"The 1934 Strike"

As Told by Sam Kagel, A Member of the 1934 Joint Marine Strike Committee

INTRODUCTION BY DAVID OLSON

My name is David Olson, I was the inaugural holder of the Harry Bridges chair and the founding director of the Center for Labor Studies. I welcome you to this session. This is a very special session of the several days of proceedings, because we are featuring a person who is a legend on the West Coast in arbitration circles, in waterfront worker circles, who has a historic memory about many of the events that we have been pondering and talking about over these last three days.

We have been celebrating the sixty-fifth anniversary of the 1934 longshore strike and the ninetieth anniversary of the 1919 Seattle general strike. Sam Kagel was ten years old when the 1919 strike happened. At the time, he was a student at the Harrison Street Grammar School in Oakland. In 1929, he received his bachelor's degree from the University of California at Berkeley. He then became a graduate student in economics. He left that graduate program prior to receiving the Ph.D. degree for a position in the California State Department of Industrial Relations. He served for nine years in the Pacific Coast Labor Bureau, from 1932 to 1941. He has asked me to point out that this
was a group of economists who were not lawyers and who represented unions in negotiations; in effect they were part of the unions.

Sam Kagel experienced the 1934 longshore strike up front, close, and personal. He became an important participant in the events that he will describe today. He was a member of the Joint Marine Strike Committee, representing the Marine Engineers Union and the Longshore Union. During World War II, our speaker served on the Northern California Manpower Commission. In 1948, he received his law degree from the Boalt Law School at the University of California at Berkeley.

After the law degree, in 1948 he was appointed the Pacific Coast Longshore Arbitrator, a position he still holds today. He was a friend of, a colleague of, and worked closely with Harry Bridges in the 1934 strike. He has asked me to emphasize that though he has practiced arbitration for 51 years, he has not retired. He does not intend to retire, and his current active accounts include longshore, teamsters, and professional football.

**SAM KAGEL**

My main assignment here is to try and get you to understand and to become part of the 1934 longshore strike. I want to suggest to you a very simple formula about strikes. I'm talking about economic strikes. I'm not talking about social strikes. The 1934 longshore strike was an economic strike. Now, what is a strike? A strike is simply one of the techniques that's available to settle disputes. The normal method of settling a dispute, whether it be over wages, hours, or anything else -- is to try to negotiate a settlement. If this does not work, you try mediation, and if this does not work, you might arbitrate, but if X is not agreed to, then you strike, or, you're locked out.
Now what you need to make a strike successful is to have an issue. And in '34 we had an issue. You have to find an opponent. We had an opponent in 1934. You had to have leadership. And such developed during that period, from 1932 on -- Bridges being one of them. And you need a conclusion. Now, the conclusion in '34 was an arbitration, which was forced so far as the longshoremen were concerned on them. They didn't want to arbitrate even after the general -- well, it's called the general strike. And that was not a general strike, because again, in the economic picture, what we had in San Francisco was a general sympathy strike, and that's what you really had here. I mean, I read as much as I could find about your strike in 1919. And I find that it was a confused contrast of various beliefs, some old Wobblies, some labor people in charge of the labor council who had lost their hold on the membership. A confusion actually as to what was in dispute. It didn't last long. And most of these sympathy -- general sympathy strikes don't last long, and there's a reason. If you keep them going too long, there's an internal pressure that develops, and it'll blow up in your face, and that's what happened in San Francisco. And we'll get to that, I hope, before the hour is out, and show you how it was one of -- just one of the elements that brought about the final settlement of that strike.

So, we start out with the fact that in San Francisco, longshoremen had been organized as early as 1865. In 1916, there was a longshore organization called the Riggers and Stevedores. And it was referred to as the Red Book Union. The reason for that was because its dues book was colored red. And that union had a strike in 1916 against the employers in San Francisco, which was very unsuccessful.

1919 comes about, and we have another strike by the Red Book Union. One of the demands that was made in that strike was that the longshoremen be given representation on the board of directors of the shipping companies plus a cut of the profits. To this day,
no one's certain who it was that got the local to adopt that demand, and whether it was not in fact planted by the Employers. In any case, the 1919 strike occurred, and the Employers made up their mind that they were no longer going to have the Riggers and Stevedores union or any union associated with the ILA. Now, the ILA was the International Longshoremen and Association, which had its headquarters in New York headed by Joe Ryan. And you'll hear about Joe in this particular story in a few moments.

