

Challenging Economic Borders

Fort Wayne, Indiana, and Chemnitz, Germany

NANCY BROWN

In December 1889, last-minute Christmas shoppers in Fort Wayne, Indiana, perused the local paper for gift ideas. Sam, Pete & Max's advertisement for "Holiday Bargains!" and "XMAS Presents" for men and boys suggested silk ties in the newest Teck Puffs, Japanese handkerchiefs, jaunty lounging coats, satin suspenders, and fur caps.¹ Shoppers seeking gifts for girls and women could stop at the Bee Hive Holiday Emporium for colored kid gloves, Ottoman silk ribbons, and fine umbrellas, or they might walk over to Stewart & Hahn for "Useful Christmas Gifts!" including women's shawls, cloaks, and Colgate's perfumery and toilet soap.² Affluent women might have worn elaborately embroidered silk stockings to the holiday festivities; however, necessities like underwear and hosiery

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¹ "Sam, Pete & Max," *Fort Wayne Sentinel*, December 20, 1889, p. 4.

² "Bee Hive," *Fort Wayne News*, December 23, 1889, p. 1; "Stewart & Hahn," *Fort Wayne News*, December 24, 1889, p. 1.

seldom appeared in Christmas advertisements. The working class wore plain black stockings to keep their feet warm, and such necessities were hardly the concern of holiday advertisers eager to draw high-paying customers to their stores.

In the next few years, the inattention given to stockings in Fort Wayne would change dramatically. During the 1880s, the United States imported the majority of its knit hosiery from Europe. Specialty items like full-fashioned hosiery, shaped to fit the contours of the leg, came almost exclusively from Chemnitz, Germany. In 1890, Congress passed the controversial McKinley Tariff, which substantially increased duties on knit goods. Theodore Thieme, a young drugstore owner in Fort Wayne, had eagerly participated in the debate. As he later recalled, "To me, this new tariff law was an invitation to Americans to take advantage of its protective features, to help build up American manufactures, and my mind was soon made up to be one of these new manufacturers."³ Thieme sold his share in the drugstore and travelled to Europe to pursue his goal. Under tariff protection, Thieme used foreign labor to establish one of the first full-fashioned hosiery plants in the United States. Thirty years later, the stocking business in Fort Wayne employed more than two thousand people. Wayne Knitting Mills became one of the world's largest hosiery producers.⁴

The study of Wayne Knitting Mills provides a local example of the national reaction to the global economy. During the late nineteenth century, the United States countered fears of foreign laborers and foreign products with protectionist legislation. In a recent work, Donna Gabaccia noted the correlation between immigration and foreign trade, concluding that "Congressmen debated these two issues with fervor precisely because they saw them as closely linked strategies for protecting American citizens from the dangers they perceived in their country's growing global activism."⁵ In response to a wave of immigrants from eastern and southern Europe, Congress passed the 1885 Immigration Act, also known as the Alien Contract Labor Law. The act intended to protect workers from competition with unfree labor by restricting the entry of these workers who were induced to migrate to the United States under contracts that paid for their

³ Ross F. Lockridge, *Theodore F. Thieme, a Man and His Times* (Los Angeles, Calif., 1942), 38-39.

⁴ "Fort Wayne Is the Home of One of the Biggest Hosiery Mills," *Fort Wayne Journal-Gazette*, April 11, 1920, p. 8.

⁵ Donna R. Gabaccia, *Foreign Relations: American Immigration in Global Perspective* (Princeton, N. J., 2012), 122.

passage.⁶ The McKinley Tariff shielded domestic industries from foreign competition by increasing the price of imported goods. Duties on cotton knit goods like stockings protected American clothing manufacturers from competition with more technically advanced foreign manufacturers.⁷ Both the Alien Contract Labor Law and the McKinley Tariff aimed to limit the reach of foreign competition by establishing economic borders.

In Fort Wayne, the economic borders proved to be porous. On one hand, the McKinley Tariff acted as a catalyst to Thieme's quest in Europe. From the beginning, he credited the McKinley Tariff's price protection for the success of Wayne Knitting Mills. On the other hand, the labor border established by the Alien Contract Labor Law did not stop the Chemnitz weavers, as Wayne Knitting Mills depended on contracted labor from Germany during its first ten years of operation.

The full story of the mills' success includes the early years of tension between the immigrant mill workers and management—framed as national differences—and disputes between Chemnitz and Fort Wayne over the drain of skilled workers. The tariff opened the door for American entrepreneurs to cross the border in search of successful European industries to bring home, and then closed the door against any hardship those actions created. In response, Chemnitz tried to plug the holes in the labor wall that allowed their skilled workers to enter the United States. Wayne Knitting Mills' future expansion would be held in the balance while the Commissioner General of Immigration decided whether two Chemnitz weavers had violated the Alien Contract Labor Law. The story of stockings in Fort Wayne reveals the networks that connected the city to national debates and international business opportunities.

FORT WAYNE, INDIANA—A MOST GERMAN TOWN

Gabaccia argues that immigrants' continued ties to their homeland are a form of foreign relations, finding that various "transnational social networks" resulted in immigrant involvement in "transnational or diaspora politics, domestic American politics, and American foreign affairs."⁸ Prior to the McKinley Tariff, Fort Wayne exemplified a nineteenth-century

⁶ A. T. Lane, *Solidarity or Survival?: American Labor and European Immigrants, 1830-1924* (New York, 1987), 80-83.

⁷ F. W. Taussig, *The Tariff History of the United States: Part I* (New York, 1910), 166.

⁸ Gabaccia, *Foreign Relations*, 222.

THE PEOPLE'S STORE.

Wayne Knit Co
Mfrs & Dyers.

The Wayne Knitting Mills
Of this city, have just put
on the market three new num-
bers in

Ladies' Black Cotton Hose
OF EXTRAORDINARY VALUE,
In Light, Medium and
Heavy Weight.

During our Great Clearance
Sale we shall sell them

At 19c a Pair,
On the Hosiery Counter.



THE + PEOPLE'S + STORE.

Newspaper advertisement, The People's Store, Fort Wayne, c. 1895. The McKinley Tariff of 1890 provided Theodore F. Thieme with the economic protection he needed to establish one of the first full-fashioned hosiery plants in the United States.

Used with permission from the *(Fort Wayne, Ind.) News-Sentinel*

Midwest community with the same type of strong foreign relations.⁹ From its early years, the city actively recruited German immigrants. Land agent

⁹ The phrase, "A Most German Town," comes from an 1893 Chicago newspaper article entitled, "Fort Wayne, A Most German Town," and a PBS special, *Fort Wayne—A Most German Town*.

Henry Rudisill, a second-generation German American, arrived in Fort Wayne in 1829, the same year the town incorporated. During the 1830s and 1840s, Rudisill sent letters to immigration officials and other authorities in Europe asking for German workers. When immigration slowed in the 1850s, Rudisill headed a city committee to encourage the state legislature to promote immigration. In 1915, journalist Bert Griswold claimed: “To the enterprise and loyalty of one citizen—Henry Rudisill—Fort Wayne may give thanks that about eighty per cent of its present population is German.”¹⁰ Others, such as religious leaders Friederich K. D. Wynekan and Wilhelm Sihler, encouraged German immigrants to come to Fort Wayne to help build communities of faith. German Americans also settled in Fort Wayne after working on the Wabash & Erie Canal and the rail lines. Economic and political conditions in Germany contributed to further immigration to Fort Wayne. Henry Berghoff, elected mayor in 1901, had left Germany in 1872 at the age of sixteen, longing for “greater freedom” and a republic where “no man could say he was lord.”¹¹

The continued waves of immigration contributed to the establishment of a diverse, multigenerational German-speaking population in Fort Wayne.¹² Germans established Methodist, Lutheran, and Catholic congregations, as well as the first synagogue in Indiana, during the pioneer period. Fort Wayne published Indiana’s first German-language newspaper, *Der Deutsche Beobachter von Indiana*, in 1843. By the 1860s, Germans had formed several social clubs: the Fort Wayne Turnverein Vorwärts (1865), the Fort Wayne Männerchor and Damenchor (1869), and the Fort Wayne Sängerbund (1869). Indeed, as Fort Wayne historian John Beatty notes, merchants in the 1870s needed to be conversant in both English and German.¹³

The Chemnitz hosiery workers recruited by Theodore Thieme joined a thriving and successful German American population. Although only 8.41 percent of Allen County’s 1890 population was born in Germany, 72.55 percent of the foreign-born were German. Writing of the city in the early twentieth century, historian Mark Rogers has noted: “It was possible for a German-American in Fort Wayne to grow up into adulthood in an

¹⁰ Bert Griswold, “Two Hundred Years of Fort Wayne Advertising,” in *Quest Club Papers* (Fort Wayne, Ind., 1915), 8.

¹¹ “Henry C. Berghoff: Sketch of the Career of the Democratic Standard Bearer,” *Fort Wayne Journal-Gazette*, April 4, 1901, p. 6.

