and-white soup cans began rolling out of the Camden factory.¹¹

Though the idea of condensing soups was essential to the future success of the firm, the fledgling soup company needed next to do something even more challenging: create a market. Combined sales of canned soups for all companies totaled a mere one million cans per year at the end of the nineteenth century. Part of the problem was that soup was not an important part of the American diet, and most of the soup that was eaten was generally prepared by women in their own kitchens, not bought in stores. Campbell undertook a pioneering advertising campaign, first on cards in streetcars, then in magazines and newspapers. In some of the early advertisements, the company attempted to create and encourage insecurities in women about their roles as mothers and homemakers in a changing environment of modernity, a predicament that could be at least partially ameliorated by the purchase and use of Campbell's soups. In 1904 the company introduced the "Campbell Kids," who quickly became the firm's ubiquitous mascots. Historian Susan Strasser has demonstrated how the new mass-production, mass-distribution companies of the late nineteenth and early twentieth centuries began to convert "a population used to homemade products and unbranded merchandise . . . into a national market for standardized, advertised brand-name goods," often by making people want things that they did not previously realize they needed. Campbell was an early master at this enterprise. The firm quickly became the

archetypal example of a brand-name consumer-products company. Unlike its competitor, H. J. Heinz, which maintained a large sales force, Campbell relied almost entirely on appealing directly to the consumer through extensive advertising and, in effect, virtually ignoring middlemen and retailers. Campbell's soup, in fact, became "the most highly advertised *single* food product" in the United States. Through its early marketing campaigns, the Campbell's Soup brand became so well-known and trusted that no grocers could afford not to carry the renowned red-and-white cans. By 1904, Campbell alone was selling sixteen million cans of soup.¹²

The company fell more and more under the control of Dr. Dorrance in the ensuing years. He became general manager in 1910, and in 1914 succeeded his retiring uncle as president. He then quickly moved to sharpen the focus of the company to condensed soups, closing down production of preserves and other distractions. In 1915, while contemplating the ambitious move of the entire operation to his "industrial utopia" of Campbelltown, he bought up all the outstanding shares of company stock he could. Two weeks after the *North American* article on Campbelltown appeared, his uncle sold him all his remaining stock and John T. Dorrance became sole owner of the Joseph Campbell Company. Now able to control every aspect of the company's production, marketing, and future direction, he quietly abandoned his plans for Campbelltown (though he never revealed his reasons) but did not relinquish the objective of turning his company into a scientifically run enterprise, with every element running smoothly under his expert guidance.¹³ Over the next several decades, Campbell Soup Company (the name adopted in 1922) financed its way to the top echelons of America's corporations solely through its own earnings (as did Henry Ford's motor company), rarely becoming indebted to anyone or anything outside the control of the Dorrance family.

Though Dorrance led Campbell's rise to its position as one of Camden's "Big Three" industries—along with RCA and New York Shipbuilding—he and the company remained curiously aloof from the civic activity that the city's other business leaders enthusiastically took up. RCA's Eldridge Johnson joined retail, real estate, and banking executives in forming the Greater Camden Movement (GCM), Camden's experiment in business-friendly Progressive Era reform. In another installment in the city's quest to escape from the shadow of Philadelphia, they promoted good government, led patriotic organizations during World War I, and campaigned to build the world-class Walt Whitman Hotel (in 1925) to provide a proper home for business meetings and visiting executives. The GCM's greatest achievement was the construction of the Delaware River Bridge in 1926 (later renamed

the Benjamin Franklin Bridge) linking Camden and Philadelphia. Promoters claimed the bridge would lead to further growth for Camden and pave the way for the city's ascendance into the first rank of American cities. For a few years the predictions seemed to be coming true. The million-dollar Stanley Theater opened the same year as the bridge, followed by several major department stores and some new manufacturing enterprises. Other consequences, such as the severing of North Camden from the rest of the city and the newfound ability of South Jersey suburbanites to speed past Camden on their way to Philadelphia would only later begin to raise questions about the impact of the bridge for Camden's future. Yet throughout this swirl of activity, Dorrance avoided the boosterism of his fellow industrialists and kept his focus single-mindedly on making soup and building his company.

Making Soup

The rapid growth of the market for canned soup demanded massive expansion of soup production in Camden. Dorrance tackled this task in his accustomed systematic manner, but the nature of soup production and the way the business grew resulted initially in a curious mix of mass-production practices, creative processing techniques, and the most rudimentary manual labor. Dorrance's management methods were similarly an eclectic combination of classic nineteenth-century hard-driving factory management practices, the latest "scientific management" fads, and even some innovations in production that were remarkably similar to "lean production"—the Holy Grail of global manufacturing philosophy launched by Japanese automobile makers much later in the century.

