

## REAL AMERICAN HEROES

### *The Story of George F. Johnson*

BY CHRIS TEMPLE

(We live in an age today when sports figures, Hollywood stars--and even assorted degenerates in the "entertainment" industry--are held up to America as heroes and role models. In this series, we choose instead to honor truly Great Americans--many of them long since forgotten--who in my view are Real American Heroes.)



A few words from one of the greatest leaders in American industrial history: "The hope of the world lies in progress and constant improvement. We look with confidence into that future- rapidly approaching- when all may have a more equal share in the good things of life, when the rights of humans are more sacred than the rights of dollars, when ill will be the same vice -and the same crime- whether committed in broadcloth or in rags."--George F. Johnson, circa 1919

The Endicott-Johnson Shoe Company, headquartered in the Southern Tier of Upstate New York, was for decades the largest shoe manufacturer in America. Almost single-handedly, in fact, this former industrial giant equipped the U.S. armed forces in both World War I and World War 2. Its workers were well paid and well cared for even in the Great Depression. In fact, the thousands of workers employed by "E-J" were so well-treated--and the company's owner and patriarch, George F. Johnson, was so well-loved by all--that company employees repeatedly rebuffed outside attempts to unionize them, even in the tough 1930's.

Binghamton. Though the company fell on hard times due to previous mismanagement and its aging ownership, young Johnson stood out not only as a talent at what he did, but as a visionary who wanted to build the ideal company.

The hard times of the 1890's caused Lester Brothers to borrow heavily from a man named Henry B. Endicott of Boston, an industrialist and investor. Endicott saw the need to come to Binghamton personally to more closely supervise his investment.

He immediately saw in the younger Johnson an energetic, honest, forward- looking man who would one day not only put the company back on its feet, but make it prosperous. Johnson eventually worked--and then purchased--his way to being a co-owner of what became Endicott-Johnson Shoe Company. Such was Johnson's success in building perhaps the greatest, and certainly the most noble, company in American history, that Endicott even financed Johnson's entire purchase himself.

Years later, in recounting this time and his vision to author William Inglis for his 1935 book, *George F. Johnson And His Industrial Democracy*, Johnson said: "From the time I was 20 years old--yes, from the time I was 18--my picture of a real factory was the shop out in the open country, with the homes around it in a little village. Then the men and their families could have gardens, could get fresh air and the sun, and bring up their children decently, away from the crowded city."



A monument to George F. Johnson overlooks the fields of Binghamton's Recreation Park. Two of Johnson's trademark principles are inscribed on each side: "Have Faith in the People," and "Labor is Honorable." The center carries the inscription, "GEORGE F. JOHNSON---Erected by an Appreciative Community to the Nobility of his Character and his Great Benefactions to the People---1923.



Your Home Library--located on Main Street in Johnson City, NY--is one of many built for the community by George F. Johnson. The first floor contains a small museum for the Endicott-Johnson Company.

## VISIONARY EMPLOYER

Over the years, Johnson built his dream into a reality--but not without the help, labor and undying gratitude and loyalty of tens of thousands of workers. He thought of and treated his laborers as his friends--and his equals. Johnson abhorred the practice of treating labor as merely a commodity. He himself owned a modest home among those of his workers, many of which were built by the corporation and sold to them quite often at a loss to the company.

Johnson, and later his son and nephew who worked their way up to management positions, socialized as equals with the workers. In fact, it is a proud part of this writer's own family

history that a favorite rendezvous place of "George F." as he was known, and of many of the E-J workers during Prohibition, was the basement still of my Great-Uncle "Mickey." His sister--my paternal grandmother--also worked as a nurse in one of the area hospitals built by George F. Johnson. Long before Hillary Rodham Clinton was a gleam in her father's eye, in fact, Johnson gave free health care to his grateful employees and their families.

Johnson built a virtual paradise for those in the Southern Tier of New York. Workers also came from outlying areas, even northern Pennsylvania, to be part of an "Industrial Democracy" unmatched in American history. Over an area of six hundred square miles grew a system of comfortable homes, factories, hospitals, libraries, playgrounds, parks, golf courses, concert halls, and more.