¹² Fort Wayne’s German community was established prior to Germany’s unification in 1871.

¹³ John D. Beatty, “Fort Wayne in the Civil War Era,” in *History of Fort Wayne & Allen County, Indiana, 1700-2005*, ed. John D. Beatty (Evansville, Ind., 2006), 1:56.

almost pure German culture.” In a 1901 speech to visiting Turnfest guests, Mayor Berghoff praised the virtues of Germans in America. Himself an American citizen, Berghoff declared that “We Germans in America may well feel proud of our nation . . . we need not be ashamed of our ancestry.” At least two-thirds of Fort Wayne’s citizens were Germans, Berghoff claimed, indicating that, for him at least, second- and third-generation immigrants had held on to their German identity.¹⁴

Theodore Thieme’s experiences growing up in a German American city grounded the origins of Wayne Knitting Mills. Thieme, a second-generation German American, learned German in the home and at the German Lutheran elementary school.¹⁵ In his early twenties, he had travelled to Leipzig, Germany, to meet his grandmothers and extended family. According to his biographer, Ross Lockridge Sr., Thieme “could speak German readily and became accustomed quickly to a high grade German way of living.” During his first adventure to Europe, “he learned the best in German social life and achieved a good insight into many aspects of art and manners peculiar to European culture.”¹⁶ There is nothing remarkable about Thieme’s first visit to Germany—immigrants often returned to their homelands to visit or to stay. This particular visit, however, gave Thieme the confidence and social acumen he needed when he returned to Europe twelve years later to take advantage of the business opportunities afforded by the McKinley Tariff.

During the 1880s, Fort Wayne’s German Americans held positions such as clerk, treasurer, fire chief, and police commissioner, as well as the majority of the city’s council seats.¹⁷ Their political success ran counter to national

¹⁴ University of Virginia Geospatial and Statistical Data, “Historical Census Browser,” <http://mapserver.lib.virginia.edu>; Mark Rogers, “*Wir Trinken und Tanzen im Germania Park*: Fort Wayne German-American Society and the National German American Alliance During World War I,” *Old Fort News* 60, no. 1-11 (1997), 1; “The Mayor’s Speech,” *Fort Wayne Journal-Gazette*, June 16, 1901, p. 6.

¹⁵ Both the Catholic community and public schools offered German-language schools.

¹⁶ Lockridge, *Theodore F. Thieme, a Man and His Times*, 22, 25; Larry S. Lockridge, *Shade of the Raintree: The Life and Death of Ross Lockridge, Jr., Author of Raintree County*, Centennial ed. (1994; Bloomington, Ind., 2014), 41-61. Lockridge Sr. worked for Wayne Knitting Mills from 1914 to 1922, where he helped develop the education and welfare program and served as welfare director and employment manager. He received a degree in history and political science from Indiana University, and he went on to write several history books for youth and give history presentations on a lecture circuit. His grandson described the book on Thieme as a “vanity biography,” noting that Lockridge liked to portray the heroic side of his subjects (pp. 47-48, 217). The Thieme biography has several sections that lean towards boosterism. Lockridge based his text on interviews with Thieme, journals, scrapbooks, and newspaper accounts.

¹⁷ Jim Sack, “The Germans in Fort Wayne,” in *History of Fort Wayne & Allen County, Indiana*, 688.

stereotypes, which portrayed German Americans as hampered by political and religious conflicts between Lutherans and Catholics that often crossed from Germany to the United States.¹⁸ In general, German American Catholics strongly favored the Democratic Party, while German American Lutherans were not as cohesive. Fort Wayne historian Clifford Scott calculated that the city's population split roughly into thirds, with "one-third German Lutherans, one-third Roman Catholics (mostly German), and one-third Anglo Protestants of varied persuasions."¹⁹ Statewide, Catholic churches had almost three times as many members as the Lutheran churches.²⁰

While religion and politics may have caused some division among German Americans, cultural attacks on German lifestyle choices—including drinking and Sunday socializing—contributed to ethnic cohesion. Scott argues that Fort Wayne German Americans united in response to the Know Nothing Party's "advocacy of anti-Catholicism, public education, temperance, and restrictions on immigration and voting."²¹ He concludes, "During the culturally bloody 1850s, the Catholics and Lutherans had forged a reasonably solid Democratic coalition which . . . would prevail against the Anglo Republicans until the teens of the twentieth century."²² In Fort Wayne, German immigrants arrived over an extended period, for various reasons and from different locales in Germany. The diversity among German immigrants and the shared threat they felt towards their culture appeared to quell religious separatism. In the political realm, ethnic solidarity prevailed over religious differences.

Since German Americans in Fort Wayne strongly favored the Democratic Party, it is somewhat surprising to find that Thieme embraced the

¹⁸ Kathleen Neils Conzen, "Germans," in *Harvard Encyclopedia of American Ethnic Groups*, ed. Stephan Thernstrom (Cambridge, Mass., 1980), 421; Paul Kleppner, *The Cross of Culture: A Social Analysis of Midwestern Politics, 1850-1900* (New York, 1970); Walter D. Kamphoefner, "German and Irish Big City Mayors: Comparative Perspectives on Ethnic Politics," in *German-American Immigration and Ethnicity in Comparative Perspective*, eds. Wolfgang Johannes Helbich and Walter D. Kamphoefner (Madison, Wisc., 2004), 242.

¹⁹ Clifford Scott, "Dress Rehearsal for War," *Old Fort News* 74, no. 1 (2011), 1. Scott also mentions diversity that includes other nationalities.

²⁰ "Indiana Church Statistics," *Fort Wayne News*, April 4, 1901, p. 3, listed Catholic membership as 145,295, and Lutheran membership as 50,679.

²¹ Clifford Scott, "Hoosier *Kulturkampf*: Anglo-German Cultural Conflicts in Fort Wayne, 1840-1920," *Journal of German-American Studies* 15 (March 1980), 10.

²² Clifford Scott, "Assimilation in a German-American Community: The Impact of World War I," *Northwest Ohio Quarterly* 52 (1980), 154; Scott, "Dress Rehearsal for War."

Republican position on tariff protection during the critical 1888 election.²³ For Thieme, the McKinley Tariff's benefits outweighed any religious or ethnic political affiliation: "Because of my strong position as a protectionist, my drugstore became the headquarters for Republican 'McKinley-ites.'"²⁴ Social status could also have contributed to Thieme's attraction to the Republican Party. As Scott found, the local party attracted those interested in social respectability, and Thieme appeared to be an ambitious man seeking his fortune.²⁵ Prior to the passage of the tariff, Thieme decided to return to Europe, enthusiastic about the opportunities the tariff could provide. Although he had no manufacturing experience, his established foreign relations contributed to his sense of confidence that his endeavor would be a success.

BUILDING THE BORDER: MCKINLEY TARIFF, 1888-1891

While Thieme embraced the opportunities provided by the new tariff, the divisive issue dominated the 1888 American presidential election discourse, both nationally and in Fort Wayne. Democrats led by incumbent President Grover Cleveland campaigned to reduce the current 1883 protective tariff. Stressing the principle of equality before the law, Cleveland argued that American businesses no longer needed protection and that any tariff inevitably benefitted some industries and regions over others.²⁶ In opposition, Republican presidential candidate Benjamin Harrison from Indiana supported a tariff to protect American industries. The Republican Party platform forcefully stated: "We are uncompromisingly in favor of the system of protection. . . [Democrats] serve the interests of Europe; we will support the interests of America."²⁷ The national tariff debate captured two competing objects of American patriotism: domestic equality versus international stature.

Fort Wayne voters actively engaged in the 1888 tariff debate. The local papers prominently featured the discussion on their front pages and

²³ Scott, "Hoosier Kulturkampf," 10.

²⁴ Lockridge, *Theodore F. Thieme, a Man and His Times*, 38.

²⁵ Scott, "Hoosier Kulturkampf," 14.

²⁶ Grover Cleveland, "Fourth Annual Message (First Term) December 3, 1888," *The American Presidency Project*, eds. Gerhard Peters and John T. Woolley, <http://www.presidency.ucsb.edu/ws/?pid=29529>.

²⁷ "Republican Party Platforms: Republican Party Platform of 1888," *The American Presidency Project*, <http://www.presidency.ucsb.edu/ws/?pid=29627>.



Thieme was a drugstore owner before he ventured into hosiery manufacturing. Thieme's protectionist stance made his drugstore "the headquarters for Republican 'McKinley-ites'" prior to the passage of the McKinley Tariff.

