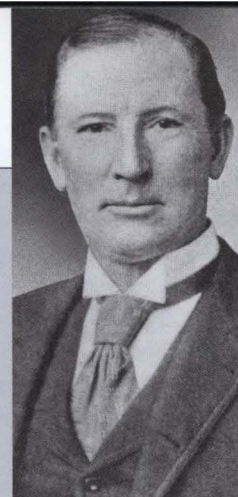


Tom Gage's Captain Jones: An Appreciation

by Philip Scranton



TOM GAGE HAS crafted a fascinating account both of Capt. William Jones' industrial saga and of his own early life, family lore, and efforts to rediscover his great-grandfather. From my perspective as a historian of work and technology, he presents a distinctively American story: an immigrant family's son making his mark amid the tumult surrounding the Civil War, or a rarely appreciated trajectory from respectability to riches and, across three generations, to poverty and respectability again, and of a descendant's quest for a meaningful past long obscured. It is a moving tale, related with energy and passion. In offering a comment on this essay, I aim not so much to critique Gage's arguments as to locate Capt. Jones' experiences and their aftermath within the larger context of America's post-Civil War industrialization. As an inventor, a steelmaster, and an individual, the captain was unique, yet his actions also call to mind broader patterns in a rapidly changing nation.

Capt. William Jones was an outstanding example of those industrialists whom contemporaries called "practical manufacturers," men (this was a gendered term) who rose from the shops to management positions or proprietorship through mastery of technologies, work relations, and production processes. They led by example, commanding the respect of their workers and their colleagues by plunging in to help solve shop floor problems and by accepting the grimy or hazardous consequences. Reciprocally, from direct experience, they offered respect to skilled workers and laborers alike. Those who study how Capt. Jones managed the workforce in the mills may not agree on the intent of his labor policies, but as J.T. Langdon, a woodworking plant owner, put it: "A great many think they can manage a business in kid gloves and highly polished boots, and once in a while go around among their men and machines with a hop, skip, and a jump. But business isn't handled that way very successfully. You want to be in and around and through it, and if necessary, draw on a pair of overalls and frock, and take hammer, cold chisel, and wrench, and lead the

way. Men do and dare with a prompt, wide-awake leader, when they could not be driven into it with a pair of kid gloves...."¹ Sounds a lot like Capt. Jones at work, doesn't it? Of course, Jones' doing and daring ultimately got him killed, but it was surely the hundreds of unrecorded occasions on which he toiled "in and around and through it" that built powerful relationships with Carnegie's steelworkers, bonds of solidarity which he defended against abuse by other managers and by Carnegie himself.

Yet, though Capt. Jones was eminently a practical manufacturer, unlike Langdon and thousands of others, he did not become a proprietor. Part of the problem certainly was that by the 1870s and '80s, it had become increasingly difficult to start from small beginnings in the steel trades. Jones, even with his ample salary, was in no position to lay out several hundred thousand dollars to build or buy an up-to-date mill. Instead, he operated as a works manager within a complex organization. His inventiveness and capacity for augmenting productivity (a matter certainly linked to his workplace fraternalism) carved out a sphere in which Jones could exercise considerable "independence," which Gage stresses as one of his core values and which historian Kenneth Warren notes was a source of friction with Frick, the aggressive, new company chairman in 1889.² However, it is precisely this devotion to independence which set the stage for the patent debacle after his death, for, as Gage explains, Jones "frequently turned down Carnegie's offers of partnership to preserve his independence." This, frankly, is puzzling, for even a 1 percent share in Carnegie's enterprises would have assured Jones' (and his heirs') *financial* independence indefinitely. (In the 1890 Carnegie Steel consolidation, a 1 percent partnership was worth \$250,000 and would have ensured another \$45,000, on average, in annual profits.³) More than likely, it was Jones' reluctance to be drawn into the firm's perennial partnership bouquets from the big boss. As a practical manufacturer, Jones was a steelmaker, not an apprentice tycoon, like Frick or Schwab. Delighted at getting "a hell of a big salary,"⁴ he was a transitional, if compelling, figure who unwittingly imperiled his invalid wife and family by failing to take out the best insurance for a man in his dangerous trade — a partnership which could be inherited, as a salary could not.⁵ He simply, it appears, wanted to be left alone to run his beloved Edgar Thomson Works.