This system was the realized vision of a man unique in industrial history; a man who donated unknown millions of his own dollars to make life happy for his workers. In 1919, E-J became one of the first companies in America to create a profit-sharing plan for its employees. One of the many items donated by Johnson was a tract of land on the west side of Binghamton which became "Recreation Park," complete with a carousel, tennis courts, pool, bath house and more. This writer spent almost every summer day at this park.



Unlike the row houses built by companies in other factory towns, the Endicott-Johnson Company built for its employees beautiful homes fit for a family, usually complete with yards and garden plots. E-J workers were able to buy these homes from the company.



Two "Workers' Arches" stand as living testimony to a time when labor and capital lived in harmony and prospered. One reads, "Home of the Square Deal," a tribute to George F. Johnson's desire to give a square deal to his employees, who saved pennies and nickels from their pay to build these and other area monuments to Johnson.

## A FAIR PARTNERSHIP WITH LABOR

While the mid-1930's saw labor unrest explode throughout America, E-J prospered because Johnson realized an important principle: shareholders of his corporation would not receive a dime in dividends without the labor of workers. Johnson constantly preached publicly, and in many of his regular letters and postings to the employees, his undying belief that stockholders benefited more by treating laborers fairly than by trying to simply squeeze as much profit as the workers would tolerate without a mutiny.

"My mind goes back to the time when labor was a commodity," Johnson wrote to his workers on February 22, 1937, "and capital bought it in the lowest market, as if it were hides, leather or raw cotton. It was not what labor was honestly worth. It was what labor could be purchased for.

"We would say in contradiction to [Henry] Ford's statement: quoting Labor should never join a labor organization --(that) labor should join an organization that has for its objective the improvement of conditions for labor when and if capital grows too greedy and makes it impossible for labor to get their fair share of what really belongs to them--the common results of harmonious relations between labor and capital.

"We feel we are justified," Johnson continued, "in saying that Endicott-Johnson has established a true union --a union of interests . . . We like our union the best; feeling that both interests, stockholders and workers, best protect themselves by the E-J methods... What we want is a square deal all around. Having received it, we should be glad and happy to return it."

E-J workers knew that if any among them fell on hard times, was disabled, had a medical crisis or other calamity befall them, they would draw a check or have their needs met. In addition, they received wages 30 percent higher than what was available in other shoe factories, and received annual profit-sharing distributions which, in many of the better years, amounted to 50 percent of each worker's annual pay.

Unfortunately for stockholders and workers, the government wasn't included in this union. Eventually, the government--prodded by big corporations--made it advantageous for large shoe makers to move their manufacturing base out of this country to foreign sites where labor is cheap and government-mandated health and safety requirements are non-existent. This brand of "free trade" has since resulted not only in the death of the Endicott-Johnson Company, but of other once-great American companies whose loyalty to their workers is deemed by "the market" today as archaic.

At its zenith, The Endicott-Johnson Company was the largest manufacturer of footwear in the United States, employing 24,000 workers, and selling its products through retail outlets in 30 states. 175,000 pairs of shoes were made *each day*, by workers who were at ease and happy with their tasks and their lives; workers who were each able to live the American Dream because of the vision, goodness and philanthropy of one man.

When people in my office on occasion ask me what I have against "free trade," I immediately point to a portrait of George F. Johnson which hangs on the wall beside my desk, and I tell them the story of the greatest company--and the greatest man-- in American industrial history.

***VIDEO HISTORY OF THE  
ENDICOTT-JOHNSON COMPANY AVAILABLE***

A two-hour professionally-produced documentary on the history of the Endicott-Johnson Company has been made available for our readers through The Foundation for American Renewal. This moving work goes into great detail on the accomplishments of George F. Johnson in building perhaps the greatest company in U.S. history.

The video is available for a *tax-deductible* contribution of \$30 or more; send your payment to:

Foundation for American Renewal

Attn: Johnson Video

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