From Ross F. Lockridge, *Theodore Thieme, a Man and His Times* (1942)

in their editorials. The content came from state and national news sources as well as from locally written editorials. The week before the election, the Democratic *Fort Wayne Sentinel* published several anti-tariff political cartoons by Thomas Nast on the front pages. One example featured an image of Uncle Sam with “tax” written across every article of clothing and on each item on the table next to him. The text at the top of the cartoon read, “Taxing the (60) Millions like Sixty for the Millionaires.”²⁸ The editor urged readers to “vote against legalized robbery,” highlighting the tariff’s association with greedy monopolists’ profits, higher consumer costs, and lower wages for the worker. Democrats also appealed to women consumers in hopes that they would influence male voters to oppose the tariff.²⁹

The Republican *Fort Wayne Daily Gazette* countered with examples of businesses that had developed under the protection of current tariffs. Editors warned of dire consequences should the act fail: “Our iron mines will close, the fires go down in the foundries, and the 200,000 men employed in them, together with the 1,000,000 women and children dependent on them, may seek other occupations or come to want.”³⁰ The Republicans’ appeal to women promoted the higher tariff as protection for families. By generating more jobs, increasing wages, and guaranteeing reasonably priced goods, the tariff would provide economic security. Both parties emphasized their allegiance to the worker.

The closely contested 1888 election concluded with Cleveland winning the popular vote and Harrison winning the electoral vote. Votes from swing-states New York and Indiana played a crucial role in Harrison’s victory (Harrison gained Indiana’s vote but not Fort Wayne’s).³¹ The Republican Party, which established control of both the House and Senate, succeeded in passing the 1890 Tariff Act, substantially increasing some tariff rates.³²

Internationally, the McKinley Tariff triggered anxiety and anger. After the tariff passed the House of Representatives, the U. S. consul in England noted, “There has been almost daily editorial protest in the local papers

²⁸ Thomas Nast, “Taxing the Sixty Million,” *Fort Wayne Sentinel*, November 1, 1888, p. 1.

²⁹ Rebecca Edwards, *Angels in the Machinery: Gender in American Party Politics from the Civil War to the Progressive Era* (New York, 1997), 72.

³⁰ “The Thread Tariff,” *Fort Wayne Daily Gazette*, October 30, 1888, p. 2; “British Competition,” *Fort Wayne Daily Gazette*, November 3, 1888, p. 2. These industries were not located in Fort Wayne.

³¹ G. Stanley Hood, “Political History of Allen County,” in *History of Fort Wayne & Allen County*, 295. In Allen County, Cleveland garnered 9,692 votes while Harrison received 5,456.

³² Richard Franklin Bensel, *The Political Economy of American Industrialization, 1877-1900* (New York, 2000), 473-78.

in regard to this measure.”³³ While the Senate debated the bill, more than 10,000 workers in Sheffield, England, protested its imminent passage. Sheffield exported over \$3 million worth of goods to the U. S. in the fiscal year ending September 30, 1890, with steel and cutlery as the two primary exports.³⁴ In the 1870s and 1880s, the American iron and steel industries had increased their ability to meet the needs of American manufacturers, but some items such as steel rails still cost more to produce in the U. S. than in England.

The tariff also set the United States at odds with European textile manufacturing areas. American consumers purchased the majority of their knit goods, particularly fine cotton stockings, from European manufacturers who produced a higher quality product.³⁵ In anticipation of the tariff, French and German manufacturers flooded U. S. markets with goods. Writing from Rouen, U. S. Consul Charles Williams noted that “great efforts were made at all of the European centers of the wool trade to inundate the American markets with their goods.”³⁶ City leaders in Chemnitz were acutely concerned. The American consul in Berlin noted that hosiery manufacturers in Chemnitz, who produced the majority of their goods for the American market, “managed to export vast quantities of merchandise to the United States before the laws took effect.”³⁷ In addition to fearing the loss of their largest market, Chemnitz manufacturers feared the arrival of American entrepreneurs.

Thieme’s appearance in February 1891 was exactly what the Chemnitz leaders dreaded. He recalled that “factories were guarded closely against visitors and spies, strangers at hotels were watched, and everything possible was done to prevent the confiscation of trade and manufacturing secrets which could be taken to the United States and used there for the

³³ Benjamin Folsom, “Sheffield-American Trade,” *Reports from the Consuls of the United States* (Washington, D. C., 1890), 412.

³⁴ *Ibid.*

³⁵ Taussig, *The Tariff History of the United States*, 166.

³⁶ Charles P. Williams, “Wool Industry of France,” *Reports from the Consuls of the United States*, 547-48.

³⁷ “Eighty per cent of all the knit goods manufactured at Chemnitz is bought by the United States” (p. 198). George S. Cole, *A Complete Dictionary of Dry Goods and History of Silk, Linen, Wool and Other Fibrous Substances*, rev. ed. (Chicago, 1892). House of Representatives, “Commercial Relations of the United States with Foreign Countries During the Years 1890 and 1891,” (Washington, D. C., 1892), 118. Chemnitz exported \$ 6,553,755.97 worth of cotton hosiery to the United States in 1890. Third quarter exports prior to the tariff totaled \$2,002,423; fourth quarter post-tariff exports dropped to \$1,169,890. W. H. Edwards, “German Exports to the United States,” *Reports from the Consuls of the United States* (Washington, D. C., 1891), 434.

manufacture of goods then being bought by us in Europe.”³⁸ Advised by Henry Merritt, the U. S. consul in Chemnitz, to be discreet, Thieme took on the fictitious identity of “Herr Gross” from Poland to avoid detection.³⁹ A local agent helped him set up an office at a hotel and arranged tours. Still in disguise, he visited knitting machine manufacturers and workers in the surrounding villages. In further conversation, Thieme noted that “I shed everything American, my name, country, etc.”⁴⁰ Thieme’s ability to adapt to German cultural norms as he crossed borders contributed to his success.

In addition to the assistance he received from the U. S. government, Thieme’s personal network helped him to succeed on his trip. Having conceived the journey without a specific industry or location in mind, he placed advertisements in major European newspapers in an attempt to identify opportunities.⁴¹ Ultimately, his German connections led him to the full-fashioned hosiery business in Chemnitz. While spending the holidays with relatives in Leipzig and Dresden, he received guidance on how to proceed from family friend (and former Fort Wayne resident) Henry Diederich, the U. S. consul in Leipzig.⁴² It was Diederich who directed Thieme to Chemnitz with a letter of introduction to Henry Merritt. Language skills gained in Fort Wayne, social skills learned while visiting family in Germany, political connections that originated in Fort Wayne, and direction from the U. S. State Department all assisted Thieme’s subterfuge as Herr Gross.

After his clandestine visit to Chemnitz, Thieme returned to Fort Wayne in February 1891, excited to share his plans with his family.⁴³ In an unpublished journal, Thieme recalled that his original intention had been to build the new hosiery plant in Philadelphia’s textile district because he felt Fort Wayne’s labor base would not support the mill he had in mind,

³⁸ Lockridge, *Theodore F. Thieme, a Man and His Times*, 43.

³⁹ *Ibid.*, 42-45. His disguise may not have fooled the astute but appeared to smooth his entry into machine factories and villages.

⁴⁰ *Ibid.*

⁴¹ *Ibid.*, 41.

⁴² “Register of the Department of State,” (Washington, D. C., 1922), 111. Originally from Pennsylvania, Diederich graduated from Fort Wayne’s Concordia College in 1866. He returned to Concordia College in 1873 as a pastor and professor of English, and served there until his 1899 appointment as consul to Leipzig. Thieme also attended Concordia College.

⁴³ “Home Again!,” *Fort Wayne Sentinel*, February 14, 1891, p. 8. Lockridge mistakenly dates Thieme’s return as June 1891 and the incorporation of the Wayne Knitting Mills as August 1891. Newspaper accounts place him in Fort Wayne in February, note the incorporation of Wayne Knitting Mills in April, a return trip to Germany from April to June 1891, and workers arriving from Germany in September 1891.

which depended on an ample supply of working women and girls.⁴⁴ In 1890, Allen County's population was 66,689; Fort Wayne's was 35,393. Of the 4,816 operatives employed in Allen County manufacturing, only 220 (4.57 percent) were female.⁴⁵ Thieme remembered, "Women in industry or in offices or stores were little used then."⁴⁶ In traditional German American families, fathers asserted authority over their wives and children. Compared to other immigrant groups, fewer German women entered the work force, and those who did avoided factories.⁴⁷

Thieme's family and friends urged him to locate his business in Fort Wayne. Henry C. Paul, the president of Old National Bank, quickly organized a group of potential investors to persuade Thieme to remain.⁴⁸ "He was sold on the idea as soon as he heard my story," Thieme remembered, "and insisted that it was my duty as a Fort Wayne citizen to locate in Fort Wayne."⁴⁹ At the time, Fort Wayne functioned as an agricultural distribution center with several large train yards. In January 1890, a proud year-in-review article in the *Gazette* noted that "the city has all the elements of a manufacturing centre. . . . There are scores of factories and shops which give employment to from five to fifty and one hundred hands."⁵⁰ Bass Foundry and Machine Company, the Pennsylvania Railroad, and Fort Wayne Electric Works each employed around 1,000 workers.⁵¹ Family and community pressure prevailed, and Thieme anchored his stocking business in Fort Wayne. Over the next thirty years, the composition of Fort Wayne's labor force would change dramatically. Led by Wayne Knit-

⁴⁴ Lockridge, *Theodore F. Thieme, a Man and His Times*, 52.

