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**Industrial Paternalistic Corporate Company
Strategies in Theory and Practice in Nordic
Countries and Japan from 1900s to 1960s**

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Abstract

In this article I discuss and compare how the concept of paternalism in the Nordic countries and Japan emerge, developed and changed, in theory and practice, from the late 19th century to the 1960s. The comparison shows important cultural and historical differences in how the patriarchal system was shaped in practice as well as in rhetoric but similarities in the endeavour for hegemony.

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Industrial paternalistic corporate company strategies in theory and practice in Nordic countries and Japan from 1900s to 1960s

Introduction

In this paper I will discuss the concept of paternalism in the Nordic countries and Japan. How it emerges, developed and changed, in theory and in practice, from the late 19th century to the 1960s. When the paternalistic relation management was implemented and developed in the industries from the late 19th century what were the main ideological arguments that the proponents of industrial paternalism put across and what was the practical outcome? And how did the paternalistic ideological rhetoric and the paternalistic welfare system in practice change during the 20th century? Or to put the question in a different way: What is the relation between rhetoric of paternalism and the reality of practice within companies, between a discursive and a social one? I will however in this paper not find out or consider in any deeper sense how the workers reacted to the paternal rhetoric or how they received the patriarchal welfare arrangements. To compare different cultures like the Nordic countries, countries that are themselves different, with a different culture like the Japanese is of course difficult. It's not possible without further to compare different cultures and phenomena. In a comparison it's very important to compare entity's that can be compared and that this entity's can be generalized. Paternalism as an employer strategy was a policy used in order to achieve control and hegemony in many modern industrial companies all over the world. My ambition in this paper is to try and see if a comparison is fruitful. I believe that a comparison, even though it's in this paper more a scratch on the surface then systematically carried out in any deeper sense, can function heuristic and bring new light and formulate new questions and perspective on the complex history of paternalistic relations in the industrial modern society. The comparison is connected to the analytic frame or concept of hegemony.

The theoretical approach on Antonio Gramscis concept of hegemony is far from univocal and can be interpret in different ways. My purpose is not to discuss which interpretation that best

harmonize with Gramscis own thoughts, but rather utilize the theoretical concept of hegemony as a analysis tool to study the historical reality. Hegemony creates through a reaction on antagonism, there contradistinctions isn't bridgeable. The conflicts are fundamental and without them would the will to concert be unwarranted. Hegemony can be understood as a state in which commonsense assumptions of how things are and ought to be are so pervasive that people can barely conceive of any other meaningful arrangement of their lives, to bring up a specific popular "everyday thinking" or "commonsense".¹. The concept of hegemony shall be understood as a form of power, a power that has positive or at least neutral signature in the meaning that exercise of power is based on consensus. The hegemonic leadership rest on a compromise there different social stratum or groups sign an informal contract about what in an ideological and cultural meaning can constitute a mutual platform. Therefore can the concept best be understood as organizing of approval were exercise of power come thorough ideological and moral leadership. It must be understood as a result or an effect of the social relative strength that exist during a certain historical period. Hegemony is therefore never stabile but rather changing and uncompleted and consensus is always o question of degree.

The early industrial paternalism essence and at the same time preconditions was belongingness between employee and employers.² Viewed with our eyes today it can be understood as a conspiracy. But we must remember that the idea about an existing fundamental antagonism between work and capital mainly belongs to the 20th century's western reference frame. Class struggles took of course place but more latent than manifest. Therefore workers during the 19th century were the question about if there existed common interests between different social classes something they seldom reflected above. The existing social order was so to say given. The existing social differences appeared legitimate. The old authoritarian paternalism was intimately connected to the Patriarch who distributed welfare personal gifts in return he expected loyalty and obedience and the workers identify him as the "Father". The system was closely connected to the "Father" in person. During the beginning of the 20th century the organized

¹ M Stigendal, "Hegemoni-sfarernas och gransernas overskridande", *ZENIT*, nr 3-4 1990. C Ericsson, *Fotboll, bandy och makt*, 2004, pp 35-36. W Schmidt, "Arbetarorelsens skorde- och skymningstid" Samtidshistoriska Institutet, Sodertorns University, 2001. A Ehnmark, *En stad I ljus: Antonio Gramscis slutsatser*, Norstedts, Stockholm 2005

² See for example C Ericsson & B Horgby, "The middle class Patriarch in the Bourgeois Public, *Discussion paper*, Tokyo Universitet, 2008

working class political and union movements idea that the working class could only reach freedom and welfare through class struggle began to hold influence. The class struggle perspective was aimed against the core of the paternalistic relation against the idea that employer and employee had common interest. The employers answer becomes that more directly affect the employee's way of thinking, a change from a reactive to a proactive paternalism in order to maintain hegemony. The basic idea about the connection between dependence, family relation and loyalty didn't disappear. It's more relevant to say that paternalism took a new form, adjust to new circumstances. New modern paternalism corporate welfare paternalism took shape, a paternalism that was more symmetric, more collective and institutionalized and systematic in the relation between employers and employee than it was prior. The new corporate welfare paternalism was shaped in a more didactic form. The basic condition, for the new, though there are differences between the Nordic countries, paternalism, was that the employer admits unobstructed unions as a phenomena and the employees need for a decent existence. It is built on the insight of the factual existence of contrary interests between work and capital, but underlines that there are common interests in development in productivity and in the own company's prosperity. From now on it was no longer important to create a personal "face-to-face" relation between workers and the manager, but rather to implement emotional loyalty among employee with the big modern bureaucratize company: to create a company spirit, a identity between the company and the employee, that would bring them to experience that they all belonged to a big family.

This doctrine was, not new, it was first formulated as a politic strategy under the name "welfare capitalism" in US during the 20th century's first decade in order to counter the developing strikes and the union militants at the end of the 19th century. Labor conflicts turned severe and employers responded with repression. Confronted with heightened industrial violence and labor militancy, industrial pioneers opted for a different solution: corporate welfare paternalism. Enlightened industrialists in America began during the end of 19th and beginning of the 20th century experimenting with industrial reforms that aimed at alleviating labor conflict, improve workers morale, and cultivating employee loyalty. In the 1920s and 1930s progressive firms gradually assumed more responsibility for the well-being of their employees, initiating a movement that came to be known as welfare capitalism. They stated that labor was a partner and not a mere commodity and deserved fair treatment and consideration from the capital. They

emphasized that labor and capital had a common goal in increasing production. By cooperation both sides would *reap the bountiful harvest*.³ Proffering the carrot rather than the stick, employers began to found low-cost homes for their workers, established medical and relief departments that included surgical, dental, and sick relief services.⁴ They promoted sports programs and provided countless of other services. Employers did not conceal that their welfare programs were designed to maintain worker docility and to retain control over the employee. They honestly believed that welfare work was a more effective means of control than was repression. Workers should from now on be viewed as a part of one big family.⁵ The vision of the Welfare corporate paternalism was that it should be viewed as an agreement built on mutual loyalties. The family was a powerful metaphor connoted harmony; security; authority, and stability, values that the cooperation sought to develop and exploit. Welfare paternalism emerged in response to severe industrial violence and labor conflict. In Britain, where patriarchal company towns had a long history, the idea to create welfare corporate systems was also introduced during the end of 19th and early 20th centuries that was also there a complex period.⁶ The social reform movement was growing, class conflict was increasing and organized labor confronted big business. The paternalistic welfare corporate systems were response to this disturbance. It was reasoned that by improving employment conditions workers would so increase their production that corporate efficiency benefit profits. The rise of industrial paternalism in Britain is related to the Victorian period, and its stabilization and consolidation of an industrial society. Industrial paternalism thus represents a deliberate effort to try to overcome some of social problems and conflicts associated with the rise of industrial society, the resulting poverty as well as the probable social unrest.

There have been done several studied by different researchers in different countries and different industries about these phenomena. And mostly it is the same picture that appears. Normally it took the form of schemes, such as pension funds for old workers, health insurance schemes and free medical care and almshouses for old workers. This system was established in

³ S Thompson, "From paternalism to industrial welfare: The evolution of Industrial Welfare Capitalism in the South Wales Coalfield, University of Wales, p 2, www.ehs.org.uk/ehs/conference2008.