The Campbell factory spread out from its original location on Front Street near Market Street in Camden to a hodgepodge of interconnected buildings covering three large city blocks by the first decades of the twentieth century. "Plant No. 1"—the term applied to the three-block agglomeration—remained the largest production site for Campbell Soup through the 1980s. An observer walking through the plant in 1990 (just before the implosion of the plant) reported that the nineteen buildings still standing were so interconnected that, due to the removal of many interior walls, "it is hard to discern where one building ends and the other begins."¹⁴

Despite these changes over the years, the manufacturing model for Plant No. 1 (and for all early Campbell plants) remained that of a simple gristmill. First, raw ingredients were transported to the top floors of the plant. As each step in the manufacturing process was completed, gravity transports carried

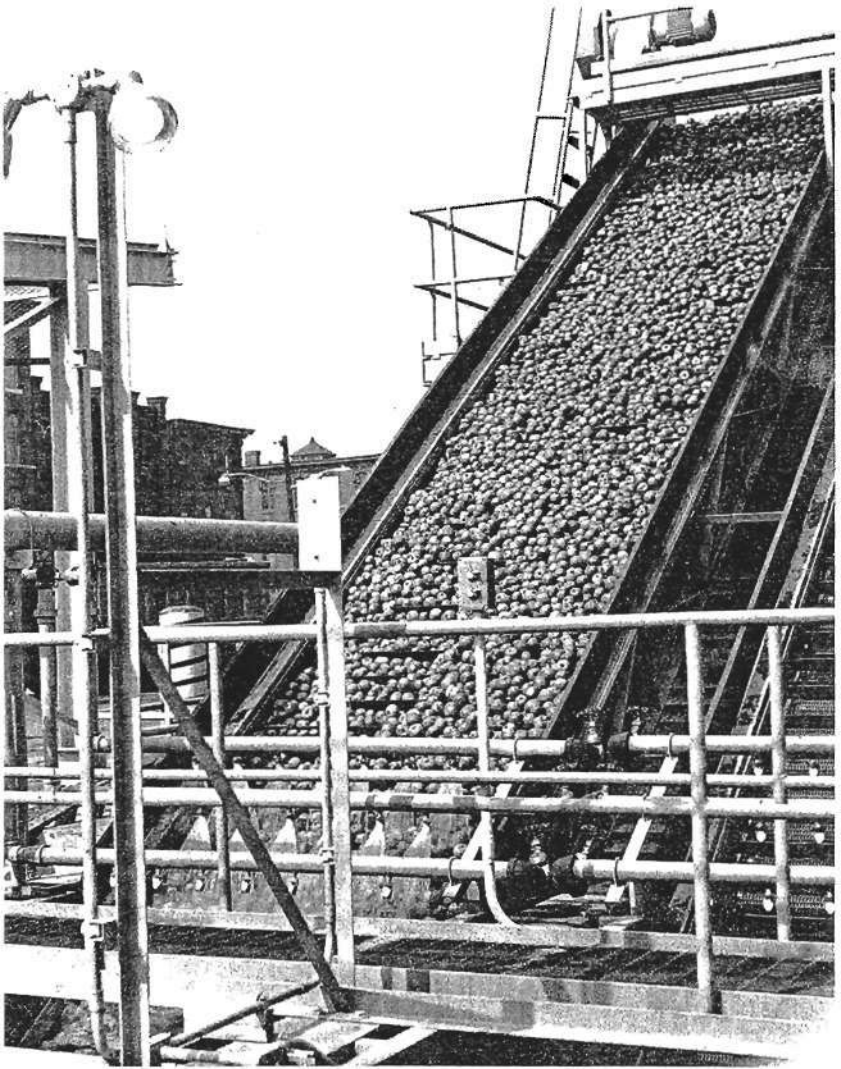


FIGURE 2. Conveyor belt carrying tomatoes into Campbell Soup plant.
Temple University Libraries, Urban Archives, Philadelphia, Pennsylvania.

the partially processed product down to the next level until, on the ground floor, the canned and labeled soup was packaged for shipment. Campbell workers turned raw ingredients into finished products in three main stages: ingredient preparation and inspection, blending, and, finally, can filling and processing. This manufacturing design remained virtually unchanged from the time of the invention of condensed soup in 1897. What did change was