⁴⁵ Clifton Phillips, *Indiana in Transition: The Emergence of an Industrial Commonwealth, 1880-1920* (Indianapolis, Ind., 1968), 366; "Historical Census Browser." Allen County had the second largest population in Indiana. It ranked 4th in the aggregate amount of capital invested in manufacturing, and ranked 34th in the percentage of female manufacturing operatives (the state average of female operatives was 7.65 percent).

⁴⁶ Lockridge, *Theodore F. Thieme, a Man and His Times*, 52.

⁴⁷ Conzen, "Germans," 14, 417.

⁴⁸ Bert Griswold, "Builders of Greater Fort Wayne: A Collection of Portraits of the Men of Today Who Are Carrying on the Work of the Fathers in the Making of 'the Wonder City of Midwestern America,'" (1926), http://www.genealogycenter.info/search_builders.php. Paul's parents had emigrated from Germany. Like Thieme, Paul attended Concordia College. He organized the Horton Manufacturing Company in the late 1880s, and also served as president of Salamonie Mining and Gas Company.

⁴⁹ Lockridge, *Theodore F. Thieme, a Man and His Times*, 52.

⁵⁰ "Manufactories and Shops," *Fort Wayne Daily Gazette*, January 1, 1890, p. 5. Of the nine businesses featured, eight listed employees as men and one listed the employees as 'hands'. None mentioned women.

⁵¹ "Reid and the Wagemakers," *Fort Wayne Weekly Journal*, June 30, 1892, p. 4.

ting Mills' employment of women and girls, the proportion of women in the labor force increased more than five-fold by 1919.⁵²

Within two months of his return, Thieme filed articles of incorporation for Wayne Knitting Mills—a name that reflected his intent to establish an American business.⁵³ The members of the original investment group each pledged \$5000—roughly \$134,000 in contemporary value.⁵⁴ The board consisted of Paul as president, Charles Bash as vice-president, William Dreier as treasurer, and Thieme as secretary and manager.⁵⁵ William Bohn and G. C. Thieme completed the stockholder list. Paul and Bash had experience in several business ventures, having served as president of at least four companies between them; Dreier owned a drugstore.⁵⁶ The board included three second-generation German Americans, two Republicans, two Democrats, two Lutherans, one Catholic, and one Presbyterian. Despite their political and religious diversity, the board members shared a confidence in Thieme's ability to conduct business across borders in Germany. With funding in hand, Thieme left to purchase knitting machines and contract machine operators in Germany, where, as he recalled, "My knowledge of Germany and ability to speak German correctly, were of inestimable value."⁵⁷

Prior to the McKinley Tariff, only two or three full-fashioned hosiery

⁵² Bureau of the Census Department of Commerce, *Reports of the Fourteenth Decennial Census*, Volume IX (Washington, D.C., 1922), 379. The 3,990 women and girls constituted 24.41 percent of the labor force.

⁵³ "A Knitting Factory," *Fort Wayne Sentinel*, April 21, 1891, p. 1.

⁵⁴ Samuel H. Williamson, "Seven Ways to Compute the Relative Value of a U. S. Dollar Amount, 1774 to Present," www.measuringworth.com/uscompare.

⁵⁵ Bash was a prominent member of the Republican Party and the business community, but he was not a German American. He took over the family seed and produce business and was president of S. Bash & Company commission house. He also organized Salamonie Mining and Gas Company. Dreier was a prosperous drugstore owner, Civil War veteran, and member of the Catholic Church. He was born in Madison, Indiana, where his German-born father had moved to work on the railroad. Bert Griswold, *The Pictorial History of Fort Wayne, Indiana: A Review of Two Centuries of Occupation of the Region About the Head of the Maumee River*, vol. 2 (Chicago, 1917), 43-45, 146-47.

⁵⁶ Fred Reynolds, "Fort Wayne in 1900," *Old Fort News* 43, no. 1 (1980), 18.

⁵⁷ "An Important Industry," *Fort Wayne Sentinel*, June 22, 1891, p. 4; Lockridge, *Theodore F. Thieme, a Man and His Times*, 53.

factories existed in the United States.⁵⁸ The practical use of motorized flat-bed knitting machines developed in the 1880s. Tariff expert F. W. Taussig credited “the newly improved machinery, the use of which has not yet been introduced into this country,” for the large import of foreign cotton stockings even though “the raw material here is cheaper in the United States than abroad.”⁵⁹ In 1891, Seyfert and Donner, a Chemnitz company, owned the patent for the Beyer machine that could narrow and widen a stocking.⁶⁰ The production of full-fashioned hosiery in America required the purchase of such machinery from Europe and depended on the employment of technicians, with the best of both being found in Chemnitz.

Economic distress brought about by the McKinley Tariff aided Thieme’s worker recruitment efforts. Paul Göhre, a German theological student who spent three months as a laborer in Chemnitz during 1890, wrote of the threatening specter of the “M’Kinley Bill” and its disastrous effects on the region, particularly on the Chemnitz weavers “who were suffering real distress.” Göhre also noted that “among the weavers the number of the unemployed was constantly on the increase.”⁶¹ Observations of U. S. Consul-General W. H. Edwards in Berlin confirmed the strain. After describing wages “barely enough to support life under the most prosperous and favorable conditions of trade, where the wage-earner never had one favorable turn, never one break in the long hours of exhausting toil,” Edwards concluded: “Our tariff legislation has simply brought to the surface the intensity of the strain the laboring people of Germany have

⁵⁸ P. Harwood, “How the Fashioned Knitting Industry Started in the U.S.A.,” *The Hosiery Worker*, May 16, 1927. Lockridge claimed that “there was no establishment of full-fashioned knitting as an industry in America, until Theodore F. Thieme brought it at the beginning of the Gay nineties” (p. 49). He may have been referring to full-fashioned hosiery as a stand-alone business, because at least two other British based factories were built prior to Wayne Knitting Mills. Each had been added as a speciality line to an already successful general knitting mill. According to Harwood, by 1900, only six full-fashioned manufacturers existed in the United States.

⁵⁹ Taussig, *The Tariff History of the United States*, 166.

⁶⁰ “Virtual German Hosiery Museum: Motorized Flat-Bed Knitting Machines,” <http://deutsches-strumpfmuseum.de>; “About the History of Hand Flat-Bed Knitting Machines,” <http://www.german-hosiery-museum.de/technik/06flachstrickmaschinen/flachstrickmaschinen.htm>. The website includes an image of an 1890 flat-bed machine which strongly resembles the machinery in a 1914 image of the knitting room of Wayne Knitting Mills.

⁶¹ Paul Göhre, *Three Months in a Workshop, a Practical Study*, trans. A. B. Carr (New York, 1898), 9, 14, 66, 165.



Wayne Knitting Mills Pavilion, Louisiana Purchase Exposition, 1904.
 From Ross F. Lockridge, *Theodore Thieme, a Man and His Times* (1942)

heretofore been bearing.”⁶²

A 1900 report from the Commissioner of Labor supports Edwards’s observation. A comparison of hours and wages for weavers of hosiery and knit goods in Germany and Pennsylvania showed similar hours of work per week but lower wages in Germany. Citing an earlier German report the commissioner compared a daily wage range from \$0.48 to \$0.71 in Germany to a range from \$0.82 to \$2.00 in Pennsylvania.⁶³ An early re-

⁶² Edwards, “German Exports to the United States,” 435. Edwards served seventeen years in the foreign service. His first appointment came under Republican president Rutherford B. Hayes. He retired briefly when President Cleveland took office but accepted an appointment in 1885. President Benjamin Harrison sent Edwards to Berlin in 1889; at the time of his death, it was noted that “he enjoyed a high social position at the German capital.” As a Republican appointment, he would have been expected to support the tariff. “The Late Consul-General Edwards,” *Chicago Daily Tribune*, May 18, 1894.

⁶³ *Fifteenth Annual Report of the Commissioner of Labor: A Compilation of Wages in Commercial Countries from Official Sources* (Washington, D. C., 1900), 7: 1590. The analysts converted foreign money into the U. S. gold equivalent. The German data was collected from German reports, and in all years of direct comparison, German wages were lower. The last German report collected was in 1889, suggesting that weavers in Germany made less than weavers in the United States prior to the tariff. One should assume the figures do not include full-fashioned hosiery weavers.

port from Wayne Knitting Mills claimed that the plant paid “double and three times the amount of wages” earned in Chemnitz.⁶⁴ The McKinley Tariff contributed to the availability of Chemnitz workers and machinery as unemployed or insecure workers considered emigration, while anxious manufacturers faced dismal sales in a depressed domestic market.