So what did the Employers do? On the docks, the Walking Bosses had what they call a Harmony Club. And the Harmony Club was designed by the Walking Bosses, their own union as against the shipping companies. The Employers in 1919 went to two men in that club: Bryan and Stein, and got them to agree to create a new longshore union. And that union was given a closed shop by the employers, which in those years, meant that you couldn't work on the docks unless you had a membership and a dues book from the Blue Book Union. And it was called the Blue Book Union because the dues book was colored blue.

Now that union was a company union. Some years ago the Matson Steamship Company wrote a history of the company, and it had a chapter dealing with the labor relations that Matson was in. And in that book, with reference to the Blue Book Union -- I'm quoting now from that study -- “Matson and other ship owners broke a San Francisco longshore union in 1919, and replaced it with a company-dominated organization. This was complete with blacklists, and a system wherein a stevedore had to have a brass -- a sort of an identification tag -- and a blue book to get his pay, but would acquire neither unless he had paid his dues to his company union and not otherwise in disfavor.”

Now that company union did absolutely nothing for the longshoremen. In San Francisco, the only way you could get a job was to “shape up.” And the shape up
constituted longshoremen shaping up, physically shaping up in front of piers. And how did you get a job? Well, the walking boss would select you. And this led to all kinds of favoritism. It led to all kinds of bribery, because that's the only way you could get on the ship to work. And the Blue Book Union did nothing about that.

In some of the other ports on the coast you had so-called “halls” for employment. We called them in those years “Fink Halls.” They were run and conducted by the employer. And while you could get a job through that hall, the employer also used that hall for the purpose of discriminating against any longshoreman or group of longshoremen that was attempting to organize.

The other problem was the matter of speed up. There was no control on the size of the load. There was no control on how often the hook was going to be lowered for the purpose of moving cargo into the hold. Once you were at a job, you were at the complete mercy of the employer. He could decide how many hours you were going to work. It might be a one-hour job. It might be a continuous job for 10 or 15 hours. And you were always confronted with speed up.

That condition lasted from 1919 to 1934. And when I talked earlier about having an object against which workers might want to strike, this was it. The longshoremen wanted to get rid of the Blue Book Union. But don't forget, the Blue Book Union had a closed shop agreement. They were paying about 90 cents an hour, which in those years, was high pay. And that was a very difficult hurdle to overcome when seeking longshoremen to get rid of the Blue Book Union.

So, there had to be some kind of a propaganda group, a group that was going to try to actually do something to get the longshoremen interested in taking physical action to get rid of the Blue Book Union. And Bridges was one of the persons. Henry Schmidt was
another. Dutch Diedrich was another. There was a whole group of longshoremen who believed -- this is in 1932 -- and sought to do something about getting rid of the Blue Book Union. They had meetings. They sponsored a mimeographed newspaper, one sheet called *The Waterfront Worker*, which was distributed irregularly on the docks, and in which the Blue Book Union was attacked. They were moving at a slow pace, because here you had to overcome a union which had a closed shop, and jobs were controlled by this Blue Book Union in conjunction with the employer.

That job was very difficult. But it has always impressed me, the coincidental events that occur historically. And at this particular precise moment, that happened. I'm talking about 1932. And what was that event? Well, it was the election of Franklin Roosevelt.

When Roosevelt was elected, he stated publicly that what he wanted was action, action, action. And he got action. That Congress -- it might have been the 73rd, I'm not certain of the number now -- but in the space of about three months, passed legislation, which came to be called the New Deal. And those of you who might be interested historically in that, I would suggest that you go to your library and maybe to a secondhand bookstore and find a copy of Arthur Schlesinger's book called *The Coming of the New Deal* in which he describes these events.