⁴ H M Mueller & T Philippon, "family Firms, Paternalism, and Labor Relations, nov 2006, p 6

⁵ *ibid*

⁶ See for example B Horgby, "Det industriella kulturavret. En studie av det internationella faltet, Opub. Manus 2003. Forfattarens ago.

the middle of 19th century but was tied to individuals not collective. This system was intensified and took a more proactive and systematic shape from the beginning of the 20th century especially during the interwar period as a reaction on the increasing militancy of the labor movement which conditioned the management strategies of employers.⁷ With the concept “worker’s issue” meant in Europe from the end of the 18th century and beginning of the 20th century the political and social consequences of the industrial salaried employments expansion. The foresight Employers answer on the “workers issue” was a part from discipline and order, to establish workers welfare. The welfare provision of employers in the first half of the 20th century consisted of a far more systematic and rational attempt to influence industrial relations than before and it was framed as a response to the worsening industrial relations an attempt to challenges the increasing labor militancy. The emergence of corporate paternalism was ultimately a product of conflict.⁸ Then employers was in many cases provided or assisted in the provision of systematic healthcare like hospitals, nursing associations, convalescent homes and provided assistance to widows whose husbands died in the course of their work. The company’s often donated land and contributed funds for institutions such as libraries, reading rooms, schools and chapels and churches often they also supported cultural activities or organizations such as choirs, brass bands and sporting teams.⁹

The paternalistic system in Sweden

In the Swedish Ironworks (Nyby bruk) a relatively well developed social system existed at the beginning of the 20th century.¹⁰ It was a paternalistic social system that lasted well into the 1950s and thereafter there was still remaining in the 1970s, which provided for the inhabitants of the works from the cradle to the grave. Compared to workers in the nearby metal industry in the cities of Torshälla and Eskilstuna the inhabitants had an essentially greater chance to a

⁷ *ibid*

⁸ See for example Zahavi G, 1983, “*Negotiated Loyalty: Welfare Capitalism and the Shoe workers of Endicott Johnson, 1920-1940*”, and 1988, p 2. S Thompson, 2008. T Hirao, “The invention of Tradition: Corporate Paternalism at the Wills Branch of Imperial Tobacco Company”, EHS, Annual conference 2007. H M Mueller & T Philippon, “Family Firms, Paternalism, and Labor Relations”, nov 2006, p 6

⁹ See for example S Thompson, 2008. C Ericsson, *Fotboll,bandy och makt*, Stockholm, 2004

¹⁰ Bursell B, *Traskoadel*, Nordiska museet, 1974, C Ericsson, *Vi ar alla delar av samma familj-Patron, makten och folket*, Stockholm 1997. See for example Ericson H-O, *Vanmakt och styrka*, Lund 1987, Horgby B, *Surtbullestan*, Stockholm 1989, Magnusson L, *Arbetet vid en svensk verkstad: Munktells 1900-1920*, Uppsala 1987, Magnusson U, *Fran arbeyare till arbetarklass: Klassformering och klassrelationer I Fagersta 1870-1909*, Uppsala 1996, Molin K, *Den modern patriarken*, Stockholm 1998, Nordlund T, *Att leda storforetag*, Stockholm 2005, Nystrom L, *Potatisriket*, Goteborg 2005

comparatively long life. The contributing factors were built into the social system. The system guaranteed the residents access to nutritional products which satisfied the energy need of this population. Up until 1917 a number of foodstuffs were given the inhabitants as wages in kind. Thereafter, up to the beginning of 1960s, a part was transformed into cash pay but sold to the inhabitants of Nyby at a drastically reduced price. The families also had access to their own production of foodstuffs on the land which the works provided. Free housing was also a part of the social system and the standard of housing compared to other similar settlements in the vicinity, was better, as was the condition of general hygiene at least to the end of 1920s. The master underlined that the housing should be “sound and modern”.¹¹ At Nyby there was a paid physician and a midwife. There was also complementary back-up in the form of an “illness fund” which was controlled by the members themselves, but which at times of acute economic crisis was guaranteed by the master. The health care system included all residents – everyone had access to and its content was affected and changed by their needs. The poor care of the works was also an aspects of its paternalistic social system, but by 1890 it had been superseded in favor for the then organized support – and retirement fund. Through the fund all inhabitants were given a basic guarantee of security: in retirement: as wage compensation in the case of some disability: in case of accidents even if the person had not reached the age of retirement or been employed sufficiently long. The support was adjusted to the family configuration and widows were guaranteed cash funds as long as they should live. This support, or retirement fee, provided a basic security which was by no means a given at this point in time. Along with the fund for illness and other aspects of the social system, it functioned as a basic security for the workers and their families until the beginning of 1940s when the new national collective systems, such as the new general pension were introduced. The average time of employment for a worker at Nyby Bruk, as well as many other Swedish ironworks, was very long. We can almost talk about life long employment. The majority of the workers, who moved in during the last decades of the 19th century worked and lived at Nyby during their entire lives and so did their sons.

The Nyby workers organized in 1917 but it was not until the beginning of the 1930s would it appear “natural” to organize. The workers at Nyby were all aware of the possibilities for the future which were related to different strategies. They probably judged that the formation of an

¹¹ *ibid*

organization would imply a worsening of the relatively secure social system with a “constantly” present master as guarantor. The contempt of the workers from outside organized workers for Nyby workers lack of class consciousness was misdirected. The workers of Nyby were not all unaware of their position as a worker’s collective with common interests in relation to the master. They made demands and used their position as irreplaceable actors within the framework of the system. Within this framework, there was an acceptance of the paternalistic power relationship. At the same time, this position implicated certain rights which could be demanded of the master. The workers at Nyby and in town had entirely different experiences. The relationship between the union section and the direction of Nyby Bruk was woven together and carried over into informal relationships which were characterized by the tight and close relations of actors at Nyby. The stability was high, most came to live there for a very long time and everyone knew everyone else. The tendency towards conflicts was low since the labor union was an organization which was used by its members to protect the “old” rights of the workers at Nyby. The section even complained to the union that the new master, (Gunnar Liberg, master 1918-1945 son to the older Lars Liberg) so seldom was home and supervised the works. They meant that he, as his father had done, should “walk several circuits a day” through the settlement and the works. The personal power relationship was, in their eyes, advantageous. The paternalistic relationship at Nyby Bruk permeated the daily life of the working families and could be used by the workers to drive through changes in the system to their own advantage. The workers themselves apparently judged this relationship of power as well worth protecting. The social system gave a relatively good basic protection to all inhabitants of Nyby Bruk. Through this relation and the social system, the Liberg masters could reach their strategic goals a steady, loyal, sober and diligently workforce.

During the 1950s much of the former social well-fare system in Sweden Industry Company’s was in a process succeed by the state and local communities, although many of the elements in the paternalistic corporate model remained for a long time. It was not until the end of the 1970s and beginning of 1980s that former paternalistic companies liquidate its housing and land holdings and the life - long employment.¹² An example on that is the practical system that was provided during the 1960s and beginning of the 1970s at the Glassware Company owned by Erik

¹² Se for example T Svensson, “Japansk foretagsledning och svenska bruk – en felande länk? *Arkiv*, Lund 1986. Exemplet Jonsered, p 21. C Ericsson, 2007.

Hovhammar, a modern didactic patriarch. The employees who wanted to build their one home-croft were heavily supported by the company. The company also ordered a modern lodge for washing, sauna and a sports field for the employee. That could be arranged with a god salary, god communication inside the company, god housekeeping and leisure-time activity. Hovhammar connected to the old “brukskulturen” foundry community’s culture in organize feast like midsummer with dance, music, eating and drinking for the purpose to improve we-spirit.¹³ The outspoken purpose was that it would improve the comfort and the stability among the workers. An assembly hall “Peoples House” was build were the communities inhabitants could meet, have parties, and look at movies and theatre.

Patriarchalism and gender

The paternalistic social system included in most industries all habitants of the works. The activity was organized on the basis of consciously structured division of labor and hierarchy according to gender. Man and women had distinctly diverse tasks to perform and places where they were to stay and work. The division of labor according to gender was almost complete: the men worked in the production units and women in the home. Men had access to the entire “public” room of the works; women were restricted to the “closed room”.¹⁴ During childhood and up until the teen years, the world of girls and boys was mostly not separated. At the age of 13, boys began to work in production and girls to take an ever greater responsibility in the family by attending to younger children and carrying out diverse household tasks. Men and women were relatively young at the time of marriage and the marriage rate was intense. The division of labor according to gender and the intense rate of marriage were seen as desirable and encouraged in every way by the master. Marriage was seen as a fundamental principle of order at the works and this order was supported by a directed policy, for instance a children’s allowance. Moreover, only married couples could count on substantial housing. The goal was that of, in the cradle of the family, schooling men to become steady, responsible, and conscientious workers and family fathers. In the family policy of the social system, permanently residing worker’s families were the winners while mobile workers with families or bachelors were the losers. Neither the division

¹³ Smalandsposten, 17/5 1961

¹⁴ C Ericsson, 1997

of labor according to gender nor the intensions of the family policy underwent any change before the end of the 1950s.

The paternalistic system in the Nordic countries

One prominent feature in Finnish industrial management until the Second War was a strong and prevailing paternalism. Paternalism, in Finland as elsewhere, was an employer policy where welfare policies and provision of goods are used in order to achieve control of the labor force.¹⁵ Gosta Serlachius, the managing director of G.A Serlachius AB in Mantta, was a good example of a paternal manager. Even though Serlachius at an early stage applied Tayloristic methods on the firm level, the paternalism in the mill community of Mantta was highly elaborate and he was no exception. As Finnish mill communities often were remotely situated, the companies provided a wide variety of services, for example housing, health and education. The provision of good and long and stable working relations were probably also the interest of the workers.¹⁶ Families often worked for several generations for the same company.

