Labor Department’s first program to assist black workers

The philosophy of equal employment opportunity began with the Department’s Division of Negro Economics, created to mobilize black workers for the war effort; however, the project was ahead of its time, and efforts to make it permanent were not successful.

HENRY P. GUZDA

Sixty years ago, the Division of Negro Economics, one of the great, yet virtually ignored experiments in the history of the Department of Labor, ceased operation. Long before equal employment opportunity became a priority, this division promoted the concepts of that philosophy. The largest demographic shift of blacks in this Nation occurred between 1915 and 1920, and the division assisted many of these migrants in obtaining employment and in finding suitable housing, advised them on business and financial matters, encouraged racial harmony in the workplace, and even devoted attention to the issues of female workers.

Born amidst the feverish demand for workers during the first world war, the Division of Negro Economics was dismantled as part of an alleged return to prewar “normalcy.” But, prejudice played a significant role in the division’s demise. Despite its generally conservative approach to racial issues, the division made enemies during a period which historians agree was not conducive for promoting black aspirations. Subsequently, officials of the Labor Department did not accomplish all they set out to do. They did, however, plant the seed, and although slow in developing, the dreams of the 1920’s finally started to bloom in the 1960’s and 1970’s. A pioneer in the civil rights movement succinctly evaluated this noble experiment stating: “This division, though handicapped by the turmoil of transition general in the federal government and by the past Congress, has made an excellent beginning [in fostering economic and social justice].”

The Department of Labor’s novel and progressive program to assist black Americans, juxtaposed against that of most other cabinet-level agencies in the administration of Woodrow Wilson, was the result of the enlightened leadership of Secretary of Labor William B. Wilson and his Assistant Secretary, Louis Post. Post, in particular, had a great interest in the civil rights movement as a cofounder of the National Negro Conference of 1909 (the forerunner of the National Association for the Advancement of Colored People—NAACP). An admirer commented on Post’s devotion to justice stating, “He dared in a trying time, to defy the forces of madness, hatred and greed.”

South to North exodus

Beginning in 1915, blacks began moving from the South to the industrialized North. When the First World War erupted in 1914, in Europe, cutting off the flow of immigration to the United States, industrialists looked for a cheap, preferably nonunion, source of labor to replace the Hungarians, Poles, Italians, Czechs, and other foreign nationals who, heretofore, had represented the bulk of the unskilled work force. Blacks, seeking to escape the economic poverty and repression of the South, answered the call.

The extent and composition of the migration fostered concern among varied interests. Southern employers, especially farmers, feared that the depletion of their tradi-
tional labor supply would imperil their economy. Northern trade unionists felt that the additional number of workers in the labor market would play into the hands of those employers who wanted to destroy organized labor. J. H. Walker, president of the Chicago Federation of Labor, for example, claimed that certain employers in Illinois financed agents to recruit black workers, transporting them free of charge to the North to work for submarginal wages and to act as a reserve corps of strikebreakers.

To assess the migration problem, the Labor Department contracted with Dr. James Dillard, a leading civil rights leader of the period, to conduct a study. Dillard found that blacks did not saturate the northern labor force. He also reported that as the southern economy changed from labor-intensive cotton crops to mixed farming with fewer demands, blacks left the South to take advantage of economic opportunities in the North as well as to escape repression.

A few weeks after the report’s release, Lathrop Brown, special assistant to Interior Secretary Franklin Lane, addressed the migration issue. He brashly claimed that the stringent prohibition laws prevalent in the South, and the lack thereof in the North, was the reason behind black migration. Assistant Secretary Louis Post complained to Interior Secretary Lane that Brown’s specious remarks would only serve to embarrass the Administration, that Labor Department studies proved that the inducement of higher wages, not prohibition, was the cause for the migration.

Calls for black adviser answered

Incidents such as these demonstrated to advocates of social justice that they had friends in the Department of Labor. As a result, many concerns inquired about the possibility of a black labor adviser in the Department to deal with the problems of black wage earners. Even private citizens saw the Labor Department, or its function, as an appropriate guide rail to assist black economic advancement. As early as 1913, Thomas Swann, a private citizen, suggested to President Wilson that he establish an advisory body of blacks to help the wage earning members of their race. In 1917, a New York City minister, Richard Bolden, requested that the President appoint a black man or woman to represent the labor interests of black Americans.