After the April 1891 notice of incorporation, the local papers enthusiastically reported that the mills would be operational within three months and employ fifty operatives.⁶⁵ In August, the *Fort Wayne Sentinel* noted that Wayne Knitting Mills had secured a site on the corner of Main Street and Clinton Street. The announcement also disclosed, “Machinery and working hands are now on their way to America from Germany.”⁶⁶ On September 3, 1891, the Fort Wayne papers registered the arrival of eleven knitters from Germany. A few weeks later, family groups arrived.⁶⁷ While German weaving “was traditionally male-intensive,” the original group included at least one woman hired to train Fort Wayne women to do the finishing work; other female family members certainly had some experience, as well.⁶⁸ The *Fort Wayne News* eagerly predicted that “the little handful of German knitters who arrived today may be but the nucleus of a colony that shall number thousands within the next five years.”⁶⁹ Available accounts do not indicate initial resentment of the imported workers. After all, Fort Wayne had welcomed German families for sixty years. The new arrivals could expect an open embrace.

Even before Wayne Knitting Mills marketed its first stockings, Fort Wayne Republicans credited the McKinley Tariff for any future success.⁷⁰ As early as October 1891, local media predicted the mill’s achievements: “Under the admirable workings of the McKinley law, Fort Wayne prom-

⁶⁴ United States Senate Committee on Finance, “Cotton Manufactures,” *Replies to Tariff Inquiries* (Washington, D. C., 1894), 123.

⁶⁵ “A New Industry,” *Fort Wayne Daily Gazette*, April 21, 1891, p. 1; Lockridge, *Theodore F. Thieme, a Man and His Times*, 53; *Fort Wayne Sentinel*, April 21, 1891, p. 1. The first newspaper descriptions of the Wayne Knitting Mills did not mention where the workers would come from. The 1920 newspaper history states twenty-five rather than fifty employees.

⁶⁶ “The Knitting Mills: Quarters Secured,” *Fort Wayne Sentinel*, August 26, 1891, p. 1.

⁶⁷ “The Knitting Mill,” *Fort Wayne Weekly Journal*, September 3, 1891, p. 3; “Families Arrived,” *Fort Wayne Weekly Journal*, September 17, 1891, p. 8.

⁶⁸ Barbara Franzoi, *At the Very Least She Pays the Rent: Women and German Industrialization, 1871-1914* (Westport, Conn., 1985), 128.

⁶⁹ As found in Lockridge, *Theodore F. Thieme, a Man and His Times*, 54.

⁷⁰ Lockridge dated the market entry as January 1892. *Ibid.*, 57.

ises to become the hosiery center of the United States.”⁷¹ Despite local enthusiasm, the tariff continued to be a contentious political issue locally, nationally, and internationally. Anti-tariff groups described the duty as a tax that every American citizen paid on consumer goods. In November 1891, Fort Wayne’s Republican paper used the example of the Chemnitz hosiery industry to make a pro-tariff argument. An editorial claimed that Chemnitz manufacturers subtracted the duty from the selling price of hosiery to match costs with new American competitors by reducing profits and wages, as did “other manufacturing centers of Europe . . . dependent almost solely on the American market.”⁷² The article concluded that foreigners paid the duty while prices in the United States stayed the same.

CHALLENGING THE BORDER: MCKINLEY TARIFF, 1892

Less than six months after the workers’ arrival, excitement about the mills began to wear thin. In February 1892, local newspaper accounts revealed tension between Chemnitz and Wayne Knitting Mills, and indicated that some Fort Wayne residents resented the German workers. The *Staats-Zeitung*, Fort Wayne’s German-language paper, included letters from the Chemnitz Chamber of Commerce exposing questionable labor practices, such as unfulfilled promises of high wages. Lockridge claimed that the Chamber of Commerce was “intent upon placing every possible obstacle in the way of the newly threatening American competition.”⁷³ The letters from Chemnitz in the German-language papers demonstrate that new workers in Fort Wayne kept in contact with their German hometown. Nationally, many working-class Americans valued their own immigrant roots; however, they resented foreign laborers hired as strikebreakers and feared that the influx of new immigrants would oversaturate the labor market, resulting in lower wages and reduced bargaining power. In particular, organized labor opposed the importation of contract workers as unfree and unfair competition. In situations where workers were culturally or geographically isolated, labor

⁷¹ “Warsaw Times,” *Fort Wayne Daily Gazette*, October 22, 1891, p. 4. Originally published in the nearby *Warsaw Times*.

⁷² “Who Pays the Tariff on Merchandise Actually Purchased from Foreigners?,” *Fort Wayne Daily Gazette*, November 1, 1891, p. 4. The full-fashioned hosiery market pursued by Wayne Knitting Mills was still undeveloped. The tariff helped other American knit good industries that had struggled to compete with Chemnitz prior to the 1890 tariff, and it led to the development of other industries.

⁷³ Lockridge, *Theodore F. Thieme, a Man and His Times*, 63. There are no extant copies of Fort Wayne’s German-language papers from this time period. Both the Republican and Democratic papers carried articles from the German-language papers on occasion.



Workers in one of the mills' knitting rooms. Thieme's choice to use workers from Chemnitz, Germany, drew criticism both from Americans hoping to protect their jobs from foreign workers, and from successful German hosiery manufacturers fearful of losing workers to Thieme.

From Ross F. Lockridge, *Theodore Thieme, a Man and His Times* (1942)

agents controlled workers' employment decisions.⁷⁴ The Chemnitz workers in Fort Wayne lived in a community of shared culture and maintained ties to their homeland. Even though they arrived as contracted workers, they would organize and demand fair treatment in the labor conflicts to come.

The local editorial pages of the English-language press revealed the mixed reception of the foreign workers in Fort Wayne. The *Labor Herald*—the official organ of Fort Wayne's bipartisan Trades and Labor Council—accused Wayne Knitting Mills of violating immigration laws. The editor also charged that “Not a single American citizen, outside of its owner, has realized a copper. It is manned from cellar to roof with Germans imported especially for it, and every piece of machinery came from the same coun-

⁷⁴ Gunther Peck, *Reinventing Free Labor: Padrones and Immigrant Workers in the North American West, 1880-1930* (New York, 2000).

try.”⁷⁵ Meeting notices reveal the Trades and Labor Council advocated for the employment of union members; it appears they opposed the import of skilled non-union labor rather than the workers’ German nativity. In a few years, the weavers at Wayne Knitting Mills would be welcomed in.⁷⁶

In response to the *Labor Herald’s* accusations, the *Daily Gazette* countered that skilled workers did not fall under the labor law and predicted that Fort Wayne workers would “in a very short time . . . have learned the details of the industry.” It continued, “The city has secured the addition of a number of families, persons who spend their money here, who build up our city, who, in fact, become part of us.”⁷⁷ The dispute reveals two distinct opinions of the city’s foreign workers. The view expressed in the local labor paper and republished in the Democratic paper echoed the fears of alien labor competition that had contributed to the passage of the Alien Contract Labor Law. The pro-tariff view in the Republican paper welcomed the Chemnitz workers into a community already shaped by the influx of German families and eager to expand business opportunities.

As the 1892 presidential election neared, the tariff debate again filled front pages across the country. The Republican *Daily Gazette* continued to praise Wayne Knitting Mills and the tariff for producing stockings “equal to the best goods from Chemnitz” and for bringing “to the city new people, and plants.”⁷⁸ Wayne Knitting Mills’ success received national attention in the *American Economist*, a pro-tariff journal published by the American Protective Tariff League in New York. A letter submitted by Thieme extolled the mills’ success. In the first year of business, Wayne Knitting Mills increased its capital stock from \$30,000 to \$100,000, increased employment to eighty-one workers, built new factory buildings, and ordered additional machinery. Thieme unabashedly credited the tariff for the achievements: “We did not go into business for politics, but as a legitimate business venture, made

⁷⁵ “Fort Wayne Knitting Mills,” *Fort Wayne Daily Gazette*, February 4, 1892, p. 4. Quoted in the *Daily Gazette*. Most of the council’s member unions represented skilled laborers such as the Cigar Makers’ union, the Brotherhood of Machinery Molders, and the Plumbers’ union; however, the membership also included two Assemblies of the Knights of Labor, an organization that welcomed unskilled and semiskilled workers. The list included unions representing two heavily German industries in Fort Wayne—the bakers and the brewers.

⁷⁶ “The Democratic Adjunct,” *Fort Wayne Daily Gazette*, February 6, 1892, p. 3; “Laboring Men,” *Fort Wayne Daily Gazette*, April 9, 1892, p. 4; *Fort Wayne Weekly Journal*, June 30, 1892, p. 4; “Trades and Labor Council Met Last Night,” *Fort Wayne Sentinel*, March 14, 1891, p. 4; “Trades and Labor Council,” *Fort Wayne Sentinel*, July 31, 1891, p. 6; “Trades and Labor,” February 13, 1892, p. 4. Associated union members received copies of the *Labor Herald*.

⁷⁷ *Fort Wayne Daily Gazette*, February 4, 1892, p. 3.

⁷⁸ “Mckinley Bill Talk,” *Fort Wayne Daily Gazette*, November 2, 1892, p. 2.

possible and in fact offered to us or any other body of men or individuals by the present government through the McKinley bill.”⁷⁹ From Thieme’s point of view, the expense and risk of importing the industry from Germany required economic border protection from the United States government.

