This is Your Hometown:

Collective Memories, Industrial Flight, and the Fate of Freehold, New Jersey

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When the A. & M. Karagheusian Company began shutting down its rug mill in Freehold, New Jersey in the late 1950s, hundreds of workers joined the ranks of the city's unemployed, a cohort which already included a quiet, troubled man named Douglas Springsteen. Unlike the mill employees, Douglas was no stranger to joblessness. He had quit high school after one year to take a job at the rug mill, enlisted for World War II on his eighteenth birthday, and lived off of his veteran's benefits following his return from Europe. He met and married Adele Zerilli in 1947 but over the course of the next two decades proved unable to hold down consistent employment. He worked stints in a nearby plastics plant, as a taxi driver, and as a prison guard but spent a preponderant amount of time in local bars. A legal secretary, Adele provided the only stable income for their three children, only one of whom moved with the couple to California in 1969, just a few years after the doors closed at the mill for the final time.<sup>1</sup>

Bruce Springsteen did not want to grow up to become like his father. Spurning both education and blue-collar labor, Bruce worked at music instead, signing a contract with Columbia Records in 1972. After two slow-selling, critically acclaimed albums, he found commercial success with *Born to Run* (1975), *Darkness on the Edge of Town* (1978), and *The River* (1980), albums whose lyrics focused on the tribulations of working-class life and pursuit of the "runaway American Dream." During his 1980-1981 tour Springsteen developed a more refined political consciousness as he began to consider the effects of political, economic, and social forces on blue-collar Americans. "When I was a kid," he told one audience in 1981, "all I remember was my father worked in a factory, [and] his father worked in a factory. And the main reason was because … they didn't know enough about themselves, and they didn't know enough

<sup>&</sup>lt;sup>1</sup> Peter Ames Carlin, *Bruce* (New York: Simon and Schuster, 2012), 3-5, 8-11, 14-16, 60; Craig Statham, *Springsteen: Saint in the City*, 1949–1974 (London: Soundcheck Books, 2013), 4-5, 74.

about the forces that controlled their lives."<sup>2</sup>

As he sat down to write new material at the end of 1981, Springsteen did not shy away from singing about characters like his father, losers in the capitalist system in a world that confiscated every "Reason To Believe," as one track title claimed. Among the songs he penned was "My Hometown," a combined biography of Douglas, Bruce, and Freehold. In it, a son recalls being driven by his father through their hometown as well a 1965 race riot at his high school. The singer assesses the current state of his hometown, explaining that the stores on Main Street have closed and the local "textile mill" is closing down: "Foreman says these jobs are going boys and they ain't coming back to your hometown." In the final verse, the protagonist, now with a wife and child of his own, considers moving his family to the South. Before doing so, he takes his son on a drive through town, thereby repeating the ritual he formed with *his* father and grounding the familial male lineage within the spatial confines of his hometown.

On November 21, 1985, "My Hometown" was released as a single, the sixth such issue from Springsteen's blockbuster 1984 album *Born in the U.S.A.* Of all of the album's singles, this one was undoubtedly the timeliest. Earlier that month, the Minnesota Mining and Manufacturing Company (3M) announced that it would be shutting down its audio-visual tape plant in Freehold the coming spring and that it would be laying off almost all of the plant's 350 employees. As workers prepared to campaign to keep the plant open, a local union leader heard "My Hometown" and reached out to Springsteen, hopeful the rock star would empathize with bluecollar workers in Freehold. Springsteen agreed, lending his name and his wallet to the union campaign.