Among Finnish managers there was reluctance towards new ideas from the US. It was often claimed that the Taylor system was “too American for us”.¹⁷ Many Finnish managers emulated the German rationalization movement, and combined the rationalization of production process with strong paternal traditions. Paternalism and Taylorism were often successfully combined. The Finnish industrialization model, with the mill community and company town tradition, based on personal relationship between the employer and the employee, high commitment to the company, the provision of goods and services of the employer, and above all weak labor unions (at least until the end of second war), provided a good ground for a strong and persistent paternalism.¹⁸ But even though employers had to accept union activities, new wage bargaining systems and collective agreements after the war, it was not until the 1960s that the companies withdrew from active involvement in community affairs.¹⁹ The strong and persistent patriarchal traditions in the Finnish mill community were based on strong company attachment and a well-

¹⁵ S Fellman, “Academic Patriots or individualistic Entrepreneurs? Finnish Management in a Nordic perspective”, in H Byrkjeflot, et al (eds) *The democratic Challenge to Capitalism*, Fagbokforlaget, 2001, p 181

¹⁶ S Fellman, 2001, p 193

¹⁷ S Fellman, 2001, p 197

¹⁸ *ibid*

¹⁹ S Fellman, 2001, p 196

developed system of company provisions. The employees had, the author say, strong ties to the local company.

Around the middle of the 1920s to the very beginning of the 1930s the Finnish company, Pargas Kalkbergs AB, started or expanded the company many functions that at that time was called “workers care” which was changed to “employers social activity” after the war.²⁰ The company built residences, started occupational training, employed a medical doctor, a nurse, founded an “office of interests”, arranges for sport activities, established an ill and death benefit fund, and cared for a general education in forms of lecture course and so on. According to the author, all that can be characterized as a systematization of the paternalistic corporate system. This systematization was an answer to the problems to supply, use and maintain the growing need for workers.²¹ The ambition was to create a solid and loyal workforce and the preconditions for that was that the workers identified the companies’ interests as their own. Pargas Kalkbergs ABs paternalism included workers family it also included benefits to voluntary organizations, child welfare center and tuberculoses association.²² The length of service among the workers at the company was almost life-long. At the company’s 50 years celebration 560 employee acquired a medal for being in service at the company more than 20 years. Caring for the old workers subsistence, was also, considered to be the companies’ moral duty.²³

In Finland there was also a clear gendered paternalism in the factory’s but there was not unusual with married women within industrial work even before the Second World War and many women in Pargas asked for and also got a job in the company again after that the children was grown up enough to take care of themselves. But the gender ideology at the company was in any case that it was the married women’s duty to take care of the home and to raise the children. The married women’s duty was also to see to that her husband would flourish in clean and pretty home instead of boozing or deal in politics.²⁴ The company also founded a housewife school for the young girls were they were teaching in cooking, handiwork and home-help.

²⁰ P Kettunen, “Fran arbetarfragan till personalpolitik”, pp 288-289

²¹ P Kettunen, p 306

²² P Kettunen, p 307

²³ P Kettunen, p 310

²⁴ P Kerttunen, p 304

The Norwegian historian Knut Kjeldstadli has studied the emergence of paternalistic relations and the transformation to capitalistic market relations during 1890s to 1940s in two factories Christiania Spigerverk and Kvaerner Brug.²⁵ In Kvaerner Brug the management tried during the 1890s to establish a factory system builds on market relations, but it didn't work out so well, the worker opposed heavily and went on strike.²⁶ After the first war Kvaerner Brug begun to build a wide well-fare institutions probably as an answer to the social disturbance and to promote the radicalization of the worker.²⁷ In Christiania Spigerverk the management organization was patriarchal and the patriarchal relation was reciprocal. The Management had the external responsibility for the employee's welfare; in return they counted on good behavior and diligence. The Patriarchal relation aimed to implement the vision that the social subordination was fair. They transformed the power relation to a question of moral. In Spigerverket patriarchal praxis the workers could keep their work even when it was not profitable for the factory. Old workers could keep their job as long they manage to work; this was a praxis that continued until the second war. The management family ideology correlated with the workers situation at the factory. The management created an extensive and profound factory culture. They created a music corps, singing corps, singing lessons for children; conduced to an "illness fund", arranged feasts for the employee and their families there also the manager himself participated.²⁸ The company had dwelling for the employee and had also the responsibility for several of social institutions. In the local community, among other things, a school and healthcare for the employee was established. The Company had a very stable workforce, many stayed their whole life, and so did next generation.²⁹

Patriarchal system in practice in Japan

Western style capitalism was, in the turn of the 20th century, under attack as anti- Japanese and egoistic in its pursuit of profits. The big business was on the defensive and business leaders took every chance to prove their Japanese-ness. The introduction of paternalism into labor relations "helped them to project their image as upholder of Japanese familism".³⁰ The elements that went

²⁵ K Kjeldstadli, *Jerntid, Fabrikssystem og arbeidere ved CH Sp og Kv Brug fra om lag 1890 til 1940*, Oslo 1989.

²⁶ K Kjeldstadli, 1989, p 72

²⁷ K Kjeldstadli, 1989, p 214

²⁸ K Kjeldstadli, 1989, s 180

²⁹ K Kjeldstadli, 1989, s 186. See also E Bull, *Arbeidermiljø under det industrielle gjennombrudd*, Oslo, 1998

³⁰ J Hirschmeier and T Yui, 1981, p 204

into development of labor paternalism in Japan emerged in the early 20th century in response to the first phase of Japanese industrialization and the specific conditions of Japan's labor market. The rhetoric and practice of labor paternalism applied mostly to women in the prewar period and men in the postwar.

The Japanese management strategy doesn't end at the plant gate it is based on the principle that the employer cares not only for the work but also for the worker even outside the company. It includes devices of social, cultural and ideological nature with the purpose to create loyalty and consensus and management hegemony and also incite the employees to big efforts as possible for the goal the management ranged. The strategy includes, in a broad view, three pieces. First there is the offering of lifetime employment. There is also the foundation of private society service in purpose to secure the employee existence and wellbeing outside the work. There were many and diverse welfare measures in Japanese company welfare programs that aimed to reach different things. To help workers in various situations they could not cope, like sickness, accidents, death and family celebrations and housing schemes. Lastly it's the formation of social network and institutions on and outside the working place to strengthen the employee emotional bonding to the company. Then there were educational programs aimed at educating the workers not only professionally but as human beings.³¹ Also there were welfare programs included such things as movie, theatres, sports and company festivals in purpose to strengthening work dedication through fostering loyalty and a company spirit.³² The employment within the company do not became primarily a contract relation but rather a bond of more family like character, were the limit between work and spare time tend to blot out.

Example Kanebo

Kanebo is a³³ well known example for its paternalistic management practice. When Sanji Muto came to the company it was a relatively small concern but through different program that was undertaken under his role it was in a short time transformed into one of Japan's leading textile producers. In the first decade of 20th century's an elaborate range of paternalistic programs was established. Worker housing facilities were expanded and improved. Meal service and company

³¹ J Hirschmeier and T Yui, 1981, pp 210-211

³² ibid

³³ Outation from W M Tsutsui, 1997, p 567

stores that sold to wholesale prices were established. Relief measures for the sick and injured were instituted. Company hospital was provided and systematic rules for compensation in case work-related accidents were developed. Also recreational and education programs were enlarged. The company sponsored sports, excursions, and hobby clubs. At the company there was also designed means of encouraging “sobriety, industrious character and thrift” among the workers.³⁴ Saving campaigns and temperance societies were supported. In order to encourage the flow of workers feeling for the company suggestion boxes were installed and prizes awarded for constructive ideas. All that “aimed at the most complete protection of its workers from any and every distress”.