The letter generated discord among the Wayne Knitting Mills board of directors. The next day, President Henry C. Paul wrote his own letter to the editor criticizing Thieme’s actions as “wholly unauthorized, [and] without consent or knowledge of the board of directors.”⁸⁰ Paul, a Democrat, reprimanded Thieme for publicly discussing the company’s business details and for misrepresenting the Democratic investors’ opinions. He countered, “I feel compelled to say that the gentlemen interested in the Wayne knitting mills established the business with the hope of making it a success upon its own merits, and not for the purpose of getting aid from the government or anybody else.”⁸¹ In turn, the Republican *Gazette* poked fun at the Democrats’ discomfort for profiting from a business venture aided by the tariff.

The brief letter exchange also exposed international tension. Thieme’s letter accused the Germans of “enlist[ing] the co-operation of all Germany in their behalf, by using the powerful argument of ‘Love for Fatherland’ with their German relatives and friends on this side of the water in favor of abolishing this tariff.” According to Thieme, “It was the most daring attempt ever made by any foreign body of men to interfere in our election.”⁸² In February, the Republican paper had claimed that the workers “become a part of us”; however, in the final days of the 1892 election, Thieme’s letter suggests that German Americans received pressure from their homeland to put Germany first and vote as Germans in favor of tariff revision.

LABOR BORDERS: WORKER RESISTANCE

⁷⁹ “A Direct Result—a Factory Established Because of the McKinley Tariff Bill,” *Fort Wayne Daily Gazette*, November 4, 1892, p. 4. Published in the *American Economist* on October 28, 1892. Although Republican and Democratic papers across the nation announced the publication of the article, Republican papers also published the general aggregate results.

⁸⁰ “Card from Henry C. Paul,” *Fort Wayne Daily Gazette*, November 5, 1892, p. 4.

⁸¹ *Ibid.* Paul listed the other Democratic electors: John H. Bass, Oliver Morgan, William H. Dreier, and John C. Peters.

⁸² *Fort Wayne Daily Gazette*, November 4, 1892, p. 4. Voting requirements varied by state. In Indiana, aliens who had filed a Declaration of Intent could vote, but Clifford Scott’s research found that in Fort Wayne, some German immigrants were allowed to vote without filing intent. When Thieme refers to the attempts by Germans in Germany to influence their German relatives “on this side of the water,” he may be referring to U. S. citizens of German birth or heritage. In Fort Wayne, “Germans” included the German American population. Clifford Scott, “Fort Wayne German-Americans in World War I: A Cultural Flu Epidemic,” *Old Fort News* 40, no. 2 (1977), 4.

Wayne Knitting Mills faced many challenges in the early years: profit margins were slim, domestic markets needed to be developed, and technical difficulties had to be overcome. In a 1913 company newsletter, Thieme recalled the difficult start and frequent fears of bankruptcy: "We were broke and expected to close the plant almost anytime."⁸³ From its inception, Wayne Knitting Mills imported labor from Germany. Management expected the transplanted workers to combine their German technical proficiencies with American work ethics. When Thieme recruited workers in Chemnitz, he travelled to the outlying villages. Workers had machines in their homes and sent the product to the city for finishing and packaging. As these workers were accustomed to the home-based production process, conflicts soon arose over the pace and output of work when they started working at the mills. The workers' German output standards did not generate an American profit. In response, Thieme cut wages in an attempt to discipline the workers to adopt "American ways." It appears that their wage included a piece rate, and as the weavers learned to work faster, their earnings increased.

In 1895, the labor relationship broke down. At this point, the mills employed between 175-300 workers and still relied on skilled labor, largely from Chemnitz, to operate the machines.⁸⁴ On November 7, seventy-five machine operators walked out in response to a notice posted in the workroom about replacement needle costs. Previously, the mill had provided all needles, but now the workers had to pay for broken needles. As a group, the men broke 10,000 needles per week, or an average of 133 needles per person, per week. The needles cost the mill fifty cents per hundred, and the new rule required the machine operators to purchase them at twenty cents per hundred.⁸⁵ A pair of Wayne stockings cost about the same. An 1894 mill report to the U. S. Senate Committee on Finance claimed, "Men earn from \$12 to \$20 per week; women, from \$3 to 10." Needle replacement amounted to more than an hour's work for those making less than \$15, based on a fifty-eight-hour workweek. The report also estimated that yearly expenses for a family of five came to \$667.50. Assuming the weavers worked fifty

⁸³ Lockridge, *Theodore F. Thieme, a Man and His Times*, 61. Lockridge included excerpts from the May 1913 *Wayne Knit Ravlings*, "the new house organ of the mills."

⁸⁴ "Wayne Knitting Mills, Manufacturers of Full Fashioned Stocking and Half Hose," *Fort Wayne News*, July 11, 1895, p. 3. The newspaper article listed employees at 300. Lockridge noted that the mills employed 175 people in 1895, running twenty hours in three shifts. *Theodore F. Thieme, a Man and His Times*, p. 68.

⁸⁵ "Are Still Out," *Fort Wayne News*, November 8, 1895, p. 1.

weeks a year, which is unlikely due to summer plant shutdowns, those on the lower end of the wage scale did not earn the estimated yearly expense.⁸⁶

Immediate meetings between the workers and management failed to resolve the dispute. In a newspaper interview the next day, Thieme predicted that “the difficulty will be amicably settled and the force will go back to work this morning, or at least very soon.”⁸⁷ Due to the busy season, management had a strong incentive to solve the dispute. According to a July article, the plants operated “night and day.”⁸⁸

The next day, Fort Wayne’s Trade and Labor Council passed a resolution of support for the striking workers. The resolution noted the “oppression of the corporation” and the “oppressive and unjust rules.” The same evening, the striking workers met at Sängerbund Hall to form a union. The workers elected officers and made plans to immediately file an application for admission to the state Federation of Labor.⁸⁹ Fearing job loss, the officers kept their names secret, belying Thieme’s optimism. A newspaper account from Indianapolis noted that “an ugly feeling is present” and remarked that the strikers were foreigners.⁹⁰

Management and workers reached a resolution, but the strike resumed a few days later when the workers demanded the discharge of Albert Pike, a British citizen who had not joined the union. When Thieme refused, the workers walked out again. An unidentified owner told the *Fort Wayne News*, “When the men desire to dictate to us whom we shall retain in our employ and whom we shall discharge, I think they are making demands that are unreasonable.”⁹¹ The Democratic paper surmised, “It must be confessed that the outlook for peaceable solutions of the difficulties is not very encouraging.”⁹²

⁸⁶ “Cotton Manufactures,” 124. Lockridge mentions that Thieme published an affidavit of wages in 1892 or 1893 that placed wages for knitters in the \$9 to \$12 range. *Theodore F. Thieme, a Man and His Times*, p. 66. The 1894 report to the Senate mentioned that wages had recently been reduced ten percent. Both reports were made in defense of employment practices. Neither report indicates if the men paid for their own helpers.

⁸⁷ “On a Strike,” *Fort Wayne Daily Gazette*, November 8, 1895, p. 3.

⁸⁸ *Fort Wayne News*, July 11, 1895, p. 3.

⁸⁹ “Organized a Union,” *Fort Wayne Weekly Journal*, November 14, 1895, p. 2. The men formed the Knitting Mill Union Weavers.

⁹⁰ “General State News,” *Indianapolis News*, November 9, 1895, p. 1.

⁹¹ “Another Strike On. Union Men Refuse to Work with a Non-Union Man and Walk Out,” *Fort Wayne News*, November 12, 1895, p. 1.

⁹² “Another Hitch—the Knitting Mills Employes Again Strike,” *Fort Wayne Sentinel*, November 12, 1895, p. 3.



Women in the factory looping room. Women and girls did finishing work on the stockings and packaged them for shipping and display.

From Ross F. Lockridge, *Theodore Thieme, a Man and His Times* (1942)

At the beginning of the strike, the rest of the mills' departments continued to function. Women and girls did finishing work on the stockings and packaged them for shipping and display. During the turmoil, the union recruited girls to join their ranks. Some expressed interest but most took a wait-and-see approach.⁹³ In Fort Wayne, the small number of women employed in manufacturing did not come from a union tradition and had yet to develop a strong class-consciousness. Five years later, however, they would organize and join the Textile Workers' Union.⁹⁴

On November 14, Thieme announced the discharge of all the striking workers and offered to hire the machine operators back on an individual basis. A week later, the strike concluded with the men applying for their old jobs. According to reports, the strike had been "amicably settled" as a result of the men who had "grown tired of idleness."⁹⁵ More

⁹³ "Fort Wayne Daily Gazette, November 8, 1895, p. 3; Fort Wayne Sentinel, November 12, 1895, p. 3.