Not until America’s entry into the world war, in 1917, however, did either Secretary Wilson or Assistant Secretary Post think it opportunist to appoint a black adviser. Racial issues were “delicate and difficult,” and neither official wanted to embroil the young Department—created in 1913—in a major controversy. But, because the Department was responsible for allocation of the Nation’s labor force for the war effort, the two officials thought it more than just to attend to the labor concerns of approximately 12 percent of America’s working population. As a result, Wilson, Post, and the representatives of seven major civil rights organizations, including the NAACP and National Urban League, worked out a basic agreement to establish a “Division of Negro Economics” in the Department of Labor. The purpose of this division was to mobilize the black work force in the United States, and also to work for the general advancement of black wage earners.

While the chief of the Division of Negro Economics and a small staff would be part of the secretary’s office, the majority of personnel, including 15 state representatives and 134 examiners, stenographers, and secretaries, would be incorporated within the existing framework of the U.S. Employment Service. Assistant Secretary Post and his superior feared that the creation of an independent black division would cause criticism from some blacks who would view it as a “Jim Crow bureau,” and from segregationists who would oppose any black-oriented program encouraging interracial harmony. The arrangement worked to the division’s advantage, because it could make use of the already established employment procurement functions and facilities of the Employment Service.

The infrastructure of the division included integrated local advisory committees. These committees, composed of volunteer white and black community members, monitored social, cultural, and employment conditions at the job sites. The committees worked under the guidance of State representatives from the Division of Negro Economics to ameliorate racial problems. These advisory committees completed a linkage of Federal-State-local cooperation, and the flexibility of this network achieved some remarkable results.

Before the program could be implemented, Secretary Wilson and Assistant Secretary Post faced the task of picking a division chief. Many candidates offered their services or had someone promote them, but Giles Jackson ran the most aggressive campaign for the job. A black politician from Richmond, Va., he sought and gained endorsements from both of Virginia’s U.S. Senators, the American Federation of Labor, and the White House. Wilson almost offered him the job when Louis Post interceded.

Jackson was persona non grata with most of the black community, and they let Assistant Secretary Post know their displeasure. The Washington Bee, a black newspaper, sent an editorial to Post saying that Jackson was not fit to be a dog catcher, let alone the representative for the black working class. W.E.B. Dubois begged Post to reconsider, calling Jackson “one of the most disreputable characters the Negro race has produced.” Even Post himself had doubts about Jackson’s character and competency.

On May 1, 1918, Secretary Wilson chose another
candidate, George E. Haynes, professor of Sociology and Economics at Fisk University in Tennessee, to head the Division of Negro Economics. A recognized scholar and authority on the black migration phenomenon, a cofounder of the National Urban League, and the first black American to receive a Ph.D. from Columbia University, Haynes was most qualified. He announced that although his primary responsibility was to mobilize the black work force for the war effort, achieving cooperation of the races and opening the doors of opportunity to blacks was equally important.

State programs established

Although planned and programmed at the Federal level, the Division of Negro Economics was basically State and local oriented. It was on that level that interaction between the races was most intimate. Haynes wanted to make sure that the transmission of the Labor Department's program to the people it intended to help was clear and direct. Therefore, he personally assisted in founding the State branches.

Haynes bearded the lion in its own den, establishing the first State division in the South, where opposition to race-related programs was the strongest. To stir up an aura of good feelings, a massive public relations rally was held to "kick-off" each State's program. At the first rally in Raleigh, N.C., Haynes told the large audience, speckled with white and black faces, that blacks wanted to help win the war and share the bounties of the Nation.

With flourishes of rhetoric that paled some of the propaganda statements of George Creel's Division of Information (an agency designed to sell America's involvement in World War I), Haynes' related acts of patriotism performed by blacks, stating they were among the first American soldiers to sacrifice their lives in the trenches of France. He added that on the homefront blacks had accomplished different feats of patriotism, citing as an example the black riveter in a Baltimore, Md., shipyard who drove a record 4,875 studs in 1 day into a vessel under construction. Many black Americans, claimed Haynes, demonstrated their patriotism every day and in doing so destroyed many of the prevalent myths about racial inferiorities.