The textile industry was the prime mover in Japan’s early industrialization and capital accumulation dependent on the vast majority of Japanese women and girl’s factory workers.³⁵ Factory managers tried to resolve tensions between gender and class by designating female textile labor a temporary condition and promoting the womanly values of motherhood and domesticity within the factory itself. This allowed them to offer to employee educational and cultural amenities that they framed as opportunities to become ideal housewives and mothers.³⁶ By the 1920s that had become a primary means of recruitment and preservation for companies who wanted a stable workforce. The managers provided, and sometimes enforced, moral, civic and educational instruction for their “daughters” in keeping with these girls’ and women’s future roles as wives and mothers. The larger cotton-spinning companies expanded the scope of their educational politeness that they argued that the training in womanly skills their daughters could receive in the factories was superior to what families would be able to provide on their own.³⁷ Therefore companies could justify paying lower wages to woman than men. At Kanebo the female employees could take part at a School for Girls, which was designed to take young female workers up through the six-year compulsory elementary education were they could prepare themselves for marriage by learning practical domestic skills, to keep up with the modalities of proper Japanese womanhood and to “enable them to make good marriage matches

³⁴ Quotation from W M Tsutsui, 1997, p 567

³⁵ E Faison, *Managing Women-Disciplining Labor in Modern Japan*, University of California Press, 2007, p 8

³⁶ E Faison, 2007, pp 9-10

³⁷ E Faison, 2007, pp 14-15

and successfully manage their future households”.³⁸ The predominance of young women in the work force at that time, a number of welfare facilities like kindergartens, nursery schools, program for pregnant operatives were shaped specifically for this group. The supplementary educational opportunities offered girls and young women working in the textile industry was also a strategy that had several important purposes. One was to manage free time, a management concern, according to Faison, that grew after the abolition of night work for women and children in 1929. Such time management, it was believed, might effectively acquire labor organizing and the possibility of labor unrest. The second purpose was to encourage the “newly imagined” middle-class vision of Japanese womanhood among female employees who were expected to marry and leave the company in a couple of years.³⁹ Some companies established schooling systems for the children of the workers and were considered part of the welfare program but were also intended to keep families of the workers even into the second generation tied to the company. These training and schooling program came into practice about 1918. To make life-long learning and personal development of employees became a primary concern of management.⁴⁰

Japanese key features

The Three key features of Japanese labor relations, that everyone point at, is the “lifetime employment” system, once employed as a permanent, or regular employee in a major corporation or medium-scale company, it’s a rule that the employee is guaranteed employment until about the age of 60. Permanent employment, however, was only granted to male labor that was committed to a lifelong industrial employment. Female labor, mostly unmarried women, was supposed to work a short time and was not included. The spread of the system began gradually to evolve from the beginning of the 20th century and was firmly established in the 1920s within the major companies. Each company developed their own system.⁴¹ Among the workers there was a basic distinction between the permanently employed and the temporary workers.⁴² The Japanese model for lifetime employment is mainly a postwar phenomenon

³⁸ E Faison, 2007, p 18. W M Tsutsui, 1997, p 567

³⁹ E Faison, 2007, p 18

⁴⁰ J Hirschmeier and T Yui, 1981, p 207

⁴¹ J Hirschmeier and T Yui, 1981, p 205

⁴² These workers constituted somewhere between 10 and 30 per cent of the work force in the companies.

although there were in existence some models in several companies in at the turn of the 20th century.⁴³ It was however after the Second World War that it became systematically used as a working politic strategy in a bigger scale. At the beginning it included white-collar workers but from the late 1930s it began to include key skilled blue collar workers.⁴⁴ The famous Japanese management strategy in how to role a company is not, so to say, historical given but rather a result of a historical development process and a couple of collective decision making. Modern Japanese management can be understood as a conscious chosen management strategy in purpose to secure hegemony that was developed in a specific historical situation during the late 1940s and early 1950s. After and as a result of the fierce industrial disputes of the 1950s lifetime employment came to be established almost as a “right”.⁴⁵ Japanese women come to play a very large role in managing the household and doing housework, accommodating the very long working hours of men in the core of the Japanese system of labor-management relations. Male workers in large enterprises were the ones that most benefited from the hegemonic system. But the requisite condition for the ability to rise within the system was a fiercely gendered division of labor.⁴⁶

An employee is free to quit at will but few are leaving their companies. The seniority pay and promotion system which means that as regular employee’s length of service increases their salaries a regular wage increase and progress up the company career ladder also increase. Enterprise unionism is one whose members consist solely of regular employees of the company with which the union is linked, so that means if you are not a regular worker one cannot join the union. Both white and blue collar workers are included as members in the same union. It is important, says Nimura that although the enterprise unions are company unions don’t mean that they comply with management’s wishes all through.⁴⁷

In addition to this three key factors there also provision of company welfare for the employees, but Japan is in that case not unique. Japanese companies learned from these examples and founded their own in-house welfare systems which incorporated mutual unions and health

⁴³ R Dore, *British Factory, Japanese Factory: The Origins of National Diversity in Industrial Relations*, Berkeley, University of California Press, 1973, pp 375-403

⁴⁴ K Nimura, “Effeciency and Labor Relations in Japanese Manufacturing Industries, 11/5 2008 webben, pp 6-7

⁴⁵ ibid

⁴⁶ J Price, *Japan Works, Power and Paradox in Postwar Industrial Relations*, Ithaca, ILR Press, 1997, p 272

⁴⁷ K Nimura, 2008, p 8

insurance unions as well as provisions for company housing. Such facilities were provided before the second war out of early paternalism. Various other facilities such as canteens, gymnasia, and swimming pools as well as holiday resorts have been provided by companies under pressure from their unions which also manage the facilities under agreement with the companies. Although all these various company welfare activities in themselves are not, as showed, peculiar to Japan, together with the lifetime employment system and the enterprise union, they help, Nimura say, to create a sense of the company as a community and serve to increase the employee's feeling of belonging to the company.⁴⁸ "Lifetime employment" and seniority based wages and promotion have been peculiarly Japanese. But that, according to the authors, can be found in many large companies in many countries. Even community firms may not be distinctively Japanese. Japan's distinctiveness lies not in their existence, but in their scope and specific features. If anything was distinctively about lifetime employment it was that it remained an implicit guarantee. What was distinctive about seniority-based wages was their application to blue-collar workers in the postwar period.⁴⁹ The system of permanent employment which stressed loyalty ties to the company was designed to weaken the influence of unions and to create an atmosphere of trust and harmony between management and labor. Labor disputes still continued during the 1930s but the class aspects vanished and with the outbreak of the war, strikes were prohibited in the war related industries.⁵⁰ Instead of struggle, harmony and close co-operation became the keyword in industry. The Harmony Movement was started in 1937 which had the ambition to strengthening the co-operation between employer and employee in order to achieve higher production. At many firms and factories work committees, composed of representatives of management and labor, in order to solve any difficulties that arose were established.⁵¹ In the company community, employment relations include what is sometimes called a psychological (or social) contract, which even implicit, is tangible enough to influence effort and reward. This implicit contract involves an exchange of loyalty and effort for security, and is integrated into management priorities and the ordering of stakeholder claims. This in turn

⁴⁸ K Nimura, 2008, pp 11-12

⁴⁹ T Inagami & H Whittaker, "The New Community Firm – Employment, Governance and Management Reform in Japan" Cambridge University Press, excerpt, <http://assets.cambridge.org/052184/3707/excerpt/0521843707-excerpt.htm>

⁵⁰ J Hirschmeier and T Yui, 1981, p 256

⁵¹ *ibid*

generates a sense of membership and facilitates the development of shared norms and we-consciousness.

In tracing the evolution of Japanese unions there are several of authors how claims that the current role of Japanese unions is not the product of cultural predispositions or national character, based on notions of paternalism, but rather the outcome of intense conflict and historical insecurity.⁵² According to Gordon the dominant position among workers active in labor unions in the 1940s and 1950s was a radical one.⁵³ The periods just after the Second War and from the mid- to late 1950s were marked by severe strikes that rose the question of control of work organization and personnel decisions. Managements though have consciously sought to make unions into company-based organizations. After 1945 they tried in various ways to ensure that unions were organized along company lines. Behind this strategy lay the employers experience of the prewar years when autonomous unions were formed in many big companies.⁵⁴ The establishment of cooperative unions was then part of management's efforts to wrest control of production decisions from unions, to establish hegemony. According to Nimura the industrial disputes during the early 1950s few were initiated in demands for higher wages. Many of the large disputes were sparked by the "anger felt by blue collar workers at the discriminatory way in which they treated compared with white collar staff and foreman".⁵⁵ He also argues that among Japanese workers there has seldom been a feeling that one can be proud of being a member of the working class. Most Japanese workers would, according to Nimura, "rather not have been members of the working class".⁵⁶ The removal of the status differences was what the workers fought for in the 1950s and the result was that mixed company union gradually was established

Paternalistic rhetoric by industry leaders in the Nordic countries

I shall now go on and first describe and discuss what it was in the rhetoric that patriarchal industrial leaders Sweden and the other Nordic countries focused on in the paternalistic frame and what that frames if it could be actualized could accomplish. What did the didactic

⁵² M Kumazawa, *Portraits of the Japanese Workplace: Labor Movements, Workers, and Managers*, Westview Press, 1996

⁵³ A Gordon, 1998, pp 26-27

⁵⁴ K Nimura, p 16

⁵⁵ K Nimura, p 17

⁵⁶ K Nimura, p 19

paternalistic leaders emphasize in theory in their effort to implement the corporate systems? Thereafter I will go on and compare with some Japanese examples.