⁹⁴ "The Knitting Mill Girls," *Fort Wayne Journal-Gazette*, July 7, 1900, p. 3. In the early twentieth century, Germany had the overall highest number of organized workers in Western Europe but one of the lowest percentages of organized women. German women saw factory work as a temporary condition. Franzoi, *At the Very Least She Pays the Rent*, 145.

⁹⁵ "Paid Them Off," *Fort Wayne News*, November 14, 1895, p. 1; "It is All Off," *Fort Wayne Daily Gazette*, November 21, 1895, p. 4.

likely, Thieme's discharge of the workers, his refusal to negotiate with the union, and economic necessity broke the workers' resolve. Lockridge framed the situation in ethnic terms. He referred to the workers' "old Saxonian ways" versus the "New World situation."⁹⁶ His brief account of the strike only mentioned the needle replacement dispute and noted a source that claimed the workers argued paying for needles was "an unheard of thing in Germany."⁹⁷ On the other hand, the strike demonstrates that the German workers adapted to conditions in Fort Wayne. The day after they walked out, the weavers had secured the support of the Trades and Labor Council. They quickly organized as a union and knew to file an application with the state Federation of Labor. The weavers arrived under contract but did not acquiesce to management demands until pressed by economic necessity.

FINDING THE HOLES IN THE WALL

During the nineteenth century, organized labor grappled with questions about immigration restrictions. Should they accept foreign members of the workforce as part of the fraternal laboring class or protect their own tentative economic position?⁹⁸ The Knights of Labor (KOL) supported the 1885 Alien Contract Labor Law under the assumption that the unskilled labor recruited by agencies and padrones had signed employment contracts. The legislation prohibited individuals and businesses from entering into employment contracts with foreign laborers prior to their arrival in the United States. The law voided all illegal contracts and fined employers of contracted labor. Exceptions allowed employers to contract with skilled labor not available in the United States.⁹⁹ Terence Vincent Powderly, the Grand Master Workman of the KOL, exemplified the union struggle between "solidarity and survival." Although a strong advocate for including unskilled and semiskilled workers in the KOL, he actively supported the

⁹⁶ Lockridge, *Theodore F. Thieme, a Man and His Times*, 69. My future research will consider labor conditions and union organization in Chemnitz at this time. The May 1896 *Bulletin for the Department of Labor* reports on the condition of skilled trade. The March 1900 *Bulletin for the Department of Labor* includes the history of German labor legislation from 1807 to the then-current law of July 26, 1897.

⁹⁷ Lockridge, *Theodore F. Thieme, a Man and His Times*, 69. Lockridge cites the quote as from several newspapers. I have been unable to find the quotes. I suspect they are from the German-language press. Paying for replacement needles also caused an apprentice walk-out on June 6, 1900.

⁹⁸ Lane, *Solidarity or Survival?*

⁹⁹ Alien Contract Labor Law of February 26, 1885, 23 Stat. 332 (1885).

restriction of contracted labor.

Indiana congressional representative William Owen sponsored the 1891 Immigration Act that further limited contract labor. Section 11 defined advertisements that promised employment as a violation of the 1885 act and proclaimed: "Any alien coming to this country in consequence of such an advertisement shall be treated as coming under a contract." The 1891 revisions also established the Office of Immigration under the Treasury Department.¹⁰⁰ Owen served as the chairman of the House Committee on Immigration and Naturalization during the late 1880s and as the first Superintendent of Immigration from 1891 to 1893.

However, the U. S. was not the only country to use the Alien Contract Labor Law to protect its interests. On May 24, 1898, two German weavers, Ernst Thierfelder and Richard Becher, landed in the New York Harbor on the *Königin Luise*, a ship bound from Bremen. They found their passage to Fort Wayne delayed by a complaint from a business rival, purportedly a Chemnitz hosiery manufacturer, who alleged that the workers had violated the Alien Contract Labor Law.¹⁰¹ When questioned, the men admitted that they were under contract with Fort Wayne Knitting Mills. Without intervention, this admission would have led to their expulsion. Additionally, the mills could have been fined \$1,000 for each man and required to return at their expense any workers who had unlawfully entered the United States during the past year.¹⁰² The potential consequences for the company's ability to secure the necessary skilled machine operators were significant.

The enforcement of the Alien Contract Labor Law fell to Terence Powderly, the Commissioner General of Immigration. Labor had taken a strong interest in the appointment of this position specifically because of its enforcement authority.¹⁰³ Powderly, the former Grand Master Workman of the Knights of Labor, had played a critical role in the passage of the 1895 act; however, he was unhappy about the exceptions the law provided for skilled workers.¹⁰⁴ When he applied for the commissioner position,

¹⁰⁰ Immigration Act of March 3, 1891, 26 Stat. 1084 (1891).

¹⁰¹ "Knitters Can Now Begin Work," *Cincinnati Enquirer*, June 30, 1898, p. 3; Lockridge, *Theodore F. Thieme, a Man and His Times*, 70. Newspaper sources mention an unidentified business rival, but Lockridge specifies the complaint originated with Chemnitz hosiery manufacturers.

¹⁰² Immigration Act of March 3, 1891, 26 Stat. 1084 (1891).

¹⁰³ Craig Phelan, *Grand Master Workman: Terence Powderly and the Knights of Labor* (Westport, Conn., 2000), 259-60.

¹⁰⁴ Vincent J. Falzone, *Terence V. Powderly, Middle Class Reformer* (Washington, D. C., 1978), 179.

Powderly appealed to Indiana senator Charles Fairbanks, the chairman of the Senate Committee on Immigration.¹⁰⁵ Indiana secretary of state William Owen sent a letter to President William McKinley praising Powderly's involvement in forming the current immigration laws and recommended him as "a thorough protectionist."¹⁰⁶

Cincinnati immigration inspector Henry Alexander travelled to Fort Wayne to investigate the situation. After receiving Alexander's report, Powderly asked for additional information and telegraphed Fort Wayne to ascertain the labor position. The Knights of Labor and the Trades and Labor Council inspected the mill facilities and sent Powderly reports. At some point in the process, Thieme and his attorney H. C. Hanna journeyed to Washington to present their case before Powderly. After consideration, Powderly ruled in favor of the company. Local papers noted that the decision rested on the Section 5 exception in the Alien Contract Labor Law, which allowed for the entry of skilled contract labor for employment in a new industry. Although by this time Wayne Knitting Mills had been in operation for seven years, the ruling recognized "there were no workmen obtainable in the United States who could operate the machines which had originally been imported from Chemnitz, Germany."¹⁰⁷ The McKinley Tariff had contributed to the establishment of a new American industry that remained dependent on foreign labor, and the Alien Contract Labor Law had proven to be an ineffective labor wall.¹⁰⁸

Although Wayne Knitting Mills prevailed in the case, the episode took an interesting twist when Fort Wayne workers filed suits against the company, recognizing that the ruling imputed validity to their verbal contracts. Similar to the Chinese immigrants in California who legally challenged the application of the 1882 Chinese Exclusion Act, disgruntled German workers in Fort Wayne exploited the American legal

¹⁰⁵ Terence Vincent Powderly to Charles W. Fairbanks, February 16, 1898 in *The Papers of Terence Vincent Powderly*, reel 70. Powderly refutes questions about his loyalty to the Republican Party. Powderly and Fairbanks appear to have developed a warm relationship. Fairbanks signs a 1902 letter, "Wishing you success always, I remain faithfully your friend" and a 1903 letter, "As ever your friend."

¹⁰⁶ William Owen to President McKinley, June 11, 1897, *ibid.*, reel 81.

¹⁰⁷ "Knitters Come In: Mr. Powderly Rules in Favor of the Wayne Knitting Mills," *Fort Wayne Sentinel*, July 1, 1898, p. 1.