The rally was a success. Immediately afterwards, the first local advisory committee was formed. It consisted of 30 influential residents, white and black, including the Governor of North Carolina. In 6 months, the spirit of good will generated at the rally helped in the establishment of more than 25 advisory committees throughout the State. The best indication of the rally's influence was in a letter to Assistant Secretary Post from North Carolina's Governor Bickett who called it, "the most helpful and patriotic conference I attended."

Following close on the heels of the North Carolina experiment, Haynes proceeded to establish offices in other States. In Virginia, the second State targeted by Haynes, a different approach to stimulation of good working conditions took place. Virginia’s Division of Negro Economics representative, T.C. Erwin, assisted the U.S. Housing Bureau in planning and building 254 modern residential units for blacks near Richmond. Erwin, like Haynes, believed that better living conditions would make healthy, contented, and stable workers. Erwin also assisted in organizing a cooperative savings and loan institution to pay off the mortgages on the units, and a governing council to impose rules and regulations on the community.

Racial issues were not always so pleasantly natured. In Norfolk, the division ameliorated a potentially riotous situation. This busy port city suffered from a shortage of stevedores to load and unload cargo from merchant ships. The local Chamber of Commerce wanted the city council to pass "work or fight laws," mandating that able bodied men work at war-related jobs or face conscription into the Armed Forces. Blacks viewed the laws as alternative forms of slavery, directed at them disproportionately when compared to whites. Erwin persuaded the city council to delay action; he held a job fair and in 2 days recruited more workers than there were jobs to fill. These newly hired blacks received wages equal to their white counterparts, which would not have been the case under work or fight laws, and the praise of the local press for demonstrating their patriotism.

As the division moved deeper into the South, the problems facing it became more difficult and serious. For example, in Mobile, Ala., some employers were exploiting black workers to the degree of slavery, and neither the local advisory committee nor the State's Division of Negro Economics representative could get them to stop. Haynes tried to meet with the local Chamber of Commerce, hoping to persuade the business group to pressure their colleagues to act humanely, but they refused to see him. This brought a visit from Assistant Secretary Post who told the chamber that many of the employers in question held government contracts and could forfeit them if the problems were not remedied. A high ranking official of Tuskegee University in Alabama wrote Haynes: "Mr. Post's visit here did a lot of good in the matter of putting a stop to some of the injustices practiced against colored labor. I do not mean to state that these [employers]... have come over to the Lord's side... but they have desisted from some of the more flagrant abuses practiced."

In the North, the Division also demonstrated a versatility. The basic format of organizational activities, a rally, the founding of a State branch, and the founding of local advisory committees, was the same, but with a few twists. Residential restrictions against blacks creat-
ed a severe housing shortage, and some employers, not with altruism in mind, operated boardinghouses to keep black workers near the job sites. Local advisory committees monitored the conditions of these houses and reported violations to the State's Division of Negro Economics representative. At times, employers cooperated and corrected the situation; too often it took threats of debarment from government contracts.14

Throughout the North, the division made great strides towards benefitting black wage earners, while stimulating stability for the production of war materiel. In Chicago, the division, often working out of the offices of the National Urban League or the Young Men's and Women's Christian Associations, provided employment offices that informed blacks of job opportunities or residential openings. The local representative encouraged strong community roots by helping blacks invest in cooperative stores and savings institutions. In New York, State representative Jesse Thomas helped break the color barriers in the city retail trade by convincing Gimbel's department store to hire blacks. And, in Detroit, Mich., the division successfully encouraged the promotion of some workers into supervisory positions. Also in Detroit, the American Car Foundry praised the division telling representative William Jennifer, "your labors . . . will be crowned with the success it deserves."15

Problems of black women exposed

According to a Division of Negro Economics special report on black women, the great labor shortage during the war, especially in northern industries, gave black women the opportunity to enter industrial pursuits never opened to them before. The study of working conditions of black women exposed many problems that would not become topics of scrutiny for another 25 years. In addition to the conditions of employment, wages, hours, and standards, the report also touched on discrimination against black women and how such practices could be prevented. It even recommended that black women be promoted into supervisory positions as rewards for competent performances, an almost unheard of proposal 1 year before women had the right to vote.