The rhetoric among Paternalistic company leaders in the Nordic countries is very similar. First most of them, but not all, had a conservative political basic opinion. They took often their starting – point in their rhetoric from history in purpose to strengthen the importance for present generation to take care of what former generation “our parents” has created that has been given to us.⁵⁷ From history we could also learn the importance of that a society was best formed from the “experienced adeptness”.⁵⁸ Society experiments, to disregard the experienced adeptness meant anarchy and chaos. Therefore had a company leader an important role and a duty to create a society where all “members could feel joy, happiness and comfort, a society that all members with inner satisfaction could call ours”.⁵⁹ The didactic patriarchs often underlined in the rhetoric to the employee that everyone in the company family had an important task to fulfill in order to reach the common interests: prosperity and the company’s future. In Sweden they often stressed that the working class in Sweden was by nature peaceful, stable and had a strong character that looked through the emptiness in radical communist radical solutions that would only create devastation. They praised the working class for their calmness and their gnosis that the right and only way to create welfare was by cooperation. They claimed that the Swedish workers movement had a genuine sense of responsibility and the didactic information for the Employers was to learn the employee to prize the “little and everyday life”, to think about not only material welfare but rather to develop one’s individual soul.⁶⁰ Then everyone could feel job satisfaction and love the company and everyone that belong to the company. Workers should learn to understand what it really meant to operate a company. Therefore the managers in many companies in Sweden arranged that workers could study national economy, social questions and trade. The importance of building solidarity, unity and consensus was emphasized for “the common good”.⁶¹ They declared for the workers that the company and the workers through intimate and confidential conversation could solve complicated and difficult socio economical problems. The most important in the employer’s rhetoric was that they as often they could

⁵⁷ C Ericsson, 2004, p 100 and *Kapitalets politik och politikens kapital*, Santerus forlag, Stockholm 2008.

⁵⁸ *ibid*

⁵⁹ C Ericsson, 2004, p 101

⁶⁰ C Ericsson, 2004, p 59

⁶¹ C Ericsson, 2004, pp 62-63

emphasize that the working class as a collective had a genuine feeling for responsibility and steadiness and that “a contented worker is the most profitable asset possible to any industrial undertaking”.

In Danish historiography paternalism is not a very well researched area although there are a number of examples. The most well-known company in the city of Aalborg was C. W. Obel’s Tobacco Company. The Tobacco Company was the biggest company in Aalborg and had 1000 employed in 1920. The Manager Chr. W. Obel specified what he expected of the workers. The workers were expected to “work diligently and economically, and qualitatively as well as quantitatively to produce above the average in the industry and the masters (were) expected to treat the workers in a polite and respectful manner and ensure that the workers do their best”.⁶² It was also expected that the workers came punctual to work every day. C W Obel described the Company’s system as a system “where workers and owners would benefit mutually” and he would “always do his best to oblige wishes from the workers, provided these wishes were reasonable”.⁶³ Chr. W. Obel thought that workers should be treated fairly, in a respectful and polite manner, and be paid a reasonable salary as well. On the other hand he expected the workers to work and be steady and punctual.⁶⁴ The patriarchal rhetoric could also be expressed in a symbolic way like in Brede Klaedesfabrik in Denmark.⁶⁵ Here the patriarch took a ride on his horse around the company every morning. The company society was rich on symbolic manifestation that communicated the relation between the patriarchal employer and workers. A festive day like company jubilees 1910 and 1925 was of course important, but also personal feast days like the Patriarchs and his family’s anniversary, the patriarchs wedding day.⁶⁶ At the company’s jubilee 1910 the whole factory was decorated with flowers and the company arranged a party. All inhabitants in the company community was invited and served up with something to eat and drink. Thereafter there was dance and the dancing began with that the Patriarch danced with the wife to the company’s eldest worker. This kind of symbolic communication was not

⁶² M Roostgaard, “Industrial Management and the Democratisation of Danish Society 1880-1920, in H Byrkjeflot et al (eds) *The Democratic Challenge to Capitalism, management and Democracy in the Nordic Countries*, Fagbokforlaget, , 2001, p 130

⁶³ M Roostgaard, 2001, pp 130-131

⁶⁴ *ibid*

⁶⁵ L L Pedersen, “Fabrikssamfundet: frihed-forsorgelse-forretning?”, *Tidskrift for arbejdsliv*, nr 2, 1999, p 14

⁶⁶ *ibid*

unusual in the Nordic patriarchal companies.⁶⁷

The ideal thought, among patriarchal industrial leaders in the Nordic countries in the late 19th and beginning of 20th century, was that the patriarch and “his” labour could solve their problem better without any involvement from outside. The patriarchal welfare system was, they meant, obvious evidence that there was no need for social reform for the working class. It was a responsibility taking towards the family, the company and the society. Although there was some important difference between patriarchs they were united in the struggle for a free commercial and industrial life and opponents to socialism where the rising labour movement was seen as a real threat towards the private ownership. They were engaged in activities that promoted modernization, and in the same time they advised continua democratically reforms to avoid radical changes in society. Contradistinction between employees and the employers should also henceforth be viewed as something that was best solved “in the little local world” there commonsense assumptions of how things are and ought to be dominated.⁶⁸ For the common welfare a company leader and “his” workers was dependent on a close and trustfully co-operation. As the famous Swedish right-wing politician and company owner in the early 20th century Christian Lundberg expressed; “united we stand sunder we fall”.⁶⁹

Democratization and paternalistic rhetoric

The purpose of democratization was to give all equal rights, access to a material security and reduced differences between social classes. This democratization process was closely linked with one of the modern industrial capitalistic society’s most central problem: the social integration. An idea among patriarchal industrial leaders during the end of the 19th century was that industrial growth not only produced welfare but also caused social misery. The material and intellectual misery among the industry workers was understood as a threat. Therefore was it necessary to integrate the workers in the society. They should have the same rights and obligations as everybody else and to a “certain state” accessorial in the nation concerns. The patriarchs believed that social reforms were required to promote social trouble. They were afraid of a social transformation that went to fast and where to radical and in the end threaten to throw the whole

⁶⁷ L L Pedersen, 1999, p 14. C Ericsson, 1997. C Ericsson and B Horgby, “The middle class Patriarch in the Bourgeois Public, *CIRJE-F-571, Discussion Paper Series*, Faculty of Economics University of Tokyo, 2008

⁶⁸ K Molin, *Den modern patriarken*, Stockholm, 1998

⁶⁹ B G Hall, *Storsvensken som blev fredsfurste*, Stockholm, 2005

traditional social structure overboard. A threat was that the company owner lost both their social privileges and the control over their own company. The strategy to oppose that kind of development was to treat the workers in a way so that the radical criticism appeared as groundless. The patriarchal industrial leaders thought that the best way to maintain free commercial and industrial life, market economy, ownership and leadership was to solve the problems in “the small local world”. With this strategy they created prerequisite to preserve hegemony. The “little small world” constituted a fundamental conservative fellowship that functioned as a shield towards both the threat of socialization and the ultimate consequence of the liberal market economy.

During the 1920s social worry, with lots of strikes and lockouts and a growing radicalization of the organized labor, the middle class patriarchs discussed how to integrate labor and create consensus. In many foundry communities several informal and formal meeting-places for personal contacts between the company and its employees were formed in order to overcome the state of opposition between labor and capital. The company’s proprietors believed that hegemony would be secured via integration through the consent of the other classes in society. Integration and consensus would be achieved through education; among other things the workers were to study national economic and social questions and discuss the problems of trade and industry at discussion clubs. The way to hegemony could be established through local contacts, everyday conversations and discussions in the neighborhood about everyday problems. As long as the company’s showed interest in the workers, it could count on increased loyalty. The importance of building solidarity, unity and a consensus within the established system was emphasized for “the common good”. One distinct spokesman for that position was Karl Fredrik Göransson manager at Sandvikens Iron works. He thought also that sports was closely linked to, and an important part of, the didactic task of creating “the good spirit” – “Sandviksandan”. According to him, sport could instill in individuals good moral fiber and a belief in fair play, as well as a sense of honor, justice, honesty and thoughtfulness and tactfulness and he/she was to sympathize with others. Karl Fredrik claimed that if “Sandviksandan” was observed, the foundry community would gain not only great material wealth, but people in society and company would also “gain culturally and ideally higher living standard” and all members of the ironworks and the community would than “love Sandviken”.⁷⁰ K F Goransson was a well known speaker for

⁷⁰ RA, The archive of the Göransson family: private correspondence , vol 33

formulating a didactic paternalism a paternalism that included the workers union in the vision of building local ideal societies.