The Congress of the United States at that time was frightened about our economic situation. Remember, we were in a Depression, which occurred in 1929 with the big break in the stock market. And between 1929 and 1932, we had guys jumping out of windows on Montgomery Street, which is our financial district. Guys selling apples on the corner. And one of the great songs of that time was *Brother, Can you Spare a Dime?* We had 16 or 17 million unemployed.
The efforts of the Bridges group were very important, because their opposition to the Blue Book Union was aided in large measure by the passage of the National Industrial Recovery Act, which was one of the 16 major pieces of legislation passed under the so-called New Deal. And what was so great about that? That act contained Section 7A. And Section 7A for the first time in the history of the United States was a declaration by the Congress of the United States that workers had a right to organize and select unions of their own choosing.

Now, as soon as that happened and the President signed it, my office prepared a great many petitions asking longshoremen to sign up with the ILA. All the longshoremen signed it. And in addition, the old ILA local, which had been put out of business by the Blue Book Union, was resurrected as Local 38-79. And membership was offered to longshoremen at 50 cents and they were given an ILA button. And within maybe 20 days, 2,000 longshoremen signed up.

In my opinion, the work that was done by Harry and his group, and by the fact that at that precise moment there came aid by way of Section 7A, assured longshoremen, who might have otherwise not been so assured, that they would be protected as to their right to organize.

The end of the Blue Book is described in Matson’s own history of its company as follows:

The Company fired four men for wearing ILA buttons on the job.
President had approved the National Recovery Act code for the waterfront so NRA officials said they could do nothing to help the fired men.

Bridges and his group took action when they convinced the Matson workers to strike until the discharged men were taken back. They did strike. Finally the company agreed
to arbitrate the case of the discharged men, which was done and Matson was ordered to
reemploy the original discharged men.

And the Matson history then says, "Bridges said later, 'that [the arbitration award]
reestablished the ILA on the waterfront.'"

When the award was announced many longshoremen built a fire and threw their Blue
Book dues book into the fire.

Harry and his group eventually voted themselves into control of the local ILA union.
And it made a demand upon the employers in San Francisco for collective bargaining.
And, the employers in San Francisco at that time said no, because one of the things that
the union wanted was a coastwide agreement.

So, what happened next was that the San Francisco longshoremen took the step of
calling all of the local unions on the coast to a meeting in San Francisco. The purpose of
the meeting was to establish the minimum demands that the longshoremen were going to
propose for the code, and they then agreed at that time that they wanted to have a
coastwide agreement, and that was the #1 demand. The second demand was a hiring hall,
which would be run by the union. Number three, they wanted a dollar an hour. Number
four, they wanted a six-hour day, because in those years the name of the game was to
spread work because of the Depression. Those became the basic demands.

In April and May efforts to settle an agreement for Longshoremen failed. Son May
9, 1934 all of the Longshoremen on the Pacific Coast went on strike.

This strike also included maritime workers because as ships came into port, the
crews walked off and joined the strike. So on May 9 the strike was a Longshore and
maritime workers strike. And this resulted in the Longshore union adding to their
demands a demand that the ship owners would have to deal with the maritime unions.
At that time the Longshoremen together with the maritime workers unions—the Sailors Union, the Master Mates and Pilots Union, and the Marine Engineers Union—set up the Joint Marine Strike Committee. I was a member of that committee representing the Marine Engineers. That committee took over the direction of the strike so far as the government and the employers were concerned.

In order for the strike to be successful, it was necessary to keep the ports closed. The ports were closed when the longshoremen and maritime workers went on strike. In that effort the Teamsters were the key. What was the support from the Teamsters?

At the beginning of the strike teamster support was lukewarm. The Employers had strikebreakers on two ships docked in San Francisco. And they were used to unload ships. They weren't loading them, because there was no place they could go. But they were unloading them. And the docks were getting filled up. At first, they were able to move some of the cargo off the docks and away from the pier, because the Teamsters said, "Okay, we'll pick it up." Well, that didn't last long, and they stopped that.

However, the Teamsters later said, "We're not going to handle any cargo coming off those ships." In San Francisco, we also had a belt railroad, which was state-owned and operated by civil servants. And that railroad ran along the distance of the waterfront. And strikebreakers were unloading cargo onto the belt railroads. And at first, the Teamsters handled that cargo. And then finally, they said they wouldn't handle it.

Eventually the movement of cargo off the docks stopped and then the employers in San Francisco said, "We're going to have to open the Port."