The special study was as revealing as it was clairvoyant. It disclosed that black women suffered occupational discrimination vis a vis white women, the same as black men did in relation to their white counterparts. The report claimed this reached ludicrous proportions in perpetuating racial discrimination and stereotyping. Blacks were precluded from skilled jobs because employers thought them inferior to whites. This, said Helen B. Irvin, coauthor of the report, was totally false. She found, among many cases, a cigar maker who employed fair-complexioned black women in skilled po-
sitions "in order that they may be regarded by patrons as Cuban, South American or Spanish."16

The unabashed forms of discrimination were not confined to the private sector. Irvin found black women in the Federal Government working at the least desirable jobs, with the specter of unemployment hanging over their heads when the soldiers returned from the war. She labeled this a guise for blatant discrimination, stating, "Others were frankly told that such position as remained available were intended for white workers, and that they had been used merely because no others could be obtained . . . ."17

Concluding on a more positive note, the report predicted that the Federal Government would be the primary means of breaking the bonds of segregation and discrimination. Irvin predicted that black female workers would be rewarded in the future with promotions and job security in the Federal Government, and that it was not too far in the future that this would come to pass. Unfortunately, the time span was considerably longer than even she expected.

Fight for survival

As the war began to wane, it affected industrial production in tandem, and the Division of Negro Economics again demonstrated flexibility in handling new situations. The transition from a war to a peacetime economy, if precedents held true, meant the laying off of most black workers. The projections of unemployed blacks, packed into ever growing slums and facing daily diets of poverty and despair, appeared imminent.

The division wanted to deter this grim prophecy. The local advisory committee in Pittsburgh, Pa., negotiated an agreement with the Carnegie Steel Co., for the retention of one-third of the black workers it employed during the peak of wartime production. This agreement set a precedent, as several other steel companies in the valleys washed by the Allegheny and Monongehela rivers instituted similar plans. Unfortunately, some steel companies, as well as other industries, retained black workers only to thwart the growing trend towards industrial unionism—some employers used the black workers as strikebreakers and union busters, particularly during the brutal and violent steel and meatpacking strikes of 1919. But despite this, Haynes still thought that the worker retention plans "show to a small degree some of the practical work accomplished by this division within a short period of time."18

The welcomed winds of peace bore ill tidings for the Division of Negro Economics. Promises of social and economic justice, if not social acceptance, looked bright and meaningful before the armistice. But, once the peace was consummated, submerged racial antagonisms crept towards the surface. Indicative of the changing atmosphere was a series of race riots which swept across
the Nation, crippling Detroit, Washington, Chicago, and other cities.

The first signs of trouble for the division came from Florida. In April 1919, Governor Sidney Catts requested that the Department of Labor abolish the Florida Division of Negro Economics, and at the same time replace the head of the U.S. Employment Service (who was white) with a personal friend he described as "a real Florida cracker." Catts accused the Division's "carpet-bag negro federal officers" of inciting riots by promulgating the amalgamation of the races. "I am looking upon this question as a white man," he said, "... I could look upon it from no other viewpoint..."

Assistant Secretary Post found Catts' remarks specious at best. The State representative had been a mechanic, teacher, and businessman in Florida for a number of years and was respected by many influential white persons of the State. Secretary Wilson, temporarily suspended the division's program until he could investigate Catts' charges, but later reinstated it.

The Florida dispute was only a harbinger of future problems. A few weeks later, the New York Tribune quoted an unnamed U.S. Senator who complained that irritation over the use of black labor conciliators in the South had reached a high point from the Atlantic Coast to Texas. "If Secretary Wilson, and more particularly Assistant Secretary Post," said the unnamed source, "do not pull in their horns very promptly, it will topple the cornerstone of the Democratic South."

Tensions increased and criticism became uglier. At the convention of the southern-based National Lumber Manufacturers Association, in 1919, the association's president, John Kirby, expressed displeasure over the division. Referring to the Labor Department's request for a conference to iron out difficulties, Kirby told the audience, "I shall be glad to confer with Mr. Wilson or Mr. Post, but when it comes to sitting in counsel with Dr. Haynes, a negro, you will have to excuse me. In the South we tell negroes what to do; we do not take counsel with them." A reporter covering the convention wrote, "his audience broke into a storm of cheers when the speaker dramatically told of refusing to sit with a negro."