Professional ideal patriarchal practice and rhetoric

Along with these transformations from an authoritarian to didactic “new” and more professional and modern factory leader appeared. They had, in difference to the old traditional patriarch, formal competence and knowledge in sense of degree. It has been supposed that as the role of the industrial manager became increasingly delimited that the typical paternalist became correspondingly marginalized⁷¹ but paternalistic managers in the Nordic countries were common at least in to the 1960s when tasks in the social areas was, in the Nordic welfare states, defined as task of the public authorities. A prominent exponent for the new factory leader who also was member of the parliament representing the Right – wing party between 1930 to the beginning of 1950^s was the Swedish industrial leader Harald Nordenson. Nordenson was pronounced intellectual and a strong feeling for family and traditions.⁷² Although Nordenson representing the new modern industrial leader he was at the same time by means of his conservative ideology still a man who supported patriarchal relations. The patriarchal strategy dominated, as in many Swedish companies, at his company Liljeholmens Stearinfabrik AB, still during the 1930^s. Nordenson was the main owner and could therefore control the company. He also stayed at the factory ground and could therefore exercise daily control over the activity. The Swedish historian Therese Nordlund has in a study focused on two famous and important managers in Swedish industrial history. Axel Ax: son Johnson, manager and owner of Johnsonkoncernen (The Johnson group) and Sigfrid Edstrom, professional manager of ASEA (today ABB).⁷³ They represented Swedish capitalism during its golden years. Johnson and Edstrom became leaders of theirs companies for almost half a century. In the beginning of the 20th century the leader made important decisions alone. The leadership was based on traditions and routines. It was a fortuitous relationship that demanded control and discipline, where the employee had to become

⁷¹ S Myklebust, “The Politics of Organisation and Management” in H Byrkjeflot et al (eds) 2005, p 349

⁷² K Norlander, *Manniskor kring ett foretag*, Goteborg, 2000. O Ehrenkrona, 2002.

⁷³ T Nordlund, *Att leda storforetag*, Almqvist & Wiksell International, Stockholm 2005

committed and loyal. Family business was often regarded as a patriarchal organization. In the early years of the 20th century the leader was influenced by Tayloristic methods. A bit later many Swedish managers got inspired from human-relations ideas of “the good company” and the “good employee”. Axel Ax: son Johnson wanted to remain in control and used patriarchal strategies to maintain order. The professional manager Sigfrid Edstrom on the other hand delegated tasks to other directors in the growing company but he was committed to the patriarchal way of leading and thinking when it concerned the employees. The patriarchal strategy turned out to be effective, to create strong bond between the employee and the company through social care, generous gifts and caring strategies. This proved to be successful during the first half of the 20th century.

As a professional manager, Sigfrid Edstrom was far more conservative towards blue-collar workers than the family business owner Axel Ax: son Johnson. As a chairman of Swedish Employers Confederation (SAF) he was well known of the signing the Agreement in Saltsjobaden, one of the important foundations for the vision of “Peoples home”. He could be irritated over changes in the blue-collar workers lifestyles, imitating the middle class life styles culture. But he declared that Asea was a communistic company because of its many stockholders. Axel Ax: son Johnson had a different approach and thought he could create elite of the blue-collar worker by turning them into believing they were a kind of capitalists in purpose to strengthen hegemony. The strategy was to create a bond with the worker and the company, through visions about a better standard of living for the blue-collar workers. Johnson played the role as patriarch with traces of humanity and generosity. Patriarchal strategies were articulated in many different ways. Johnson and Edstrom also influenced the local communities where the company’s were situated with different patriarchal corporate approaches. They build houses and took care of the social system.

Patriarchal rhetoric and industrial democracy

The patriarchal didactic ideology during the 1950s and 1960s is well pronounced by another famous Swedish industrial leader, Christian von Sydow. He was managing director at Holmens bruk och Fabriks AB and member of the parliament where he represented the Right-wing party

in the 1960^s.⁷⁴ The cooperation minded but patriarchal Right – wing industrial leaders tried with him to repel not only the Social democrats endeavor to socialization but also to find new opportunities in how to save patriarchal relations. They hoped that this was possible thorough industrial democracy. From a patriarchal didactic point of view industrial democracy was the same as togetherness. Christian von Sydow as a conservative emphasized the importance of united different social classes. He strongly opposed against to the ideas of class struggles, which had changed the natural but narrow contradistinction in interest between industrial leaders and labor to a big problem.⁷⁵ Industrial democracy should bring employees influence over, for example, technique and social questions. To give employees a feeling of being a co-worker it was required that the factory management gave the employees continues information, not at least questions concerning the company future. In his memories he describes how he during several visits to different companies noticed that the company leader neglected his duty to meet and “have a nice and cozy chat whit his co-workers at the shop floor”.⁷⁶ He also thought that company leaders to seldom show themselves at the workplace. His standpoint was that an employer had a very important mission to create a good relation to the employees, “a mission he should never forget”.⁷⁷ Christina von Sydow himself lived as he learned. The employees at Holmens Bruk saw him as the model for an industrial leader. “He was popular and took a daily walk through the workplace and said hallo to his worker. He shocked their hands and asked them about their health, how things were at work and so on”.⁷⁸ If a company leader was to be successful and reach prosperity he had to establish interplay and a good industrial democratic relation with the employees. The interests in common were to create comfort and job satisfaction which would lead to both increased production and a stronger we-spirit.

During the 1960- and 1970s continued the patriarchal industrial leaders to establish industrial democracy from theirs standpoint. Erik Hovhammar was the owner of a glassware factory. According to Hovhammar a business man had to “arrange it enjoyable for the employee”.⁷⁹

⁷⁴ C Ericsson, “Fran storforetagar till foretagsamhetens parti” in T Nilsson (eds) , *Anfall eller forsvar*, Santerus forlag, Stockholm, 2002.

⁷⁵ C von Sydow, *Med industri och politik i bagaget*, 1980

⁷⁶ Von Sydow 1980, Ericsson 2002.

⁷⁷ Same as note before

⁷⁸ C Dominder & B Horgby, *Papperets mastare*, Norrkoping, 1997

⁷⁹ Filipstad and Bergslagernas tidning (newspaper) 30/8 1956

Hovhammar standpoint was that industrial democracy “in a profound meaning” could be established thorough “human fellowship, respect and deference between employee and employer”.⁸⁰ The employees needed a positive place to live and work in and in return the masters could count on a loyal workforce. Erik Hovhammars view of the society was an ideological figure in the concept of industrial democracy was to look at the employee as co-workers and to integrate them in the company.

As a method to communicate and implement the vision of the “company family”, company’s began to release a staff magazine from the 1920s and forth. In these magazines the company’s put across the togetherness filing in most of the articles. The family as a metaphor for the company was cultured frequent. The magazine was in most cases issued between two times a year or quarterly and distributed free to all employees and it contained various articles that described the employee’s recreational activity, illustrations and topical events such as retirements, long service, evening club, results of various sports events, accounts of welfare schemes, club activities and excursions as well as photographs and personal data sheet in connection with family feasts. The magazines purpose was to function as a contact between the manager and the employees and between the employees at different units, white-collar and blue collar workers and to strengthen the family feeling and spirit.⁸¹ Images such as the “family” concept were very common in those magazines. There were excellent tools of propaganda and combined to create a subtle psychology. The idea was to promote the concept of an industrial family, along with its accompanying allusion of benevolent parent, gratitude, loyalty and cooperation. The company communicated the credo that it looked after the workers and that corporate efficiency would increase and “the whole family” could harvest and that everyone should” move in the same direction” and identify with the company and local community. If that could be obtained also the prerequisite to keep skilled workforce improved. The aim was to keep all in touch with all “foster and strengthen good relationships so that may never forget that we are all members of a great and happy family”.⁸² Magazines with discourse of “a great and happy family or family spirit” were published in a hope to create and strengthen corporate culture to a culture that could be shared between employees, a concept interpreted to the patriarchal manager’s hegemonic perspective.

⁸⁰ Erik Hovhammar personal archive, speech 12/11 1969

⁸¹ C Ericsson, 2004, p 61, P Kettunen, www.valt.helsinki.fi/staff/ptkettnu/ru-kettunen.pdf, p 317

⁸² T Hirao, 2007, p 15. C Ericsson, 2004

Patriarchal rhetoric in Japan

Industrial relations are result of innumerable historical factors peculiar in any one country and are inseparably bound up with complex values and behavior patterns. The Japanese corporate paternalism system has similar characteristics to those in Europe and US, but clearly there are differences. I shall now from the assistance of results carried out of research findings from different researchers describe and discuss how the Japanese patriarchal managers in their rhetoric formulated the concept of paternalism. What was it in the patriarchal rhetoric discourse that the proponents of paternalism emphasized? Japanese management and community companies have, researchers have claimed, developed through stages and each stage has been rooted in Japan's distinctive culture and differing fundamentally from the West.⁸³ They, both Japanese and western researchers argues that the Japanese management system is built upon old feudal traditions and an old family organization.⁸⁴ Later research has strongly opposed that opinion.⁸⁵