There was in existence in San Francisco a group of employers and financial interests who, in other labor situations had come in and represented the employers in dealing with strikes with the object breaking the strike and the involved unions. And it was called the
Industrial Association. The Waterfront Employees turned over the strike to the Industrial Association for the purpose of opening the port. So, in July the Industrial Association made its arrangements with the police in San Francisco that they would receive police protection for the purpose of opening the port. And they bought half a dozen trucks, and they became the Atlas Trucking Company; they rented a warehouse from one of the piers. On July 3, they moved cargo from the piers to the warehouse. And such was done with about 1500 San Francisco police guarding this operation.

So, on July 3rd, they made the first move, and they moved a couple of trucks. And there was a slight riot -- not really a riot, but just a protest. Then the Employers said, "Well, tomorrow's July 4th, so we're going to celebrate. And so we're not going to try to open the port. But on July 5th, we are."

Well, comes July 5th, Thursday. What resulted was the Rincon Hill Battle. And it was not just a riot; it was actually a battle.

I'm going to take a moment to read to you a description of what took place, written by an employer who happened to be in the neighborhood:

As I entered the fog-laden San Francisco warehouse district on the morning of July 5th, 1934, there seemed to be little out of the ordinary in the life of the city. Only the frequent squads of pickets reminded me that the 57 day-old longshore strike was still in progress. There I saw a long line of red trucks emerging from the back of one of the buildings. These were the strikebreakers, carrying out the port opening plan of the San Francisco Industrial Association. How closely each truck followed the other, and how carefully the drivers seemed to keep their faces turned away from the watching picket lines. Perhaps it would unhealthy to be
recognized. Leaving the scene, I drove to the top of Rincon Hill, commanding a view of the south waterfront and the Embarcadero along Pier 38. As I walked toward the mixed crowds assembled there, an object whined ominously overhead and crashed into the wooden frame building on the street corner. Below, I saw little crowds of bluish smoke rising on the bars on the dirt slopes. There were tear gas bombs coming from a group of about 50 police officers in blue uniforms at the base of the hill. And charging down upon them was a shouting mob of several hundred strikers -- men and boys, some in old coats, some in shirt sleeves, down upon the uniform. They hurled rocks. They picked up the tear gas bombs, and threw them back at the police. For the bombs became thicker, and shots faster. Four strikers fell in agony. The ranks broke, and the men streamed up the hill with the police in pursuit on foot and horse. Flames shot up on the dry grass slopes of the hill, and the smoke of the vessels mingled with the blue gas from the bombs. In a few moments, the red cars of the fire department were racing into the scene. Pickets tried to cut their rough fire hoses. Streams of water played on the rioters, and at times, on the police and firemen. I followed the pickets toward ILA headquarters on Stewart Street. The crowd seemed to have retreated to the streets above for a few minutes respite. Suddenly, bedlam broke over Stewart Street. Struggling knots of longshoremen clearly pressed by officers, mounted and on foot, swarmed everywhere. The air was filled with blinding gas. The howl of the sirens, the low boom of the gas guns, the crack of pistol fire, the whine of the bullets, the shouts and curses of sweating men.
Everywhere was a rhythmical waving of arms like trees in the wind.

Swinging clubs, swinging fists, hurling rocks, hurling bombs, as the police moved from one group to the next. Men lay bloody, unconscious, or in convulsions in the gutters, on the sidewalks, and in the streets, and two men were killed.

One was a longshoreman, Howard Sperry, and one was Bordose, who was a maritime cook. And to this day, on that corner, on Stewart Street, on every July 5th, Bloody Thursday, a memorial is held by the maritime unions and the longshoremen in memory of those two men.

Well, there then followed a funeral. In the meantime, the port was opened because not only were there some 1,500 police on the waterfront, but the governor had ordered in the National Guard. And the National Guard proceeded to put armed soldiers in front of every pier including machine guns. And the General in charge announced that there would be no nonsense so far as he was concerned if the longshoremen attempted to fool around with his men.

For the burial an arrangement was made by the Longshoremen with the police that the bodies would be escorted up Market Street to the funeral parlor. Those of you who know San Francisco know that it's a long street in the middle of town. And, by agreement with the Longshoremen, no police were be present.