Battle lost

Criticism and condemnation only convinced officials of the Labor Department that the division should become permanent. "I desire for the Division of Negro Economics to be continued," Secretary Wilson wrote to Louis Post. Apparently, Wilson also informed Haynes of this, for Haynes, in a confidential letter to his New York representative, wrote, "the Secretary wants to make it [the division] permanent." In fact, Secretary Wilson, as early as 1918, submitted a bill to the Congress to accomplish this task, but it died in committee.

As an alternative, the Secretary proposed funds for the division in the appropriations request before the Congress.

In the Congress, the division's friends and foes met to decide its fate. An optimistic Haynes said, "on every side, everyone who has looked into it commends the work as valuable and necessary, but no one can tell what Congress will do." When the bill came before the labor committee, an unnamed legislator raised a parliamentary point of order over funding, claiming that the Secretary of Labor, by creating a public agency, usurped powers mandated to the Congress, and that the issue of appropriations was moot. The conference upheld this point.

The issue of usurpation of powers was a ploy. Section 4 of the organic act creating a Department of Labor allowed the Secretary to appoint special advisers and utilize them in a cooperative effort with other branches of government. Solicitor of Labor John Abercrombie cited similar cooperative efforts, including those in the U.S. Public Health Service and the War Risk Insurance Bureau of the Treasury Department. Apparently none of this impressed the committee, and the division faced extinction with the beginning of fiscal year 1920.

Civil rights leaders fulminated with anger. Mary White Ovington of the NAACP accused the Congress of unabashed racism; Eugene K. Jones of the Urban League expressed shock and sorrow over the Congress' shallow excuses; and T. J. Woofter of the Phelps Stokes Foundation called the action "sheer political chicanery."

But the division was not yet dead, only critically wounded. Haynes and Assistant Secretary Post drafted new legislation for the next session of the Congress (in 1921), and Secretary Wilson transferred funds from other appropriations to maintain a skeleton Division of Negro Economics. Haynes' services were shared with the Inter-Church World Movement which, in turn, paid part of his salary. The U.S. Conciliation Service absorbed some of the division's personnel, but programs and activities were drastically suppressed. Local advisory committees, without central direction, began to disperse, decay, and finally disappear.

One last gasp of hope remained. The Congress could legislate the division into existence, and some heavy lobby pressure by civil rights groups resulted in hearings on a bill. Haynes testified as the official Labor Department representative, arguing that such a Federal agency would help improve race relations in the Nation and coordinate local efforts to achieve racial harmony and equal opportunity. Such a program, said Haynes, could only be administered at the Federal level.

``You are exactly equal under
the law. You are exactly equal, of course, under those appropriations. But as far as we are concerned, there should not be division between different classes of workmen, one against the other. . . . we have to look at it with the idea of preserving equality. The same rule applies to both." Haynes retorted, "the fact is Senator, that heretofore the inequality has rested the other way when it has come to matters of industrial opportunity and employment."

No clever repartee, however, could change the outcome. In 1921, a new Administration took over, and with it came a new chief of the Labor Department, James J. Davis, who showed little interest in fighting for the Division of Negro Economics' continuance. The division limped along for another year before succumbing to neglect and disuse. Even though its death was neither a cause nor an effect for the growth of slums and poverty or the escalation of unemployment rates among blacks, it is conceivable that its continued operations might have at least improved conditions. Unfortunately, the program was too advanced for the time in which it existed.

FOOTNOTES

7. The National Association for the Advancement of Colored People (NAACP) Papers, Series #4, 1913-1918; Giles B. Jackson to J.P. Tumulty, July 13, 1917.
11. Melvin Chism of the Tuskegee Institute to George Haynes, Oct. 5, 1918, file 8/102-A (taken from Robert Rusa Motion papers, General Correspondence File, Tuskegee Archives).
13. Officials of the American Car Foundry to E.B. Williams, Michigan representative of Negro Economics, 1919, Carter Woodson Papers, file 170, Box 14, LCMD.
21. Haynes to Jesse Thomas, Feb. 28, 1919, May 12, 1919, National Urban League Papers, SRO Box B-4, LCMD.
23. T.J. Woolfer to George Foster Peabody, (undated), NAACP Papers, Box C-319, Mary White Ovington, Aug. 19, 1919, NAACP Papers, Box C-319, LCMD.