According to Hirschmeier and Yui there is no reason to doubt Japanese managers in their forceful assertion of a family-like community spirit in their companies and the most obvious reason for that is that it perfectly suited their ends. They take the superintendent of the National Railways, Goto Shinpei as an example of one of the best known advocates of familism. A constant element in his rhetoric was that "we are one family united through the bonds of trust and love, serving the public in a spirit of harmony and friendliness".⁸⁶ And he was not alone Yamaoka Juntaro president of the Osaka Iron Works said in 1914 that he regarded Osaka iron Works as one House and continued "if I myself am the head of the House you all are the family members and this family must work closely together".⁸⁷ During the same time there was not uncommon that also labor leaders shared this view. The largest official magazine of the largest labor movement Yuukai News expressed in 1912 that disputes "between labor and capital are in a sense like quarrels between husband and wives. Labor and capital are inseparable from each other; they are related to each other like water to fish; holding and being held is the way in which

⁸³ T Inagami and D. H Whittaker, "The New Community Firm – Employment, Governance and Management Reform in Japan" <http://assets.cambridge.org/052184/3707/excerpt/0521843707-excerpt.htm>, p 4

⁸⁴ Se for example, J Abegglen, *The Japanese Factory*. 2nd ed. New York: Arno Press 1979. J Taylor, *Shadows of the Rising Sun*, Tokyo: Tuttle, 1985

⁸⁵ Se for example, W M Tsutsui, *Manufacturing Ideology*, Princeton University Press, 1998

⁸⁶ J Hirschmeier and T Yui, 1981, p 221

⁸⁷ *ibid*

work can be carried out in harmony”.⁸⁸ During the factory law debate in 1910 one of the most eloquent spokesmen for the view that there was a special warm-hearted paternal relation rooted in pre Meiji society was Shoda Heigoro manager of the Mitsubishi Shipyard in Nagasaki.⁸⁹

Since ancient times , Japan has possessed the beautiful custom of master-servant relations based firmly on a spirit of sacrifice and compassion, a custom not seen in the many countries in the world.....It is not weak like that of the Western nations but has its roots in our family system and will persist as long as the system exists. Because of this relationship, the employer loves the employee and the employee respects his master. Independent and helping each other, the two preserve industrial peace...⁹⁰

Oka Minoru, a Home Ministry bureaucrat and defender of Japan’s Factory Law, proclaimed that:

In the future, our capitalists....will be steeped in the generous spirit of kindness and benevolence, guided by thoughts of fairness and strength. The factory will become one big family: the factory chief as the eldest brother and the foreman as the next oldest. The factory owner himself will act as a parent. Strikes will become unthinkable.⁹¹

The Bureaucrats was not at all convinced by this rhetoric but changed gradually their minds. Soeda Juichi, a high ranking Finance Ministry official made it clear 1896 that compassion didn’t imply security for the employed and that the state had to protect the interests of the employed. 1908 he proclaimed that “The old, beautiful customs existing in Japan are concepts of mutual love and respect from employer and employee” and that this “respect from below for those above, be greatly helpful in harmonizing labor-capital relations”⁹² At the end of the First World War the idea that Japan possessed a unique tradition of paternalistic management of labor, based on “warm master-servant relations” was accepted among government, business and the intellectual elite.⁹³ In this paternalistic theory there was no room for organized workers in union like in the Western countries. As a bureaucrat from the Home ministry argued in 1918

⁸⁸ J H Hirschmeier and T Yui, 1981, pp 222-223

⁸⁹ A Gordon, “Japanese Style Labor Management” in S Vlastos (eds) *Mirror of Modernity*, University of California Press, Berkeley, 1998, p 21

⁹⁰ Quotation from A Gordon, 1998, p 21

⁹¹ *ibid*

⁹² Quotation from A Gordon, 1998, p 22

⁹³ *ibid*

“because in contrast to the West we have special ideals based on the conditions of our country. In the west the boundary between capitalist and workers is a broad line, drawn horizontally to separate the higher and lower strata, while in Japan possessed a spirit of cooperation and harmony that pervades the unit of work in a vertical fashion”⁹⁴

The rhetoric frame that Japan possessed a living tradition of how the social and economic life in the industrial workplace should be organized was, according to A Gordon, invented in the last decade of the 19th century.⁹⁵ And it became deeply rooted and widespread, a discursive important tool available for the industrial management. Challenged by a rising labor movement and chronic problems of worker retention, Japanese employers began to experiment with a variety of paternalistic management techniques from late 1890s through the 1920s.⁹⁶ These decades witnessed, according to some researchers, the development of “systematic” paternalism, a distinctively Japanese model of labor management.⁹⁷ Paternalist policies became more common among larger companies by the 1920s. Among the companies engaged in fostering “warm, familial and cooperative paternalist policies the most prominent was Muto Sanji at the Kanegafuchi Spinning in Kanebo one of the most famous paternalistic firm during his leadership from 1908 until his retirement 1930. Here the leader practices an elaborate rhetoric of paternalism. Muto drew heavily on the familiar rhetoric of Japanese paternalism and he portrayed the Kanebo management as an organic outgrow of Japan’s “beautiful customs”.⁹⁸

Everyone would be content if the intimate interpersonal relations of Japan’s family system could be extended to society as a whole. Recreating between employers and employees the warmth which exists in a family will bring benefits to both sides: this is the sense of paternalism which I advocate in regard to the labor problem.⁹⁹

Muto Sanji declared in a speech 1920 that the difference between Japanese family system and that of West was that in Japan everyone is working according to his ability “with the sentiments of warm affection pervading all aspects, filled with a spirit of reverence and sacrifice”. The paternalism in the field of labor relations was “nothing other than the introduction of the warm affections which permeate the human relations within the single family, into relationship

⁹⁴ Quotation from A Gordon, 1998, p 26

⁹⁵ *ibid*

⁹⁶ W M Tsutsui, “Rethinking the Paternalist Paradigm in Japanese Industrial Management” in *Business And Economic History*, Volume Twenty-six, no 2, Winter 1997, p 563. W M Tsutsui, *Manufacturing Ideology- Scientific Management in Twentieth-Century Japan*, Princeton University Press, 1998, pp 49-57

⁹⁷ W M Tsutsui is here referring to H Hazama, 1979, p 104, 1997, p 563

⁹⁸ W M Tsutsui, 1997, p 568

⁹⁹ Quotation from W M Tsutsui, 1997, p 568

between employer and employee; all I am saying is that this is not only useful but even necessary for both sides”.¹⁰⁰ Muto Sanji emphasized in his rhetoric that the paternalism that was encircled workers was the same warm human affection as within the single family which from his point of view was necessary for both employer and employee.¹⁰¹ These commonsense assumptions were also emphasized in the company newsletter (one specially aimed for women) that was established in purpose to improve communications between workers and corporate management.

In the textile factories, like Kanebo, where the majority of the workers were women and young girls female textile workers generally lived in dormitories within factory complex. During the beginning of the 20th century the womanly ideal of “good wife, wise mother” took hold as an organization principle of female gender. For female industrial labor especially, the family became the site first of recruitment efforts and then of corporate control, as companies invoked the authority of male family members to induce desired behaviors in their workers.¹⁰² The housewife ideal emerged from the confluence of new configurations of family life and domestic space and the appearance of a bourgeois middle class around the time of the First World War. Employers stood in for parents and as one didactic tract promised for female factory workers “Factory owners and managers think of you all as their own daughters” and “the reason you all work so hard from morning until night is in order to serve your country”.¹⁰³ Textile company owners and managers claimed to act as surrogate parents for these women under their responsibility.¹⁰⁴ The companies recruited girls mostly from rural families and promised they would be not only well treated, “but be treated like daughters”.¹⁰⁵ Uno Riemon, a labor consultant and publisher who was influenced by Muto’s formulation of paternalism believed that companies needed to re-create,

¹⁰⁰ J Hirschmeier and T Yui, 1981, p 223

¹⁰¹ J Hirschmeier and T Yui, 1981, s 223

¹⁰² E Faison, 2007, p 9

¹⁰³ E Faison, 2007, p 12

¹⁰⁴ E Faison, 2007, p 14

¹⁰⁵ E Faison, 2007, p 15

“the elements of family life their employees had given up in coming to work in the factories This re-creation meant the cultivation of good womanly virtues such as chastity, filial piety, and obedience – all qualities that could be used in the promotion of harmonious industrial relations.”¹⁰⁶

In the 1930s after the severe difficult situation with great labor conflicts in the 1920s it was then reaffirmed. In 1937 the Industrial Patriotic Movement was founded. This organization admitted though that the Japanese old workplace traditions were not organically emerging from past traditions and that it was time to “perfecting the true spirit of our imperial nation’s industry”.¹⁰⁷ It was Japan’s family system, the feeling of affection that distinguished it from the West. Instead of struggle, harmony and close-cooperation now became once again the keyword in industry.