On the day of the funeral, there were thousands, not only Longshoremen but also workers from many other unions. Other persons, who were not even workers or members of unions, also marched in this procession. The caskets were on a truck. One of them was covered with an American flag, because one of the men was a veteran. There was a band that played a solemn Beethoven music. There wasn't a cop in sight.
And that particular funeral was one which led Paul Elial who was then the research man for the Industrial Association to write the following. He said, "It was one of the strangest and one of the most dramatic spectacles that had ever moved along Market Street. Its passage marked the high tide of united labor action in San Francisco. Its dramatic qualities moved the entire community without regard to individual points of view as to the justice and righteousness of the strikers' cause." And again, this was a coincidental event, which played an important part in the final resolution of the longshore-maritime strike.

Those of us who were on the Joint Marine Strike Committee knew that the port was now open. Between the police and the National Guard, there was no way to keep the port closed.

There had been murmurs of a general strike. And we in the Joint Marine Strike Committee had a lot of discussions of such an action and finally announced in favor of such a strike. We were talking about a general sympathy strike. And we knew that there would be some groups of workers who would not join. For example, the ferryboats continued to operate between Oakland and San Francisco. The newspapers continued to operate. The electrical workers continued to supply power.

But nevertheless, after this funeral procession, union after union took action to join in a sympathy strike. And a demand then went to the San Francisco Labor Council, which was basically a conservative labor council in those years, to announce such a strike. The San Francisco Labor Council could not entertain the business of a so-called general strike according to the AF of L rules, so we were told. And so it converted itself into a general strike committee. There were a couple hundred delegates there, including the membership of the Joint Marine Strike Committee. Fifty delegates were selected out of
that group to monitor the conduct of the general strike. Bridges was proposed as chairman, and lost.

It became very clear to us that the name of the game was to end the general strike as soon as possible. And one of the union leaders of the Labor Council Committee, George Kidwell of the bakery wagon drivers, was a very great friend of the longshoremen. He had been doing some reading, and he said, "Look, I read about the Seattle general strike. I read about such strikes in other parts of the world. I am convinced that we have to bring this strike to a conclusion as rapidly as possible. Otherwise, it's internal pressure will blow up in our faces."

Well, first, let me tell you what happened on the first day of the strike, which was July 16. If you know Market Street in San Francisco, imagine looking up it and seeing nothing. There were no autos -- nothing. There were only sixteen restaurants given permits to be open, which was ridiculous in a city the size of San Francisco. Grocery stores had been cleaned of the shelves.

This event was a "Red Revolution" according to the Employers, the newspapers, and the United States government, except for Madame Perkins.

Well, the strike began to dissolve really rapidly; it only lasted for four days, until July 19. The Labor Council passed a resolution that provided that the general strike would end when the employers and the involved unions agreed to arbitrate all differences. And in the case of the maritime unions, that the employers would deal with them.

The Joint Marine Strike Committee wasn't particularly happy with that, because the Longshoremen did not want to arbitrate the matter of the hiring hall. But nevertheless, the resolution passed, and unions other than the longshoremen, began to go back to work. The Teamsters accepted the resolution, and at that time Michael Casey said that if the
employers accepted it they would go back to work. The Teamsters returned to work on July 21.

There was one man who recognized the position of the Teamsters, and that was John Francis Nylan. He was a very, very prominent attorney. He represented the Hearst newspapers. And during the strike he had organized all of the newspapers -- and we had five of them in those years in San Francisco -- to run canned editorials blasting the hell out of the waterfront unions. He apparently saw what was happening, and he described in his oral history what he did. He says -- I am quoting -- "I invited all the shipping magnates down to my place in the country, and we had an iced water lunch, no cocktails or anything of that kind. And then I took them down into the open air where all of the orators could blow off steam and so on. And we read the riot act to them that the waterfront had been badly handled, that they had played right into the hands of the radicals by their atrocious neglect of legitimate interests of labor down there. That they had to get onto themselves, get in line and help out of this thing. That went on all afternoon down there."

And then what did he do? He then had published in the newspapers that the employers had accepted the proposal of the Labor Council strike committee, and the employers did so. As to the Longshoremen, Bridges insisted, on a coast-wide vote at that time as to whether longshoremen would agree to arbitrate. They did so, and the Longshoremen returned to work on July 31.