¹⁰⁸ *Ibid.*, 2; *Cincinnati Enquirer*, June 30, 1898, p. 3; "Alien Contract Laborers: Fort Wayne Company Exonerated from Blame in Bringing Them Here," *Fort Wayne Daily Gazette*, July 1, 1898, pp. 3, 9; "Knitting Mills Exonerated," *Fort Wayne News*, July 1, 1898, p. 1; "Release Ordered by Powderly," *The Telegraph* (Alton, Ill.), July 1, 1898, p. 4.

system to protect their rights as American employees. In January 1899, two men filed claims against Wayne Knitting Mills. Clemens Kohlsdorf accused the company of violating the verbal contract that had been agreed upon in Germany, claiming that Wayne Knitting Mills had agreed to pay his expenses from Germany, to provide him steady employment, and to pay his expenses home if he desired to return. In 1898, the company discharged Kohlsdorf without complaint of his services, without wages, and without expenses home. Kohlsdorf asked for a judgment of \$1,000 for damages and relief. The court returned a verdict in favor of Kohlsdorf but for a lesser amount.¹⁰⁹ Robert Posern took a different approach, arguing the mills owed him \$1,500 in damages under the Indiana statute that prohibited a business from paying a worker's transportation costs. He also prevailed.¹¹⁰

During the same period, Wayne Knitting Mills sued two workers who had tried to leave town without completing their contractual obligations. Herman Schwind and Gustav Ritter were arrested at 3:00 a. m. on February 4, 1899, as they prepared to board a train to Philadelphia for employment at a mill there. Neither appeared to qualify as a skilled worker, yet Wayne Knitting Mills demanded repayment of their travel expenses. Schwind and Ritter's attorneys informed the newspapers that the contracts were in violation of the Alien Contract Labor Law. If the workers were unskilled, the company could not argue that the contract was valid, and it risked a fine. The company responded by claiming that "after the arrival of the defendants in America new implied contracts were entered into and under these newer contracts they [Wayne Knitting Mills] can recover money advanced." The judge sustained the company's response. The *Daily Gazette* criticized the judge's decision noting it "practically makes the alien contract labor law null and void, should it be sustained by a higher court." It continued: "Under the decision a laborer can be brought into the United States under contract, and be put to work here after his arrival under a new contract, written or oral,

¹⁰⁹ "Clemens Kohlsdorf Vs. Wayne Knitting Mills and Karl Schlatter," file 6095, roll 614-2, Allen County Superior Court, 1899, Records Management Division, Allen County Court House, Fort Wayne, Indiana (hereafter cited as Allen County Superior Court records); "Test Suit for Wages Will Be Tried Tomorrow," *Fort Wayne Sentinel*, January 24, 1899, p. 1; "Against the Company," *Fort Wayne Daily Gazette*, January 30, 1899, p. 6.

¹¹⁰ "Here Is Another," *Fort Wayne Sentinel*, February 3, 1899, p. 1; "Posern Vs. Wayne Knitting Mills," roll 614-2, file 6170, Allen County Superior Court records. Posern court records are incomplete.

and afterward can be held liable for the provisions of the original contract.¹¹¹

The resolution of this case is unclear. The defendants prevailed but Wayne Knitting Mills appealed to the circuit court and asked for a change of venue. The *Daily Gazette* predicted the law's constitutionality would "doubtless be tested." It seems doubtful that the ruling for the defendants would have been overturned; however, if it had been, the company would have found a loophole to import unskilled contract labor.¹¹² The cases dropped from the pages of the local papers, suggesting that the parties reached a settlement.

CHEMNITZ ATTEMPTS TO PLUG THE HOLES

Two years after the weavers' case, conflict with Chemnitz once again returned to the front page of the local news. The district of Chemnitz continued to protest the emigration of its skilled workers. In 1898, an agent from Wayne Knitting Mills had travelled to Germany to encourage other small manufacturers to transport their businesses to Fort Wayne. A 1916 souvenir brochure mentions that the agent offered "necessary financial assistance." The publication continues, "Two complete plants with skilled operatives were brought over and installed. . . . Their output, which was quite large and of a superior quality, was sold through the Wayne Knitting Mills."¹¹³ At the time, Wayne Knitting Mills kept the negotiations secret. The *Fort Wayne News* announced the plan in September 1898 on the day the plants shipped from Chemnitz. According to the account, "This will be a surprise in business circles, as the matter has been kept very quiet."¹¹⁴ It is likely that Wayne Knitting Mills was in negotiation with the German capitalists who owned the plants during the court case earlier in the year. A different outcome would have prevented the immigration of future weavers and derailed the agreement.

¹¹¹ "Decision Rendered," *Fort Wayne Daily Gazette*, February 10, 1899, p. 5.

¹¹² "Were Going Away: Wayne Knitting Mills Capiased Two Former Employe[e]s," *Fort Wayne Sentinel*, February 4, 1899, p. 1; "Workmen Are Capiased: Two Former Employes of the Knitting Mills Are Arrested," *Fort Wayne Daily Gazette*, February 5, 1899, p. 4; *Fort Wayne Daily Gazette*, February 10, 1899, p. 5; "Carried to Higher Courts," *Fort Wayne Daily Gazette*, February 11, 1899, p. 6; "Philemon Colerick, George Cummerow Vs. Wayne Knitting Mills, Herman Schwind," 1899, file 7827, roll 607-2, Allen County Superior Court Records.

¹¹³ *Souvenir of the Twenty-Fifth Anniversary: Wayne Knitting Mills, Fort Wayne Indiana, 1891-1916* (Fort Wayne, Ind., 1916).

¹¹⁴ "Two Big Plants: Fort Wayne to Become Chemnitz of America in the near Future," *Fort Wayne News*, September 16, 1898.

On May 4, 1900, an Associated Press report from Berlin noted the complaints made by German papers including the Munich *Allgemeine Zeitung*. The papers accused Wayne Knitting Mills of hiring “a large number of Chemnitz knitters, on a binding contract for \$3,000 each.” Additionally, the German papers demanded “interference by the German authorities, claiming that such methods are illegal.”¹¹⁵ In 1900, German labor agreements between employees and employers were voluntary. Either party could dissolve the agreement by giving a fourteen-day notice. German law held employers liable for damage if they persuaded a worker to break a contract or employed someone who was under contract.¹¹⁶ Therefore, it appeared that Wayne Knitting Mills was guilty of violating German law.

The next day, Thieme responded via an interview with the *Journal-Gazette*. He denied any wrongdoing since Wayne Knitting Mills negotiated with the factories and not the workers. “We simply bought two plants, and the employes [sic] came over here.” Thieme praised the “wise provision” in the contract labor law, which allowed businesses to import skilled labor not available in the United States. Furthermore, he blamed German laws and industrial conditions for the Chemnitz concerns:

As to the complaint of Chemnitz manufacturers, we consider this perfectly just. If they choose to allow American agents to invade their beautiful city and carry off their best labor, they must take the consequences. If labor conditions over there make it desirable for artisans to better themselves, who will stop them from emigrating to this or any other country?¹¹⁷

Thieme viewed the workers in Chemnitz as international economic free agents. Despite the beautiful city they lived in, they would cross borders to find the most desirable location for their employment. His confidence in Wayne Knitting Mills led him to conclude, “It would be as sensible to talk of the mills at Chemnitz sending an agent to Fort Wayne as for the

¹¹⁵ “Ft. Wayne Concern May Cause Action by German Imperial Authorities,” *Fort Wayne Journal Gazette*, May 4, 1900, p. 1. The Berlin newsfeed was dated May 3.

¹¹⁶ W. F. Willoughby, “Foreign Labor Laws: Germany,” in *Bulletin of the Department of Labor*, ed. Carroll Wright (Washington, D. C., 1900), 328-29.

¹¹⁷ “Mr. Thieme Talks,” *Fort Wayne Journal-Gazette*, May 5, 1900, p. 4.



Wayne Knitting Mills, 1906. Although their success rested on national legislation and international workers and machinery, a 1920 article described Wayne Knitting Mills as a “purely Fort Wayne institution.”

From Ross F. Lockridge, *Theodore Thieme, a Man and His Times* (1942)

local mills to send to Germany at the present time.”¹¹⁸ Nevertheless, he also mentioned that they would rely on their three-year apprenticeship for American boys to supply future labor needs.¹¹⁹

Wayne Knitting Mills continued to grow. A 1920 newspaper article celebrating the company’s success described a progressive work environment. The company built a clubhouse featuring a dining room, recreational activities, clubs, and athletic groups. The welfare department provided university extension classes and a continuation school for the boys and girls working there. A nurse staffed the dispensary, and workers had access to a cooperative benefit society and old age pensions. The celebratory account of the company’s first years mentioned Thieme’s trip to Chemnitz but did not mention the German equipment, the German workers who operated the machines, or the strife between Chemnitz and Fort Wayne. The paper also failed to mention the incentive of the McKinley Tariff. Instead, it simply stated, “This was . . . at a time when men in different parts of the country were visiting Europe and inducing industries of various kinds to locate in America.”¹²⁰

¹¹⁸ “Don’t Need Chemnitz: Manager Thieme, of the Wayne Mills, Denies a Report from Berlin,” *Fort Wayne News*, May 4, 1900, p. 4; “German Knitters Protest,” *Fort Wayne Sentinel*, May 4, 1900, p. 4.

¹¹⁹ *Fort Wayne Journal-Gazette*, May 5, 1900, p. 4.

¹²⁰ *Fort Wayne Journal-Gazette*, April 11, 1920, p. 8.

The article concluded that Wayne Knitting Mills “is known the country over, [and] is a purely Fort Wayne institution.” Considering the recent end of World War I, it is not surprising that German connections were left out of the article; however, to claim Wayne Knitting Mills as a “purely Fort Wayne institution” erased the significance of the national legislation that protected the mills in the early years, as well as the international equipment and workers that were necessary for production. The history of Wayne Knitting Mills not only demonstrates the entangled political, economic, and cultural connections that brought one man’s vision to national attention and international debate, but it also highlights the strengths and weaknesses of protective economic borders.

Wayne Knitting Mills is more than a Fort Wayne institution—it is an example of how the complex global economy of the late nineteenth century reached a largely rural state in the Midwest and transformed a small, but growing city.