Philip Scranton is the Melvin Kranzberg Professor of the History of Technology at the Georgia Institute of Technology and director of the Center for the History of Business, Technology, and Society at the Hagley Museum and Library in Wilmington, Del.

Jones' devotion to his version of independence in no way excuses the opportunism Carnegie's associates displayed after his death. Although the "genial Scot" had a sentimental streak, and if biographer Andrew Wall gauged it rightly, oscillated between wanting to be loved and wanting to harvest millions, his colleagues were more consistently tough-minded. Frick shied from scooping up Jones' patents, which all observers agree were critical to Carnegie Steel's competitive advantage, but Phipps, Lauder, and Yost had no such qualms. What is worth underscoring in that September afternoon's peculiar events is Yost's especially peculiar role, for he served as both the partnership's attorney and the Jones' family lawyer. As would increasingly be the case in American industrialism, company interests and futures predominated over family concerns. Here Yost straddled the two, and perhaps believed that he was doing something useful for both sides, as Gage suggests.

Still, there is no question but that Carnegie Steel secured a stunning bargain (though it must be added that the firm's power had before been, and would later be, used to engineer comparable bargains) and that the partners and Yost moved with uncommon speed to cement the deal. Yet, for a moment, consider the options facing Harriet Jones and daughter Cora, had the captain's widow declined to sign an agreement that day and had the two sought independent counsel. Carnegie Steel was adept in litigation and had the "deep pockets" to pursue it relentlessly. Jones was the partnership's employee when his patents were approved, not an independent inventor, and had accepted a modest royalty for his innovation's use. The costs of installing, testing, and implementing his inventions had been borne by the firm. Valuing patents and determining their ownership was a fiercely contentious and tricky matter which was known to end up in lawsuits, and Pittsburgh was a tough environment in which to take a major steel enterprise to court. Had a Clarence Darrow-like attorney, with patent expertise, represented the family in extended litigation, would the Joneses have reaped the millions the captain's patents saved Carnegie? I doubt it, though it's plausible that, to avoid public images of victimizing widows, the company might have doubled or trebled its purchase price. Jones' death was a terrible blow, the partners' eager capture of his patents was cheaply bought, and the deal denied the family the full fruit of its

patriarch's inventiveness. That was how industrial capitalism worked in that era (and, by some lights, continues to work today). Hard opportunism is a nasty but emphatically real element of the competitiveness that this nation has enshrined, and, if such practice lacks moral sensitivity, we also lack a means to implement alternative visions.

It is cruelly ironic that Tom Gage's grandparents, Cora and Daniel, pursued the dream of wealth in California's early orange groves and lost their inheritance, which had reached \$44,000, to economic depression and taxes. Sagas of success so dominate our narratives of America's economic ascendancy that we lose sight of the casualties along the road — not just the weeviled-out or dust-bowled farmers and the displaced carriage-builders, but also the ambitious investors in oranges or radios or steel. Gage's own career shows that building up from the bottom remains a genuine possibility in, and a strength of, this nation; but in perspective, his family's travail also demonstrates the harsh penalties for failure that we exact from one another. Capt. Jones lived and died in a fiery environment, but reflecting on his course and that of those who followed him, we cannot but sense the fragility of success and the pain that competition inflicts on families, even as, in the aggregate, it boosts economic development. Gage's essay brings us close to the edge of those challenges, costs, and sacrifices; and we should be grateful to him for exposing the razor that cuts now sweetly, but then deep. ☼

Notes

¹ Quoted in Philip Scranton, *Endless Novelty: Specialty Production and American Industrialization, 1865-1925* (Princeton, N.J.: 1997), 32.

² Kenneth Warren, *Triumphant Capitalism: Henry Clay Frick and the Industrial Transformation of America* (Pittsburgh, 1996), 58.

³ Joseph Wall, *Andrew Carnegie* [second ed. (Pittsburgh, 1989)], 535-36. One percent was a typical share to hook a talented manager. At the consolidation, something over 3 percent of Carnegie Steel's \$25 million was set aside to reward outstanding managers later, one of whom was Schwab.

⁴ Wall, 520.

⁵ After 1887, had he joined the partners, Jones would have had to sign the famous "Iron Clad Agreement," which permitted the holders of three-quarters' interests to forcibly expel any minority shareholder, buying out his portion at the stock's book value. After a power struggle, Frick would face this dismissal in January 1900, triggering a bitter lawsuit. (Wall, 491-93; Warren, 256-57)