Who was the arbitration board? Franklin Roosevelt appointed a three-man committee. First to mediate -- and that consisted of Ed McGrady, an assistant to the Secretary of Labor; an attorney in San Francisco by the name of Cushing; and Archbishop Hanna.
The President converted that mediation board to an arbitration board. Henry Melnikow and myself of the Pacific Coast Labor Bureau both prepared and presented the arbitration on behalf of the longshoremen. And we had hearings in San Francisco, Seattle, Portland, and San Pedro.

On October 20th, 1934, the Arbitration Board came down with its decision. It granted a coast-wide agreement. As to the hiring hall, it set up a joint hiring hall but with the dispatcher selected and elected by the union, which is what it is today, which gives the union a great deal of control over the hall. And they granted the six-hour day, which many years later, the longshoremen converted to an eight-hour day for a price. That was the award. That was the first Longshore contract. And it provided for arbitration of grievances. Did that result in peace?

No. Some of the basic matters over which the longshoremen had struck -- namely, the size of the load and the speed up -- had not been addressed by the Longshore Board.

And so for two years, the longshoremen by job action and violation of the contract and violation of arbitration awards that were made from time to time, reached to the point where speed up was controlled. And the size of loads were reduced, and it finally became part of the contract.

There was a strike in 1936. Mainly because of the sailors going out on strike.

The next strike of the Longshoremen was in 1948. The '48 strike was very important, because by that time, the Taft-Hartley amendments had been passed. And they provided for some kind of a control by the employers exclusively of the hiring hall, and the employers thought they were going to get the union out of the hiring halls.

It also provided that the officers had to sign a statement they were not Communists. The Longshoremen refused to do that. And they submitted that issue to a coast-wide vote
of the Longshoremen. With the exception of a couple of hundred votes, thousands of Longshoremen voted, "Don't sign." When that happened, the Employers said, "We're not negotiating." And they didn't.

This was about the 70th day of that strike. But there was a group of employers in Hawaii, primarily Matson, who wanted to end that strike. They came over to San Francisco, and they brought with them a man by the name of Dwight Steele, who at that time was President of the Hawaiian Employers Council who had been dealing with the longshoremen over there, particularly with Jack Hall, who had organized both sugar and pineapple and the longshoremen.

And the first thing this group of Employers did was they took the man who was the head of the Employers Union and sent him on a trip around the world. And the Matson group told Bridges, and the Executive Board said, “Hey, look, we don't give a damn whether you're a Communist or not a Communist. We don’t care about that. We want to settle this strike.”

And so, the strike was settled. It went for about 85 days. And one of the things that was settled was that the union gave up the right to have job action, because the Employers said, “We can’t operate if you’re going to continue that kind of a technique.”

And they got other things on return, but they also provided for the present grievance procedure, which is the only one of its kind in the United States. It was in 1948 that I was appointed as the Coast Arbitrator, and I'm still in that position. And Area Arbitrators were provided in Portland, one in Seattle, one in San Pedro, and one in San Francisco.

Of those four persons two come from the ranks of the union and from the ranks of the Employers.
Now those Area Arbitrators are employed full-time by the union and by the employers, and they're paid half and half. And we also instituted what we called “instant arbitration,” which meant that if there was any work stoppage on the docks, whether it be for safety purposes or any other purpose, the Area Arbitrator would immediately go to the dock, hear that case, and make an immediate decision. The union was either right in stopping work, or it wasn't right. And if it was right and it was a safety matter, the Area Arbitrator ordered that the condition be corrected. If, on the other hand, the union for some reason was using that incident as a gimmick, they would decide, "You don't get paid for stand-by time, and go back to work."

Now that is a grievance procedure that's been working since 1948. No Area Arbitrator has ever been discharged. They've died in office, or they retired in office.

In any case, that brings you up to '71, because there was no strike between '48 and '71. And in '71, there was a strike that went over 100 days. I mediated – not arbitrated--the end of the strike.

Well, anyway, that was that. We've had no strikes since '71. Right now, currently, as a matter of fact, this month there's a caucus that meets in San Francisco of the longshoremen determining what proposals they're going to ask for in their contract, which expires on June 1st of this year.

It can now be reported that ILWU and PMA agreed on a contract, which will be in force until June 30, 2002. My position as Coast Arbitrator has been continued by the Parties until at least June 30, 2002.