The decades from the occupation era through the 1960s witnessed a heated drive to modernize Japan’s labor relations on an American model and here the rhetoric and conviction that there was in Japan an old warm-hearted tradition that was a viable basis upon which to rebuild the industrial economy. Inoue Jutoko, manager at the Nikkon Kokan (NKK) steel works between the 1930s and 1960s declared that the company itself was as “a big family”.¹⁰⁸ He considered that it was his mission to guarantee a good working environment for employees, “whom he regarded as kin”.¹⁰⁹ In the 1950s and 1960s the patriarchal rhetoric in Japan became more and more didactic. Western influenced business leaders began to talk about that Japan had to overcome its feudal past and that included its practice of labor management. The new approach was to “win understanding from the heart”.¹¹⁰ In their perspective Japanese labor management had gone through two stages. The first was an era of authoritarianism, when the workers were forced with penalties and regulations. The second era was the mode of warm-hearted paternalism. But now it was time for the more of industrial psychology in order to improve labor situation in the process of rationalization. The paternalistic rhetoric had to change to be more adequate with changes in the production system. But the “family” rhetoric picture didn’t disappear. In a Toyota’s company magazine 1972 it was still argued that the Japanese management approach were more human

¹⁰⁶ E Faison, 2007, p 20

¹⁰⁷ A Gordon, 1998, p 28

¹⁰⁸ A Gordon, 1998, p 29

¹⁰⁹ *ibid*

¹¹⁰ *ibid*

than in Western countries.¹¹¹ In Japan was a subordinate treated “not as a peon but as if he were a member of his superior’s family” and continued that a “worker, his relationship with his company is not merely one association among many he might have. His company is his community, even his family...”¹¹²

Comparison

In the Nordic countries we have a nearly similar picture of how the paternalistic systems were formed. A welfare system was developed with social systems that took care of the workers and their families’ from the cradle to the grave. The management also created more extensive and profound company cultures in bringing up and support for example music and singing corps and sport clubs. The system was also built upon a consciously structured division of labor and hierarchy according to gender. Married women’s duty in the system was to take care of the home and raise children and see to her husband comfort. Companies sometimes built housewife schools to prepare young girls in her role. These systems were built in order to reach strategic goals as to create steady, loyal, and sober and diligently workforce and establish hegemony. And, given the example, old workers could keep their work as long as they manage to work and workers at the different companies in the Nordic countries stayed at their companies their whole life and so did the next generation. When it comes to the development of paternalistic systems in practice in Japanese companies the schemes and content follows that in the Nordic companies were the welfare system was strengthen and improved especially after the 1920s. Of course there were differences between companies, the systems were developed mostly in big companies, but generally the system included foundation of a healthcare institutions, educational programs, housing and recreational programs and so on. Besides that were the “key features” the lifetime employment, the seniority pay and promotion system and the development of company union as the most apparent sign for the manifestation of Japanese “togetherness” in industrial companies. Lifelong employment did also in practice exist in the patriarchal industrial Nordic companies at the time but when it came into practice in Japanese companies it did so in a more systematic way during the 1920s. Lifetime employment is although not distinctively Japanese it was a common practice in the Nordic patriarchal companies as well as a kind of seniority-based wages and

¹¹¹ A Gordon, 1998, p 31

¹¹² *ibid*

during the 1930s to the 1970s workers, in Sweden, were encouraged, by the society, to stay at their companies. The picture of the ideal worker (a man of course) was one how was faithful his employer.

The distinctiveness in the Japanese model that researchers, have emphasized, it is that it remained an implicit guarantee. The most obvious difference is how employers dealt with workers right to organize. In the Nordic countries opposition to workers right to organize was broken in the aftermath of the severe labor conflicts during the 1920s and the breakthrough for the democratic system. From that time unobstructed unions were included in the rhetoric in the proactive didactic paternalism that was formulated. To integrate the workers in the democratic society with continued patriarchal bourgeois hegemony demanded that. In Japan the subordination of the unions was a strategy to maintain hegemony. The hegemony of corporations and corporate interests also included the hegemony of cooperative unionism. When the welfare state was established, in the Nordic countries from the 1950s, it was systems that aimed took over the patriarchal responsibilities from the individual patriarchs. The citizens became no longer depended on individual philanthropists that they had to subserve. That created opportunities to reduce hierarchy in the society. From that time the patriarchal system in practice at the companies were little by little phased out although it was differences in time as well as what the new welfare system included, the patriarchal tradition in Finland was, for example, more persistent. In Sweden, researchers have argued, the welfare state, that was built, can be viewed as a “gigantic deal whereby individuals have bought themselves collectively free from personal, individual responsibilities under the guise of state-run solidarity”. At the same time the professionalization of management was not a straightforward process.¹¹³ Although the managers professional ideal, from the 1950s made the managers legitimate leaders in theory. The development and the changes in Society, especially the democratization process, pushed for a professional ideal, but in practice it was more difficult for the managers to achieve this ideal. Management ideals changed more than did management practice, which was to a considerable extent patriarchal during the period studied. And one of the main explanations was that the patriarchal practice seems to have been functional. In Japan the state supported development of welfare systems in companies and when decay time for patriarchal systems in the Nordic

¹¹³ T Matti, *Professionella patriarker*. Svenska Storforetagsledares ideal, praktik och professionaliseringsprocess, Uppsala 2006

countries during the 1970s begun the patriarchal corporate system was strengthened in Japanese company communities. The ideal type visualized in the “Toyotaman”.

The patriarchal corporate system is a strategy which management, among other choice, uses to solve problems. Strategies are not formulated in a simple form of decision making but rather materialized step by step there company leaders most of all are shaped by contemporaries and the historical dimension in the problem solving handed over through the political-cultural encased in traditions and institutions which orientate the seeking for solutions in specific directions. Which influences the problem solving in channelize it in occasional directions. In the Nordic examples given the companies had an “old” history of authoritarian paternalistic system a tradition that the companies built further up on geared to the changes in society in purpose to achieve hegemony. In Japan there were an old historical culture were concepts of familism and patriarchal relations had a long history. The company leaders who were exponents for patriarchal systems linked up that well known rhetoric and remodel the concept to a new situation, a concept interpreted according to their hegemonic perspective. That doesn’t mean that it was a conspiracy rather path dependence.

In the examples given from follower to industrial paternalism in the Nordic countries the paternalistic rhetoric were very similar. Often they took their starting point from history to bring the workers to realize and understand the importance to take care of what former generation had created. Obviously in order to implement the idea that radical changes of the society, changes not grown “natural” from experienced adeptness, was dangerous. It was emphasized that employer and employee had an interest in common or destiny to fulfill in working for prosperity and the company’s future. To carry off with that the workers had to realize the importance to think of “the little and everyday life” a commonsense thinking worked on the supposition of togetherness. The didactic and proactive patriarchs from the 1920s and forth heavily emphasized the importance of the “small local world” the common destiny. They also pointed at that it was the company that both employer and employee was dependent on, and it was the company spirit, the we-spirit, the family perspective, that was encouraged in their rhetoric. They left the authoritarian view of the strict hierarchical society for a more didactic with a view that considered the workers as co-worker. The authoritarian patriarchs refused to acknowledge the labor movement. The educational patriarch’s created, and emphasized in their rhetoric, that they

created a concept of negotiations and cooperation over classes which they hoped was a way of success to reinforce hegemony. Important frame in the Nordic countries patriarchal discourse was the “company as a family”, or “members of a company family united in a human fellowship” “we-spirit” “co-workers” and “common good”, a rhetoric that almost gives the impression that the employer and employee in the companies were equals. The signals in the rhetoric were an attempt to erase boundaries between various workgroups and develop identity ties with the company than with “the class”. That was also expressed in a symbolic way for example at company feasts or when the company leader took his daily walks through the workplace, “shaking hands’ and so on.

The rhetoric of followers to paternalism in Japan is in a way similar to the Nordic rhetoric, which of course is not surprising because they both are connected to the ideology of paternalism. Compared to the Nordic countries there are also obvious differences. The patriarchal rhetoric was, one must remember, from the end of 1910s heavily supported by the state. And one of the most important features in the rhetoric was to emphasize the specific or unique about patriarchal relations in Japan compared to the Western countries. Here in Japan the people shared or possessed since ancient times “beautiful customs”. In the Nordic countries the followers also referred to history but they pointed back a generation or two in hope to persuade the workers the importance to gently preserve the society that their parents created, not that there were bonds down to ancient times. The rhetoric is also heavily focused on the “family” united with strong bonds of “trust and love” a family in “harmony” that history has created, something that already was shaped since ancient times, something that one didn’t, like in the Western countries, need to invent. The difference between the Japanese rhetoric and the Nordic was that in the Nordic countries the family picture that was visualized was described in general terms. In Japan the family picture in the rhetoric was real, so to speak, it was a family of “warm affection” where the company treated the employed women as their “daughters” and where the foreman was “elder brother” the manager “parent” who regarded the employee as “kin”. In Japanese patriarchal rhetoric it was emphasized that the management, in difference to the Western countries, was more human because everyone was counted as a “member of the family”. As a method to establish managements view and hegemony in a growing company magazines began to be released from the 1920s and forth both in Japan and the Nordic companies.