He also lent his voice. At a benefit concert that January for the 3M workers Springsteen

<sup>&</sup>lt;sup>2</sup> Dave Marsh, *Bruce Springsteen: Two Hearts: The Definitive Biography, 1972-2003* (New York: Routledge, 2004), 299.

took the stage at a bar in nearby Asbury Park and gave his thoughts on 3M's obligation to its employees and to Freehold:

I think that the marriage between a community and a company is a special thing, that it involves a special trust ... What do you do when, after 10 years or 20 years, you wake up in the morning and you see your livelihood sailing away from you[?] ... What happens when the jobs go away and the people remain? ... What goes unmeasured is the price that ... unemployment inflicts on people's families, on their marriages, on the single mothers out there trying to raise their kids on their own. Now, the 3M Company: it's their money and it's their plant but it's the 3M workers' jobs. And I'm here tonight to just say that I think that, after 25 years of service from a community ... there's a debt owed to the 3M workers and to my hometown.

To no one's surprise, a rousing rendition of "My Hometown" followed, a choice that indicated the enduring memory of the Karagheusian departure nearly 25 years after the textile plant had closed down.

This essay takes up the case of Freehold, New Jersey to study the relationship between a community and the companies that shape the economic wellbeing of its blue-collar citizens. Specifically, I examine the arrival and departure of two facilities that defined Freehold's experience with industrial capitalism in the twentieth century. Karagheusian opened its mill in Freehold in 1904 and served as the city's economic lifeblood before its departure for North Carolina between 1957 and 1961. The same year the mill ceased production in Freehold, 3M opened its second plant in the area. 3M's plants did not have the cultural or economic significance of the mill, but they did offer hundreds of jobs at a time when the city was desperate for sources of employment.

The reasons for Karagheusian and 3M's departures subvert common explanations of deindustrialization. The historical narrative championed by Jefferson Cowie, Timothy Minchin, Bruce Schulman, and Thomas Sugrue, among others, argues that capital flight occurred throughout the post-World War II period because companies sought to relocate their facilities away from the unionized northeast where workers had developed a sense of ownership over their jobs and, correspondingly, come to expect a high set of wages and benefits. While many of these

authors acknowledge other factors that contributed to the decisions to decentralize production, this narrative maintains that, given the increased ease of interstate transport, racial issues in northern cities, the increased profitability of automated production, the rise of the southern-dominated military industrial complex, as well as beneficial federal and state tax policies in the postwar period, American corporations relocated from the Rust Belt to the Sun Belt so that management could exert its control over labor costs and standards of production without the interference of labor organizations.<sup>3</sup> This thesis remains very valuable. The desire for cheap labor provided an important impetus for Karagheusian's departure and both companies relocated from Freehold to areas where they could operate non-unionized plants.

However, quantitative studies of plant closings have not found conclusive correlation between active union presence and capital flight.<sup>4</sup> Thus, I contend that labor costs represented one of many factors that prompted industrial flight from Freehold. Though workers had organized at both factories, unions in Freehold rarely challenged their company's production plans in the postwar period. Karagheusian workers had a brief period of spirited labor activism in the 1930s but by the early 1950s were far more accommodating to Karagheusian than other locals or their national union. 3M workers proved compliant employees too, making only one concerted, ultimately unsuccessful demand on the company in the plant's 25 years of operation.

<sup>&</sup>lt;sup>3</sup> This thesis has had wide currency in studies of deindustrialization and American manufacturing. See: Bruce Schulman, *From Cotton to Sunbelt: Federal Policy, Economic Development, and the Transformation of the South, 1938-1980* (Durham and London: Duke University Press, 1994), 163-165; Thomas Sugrue, *The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit* (Princeton: Princeton University Press, 1996), 127-133, 137-138; Jefferson Cowie, *Capital Moves: RCA's Seventy-Year Quest for Cheap Labor* (New York: The Free Press, 1999), 1-11; Timothy J. Minchin, *Fighting Against the Odds: A History of Southern Labor Since World War II* (Gainesville: University of Florida Press, 2005), 70, 118; for an early articulation of this argument, see: Barry Bluestone and Bennett Harrison, *The Deindustrialization of America: Plant Closings, Community Abandonment, and the Dismantling of Basic Industry* (New York: Basic Books, 1982), 80, 165, 170.

<sup>&</sup>lt;sup>4</sup> For example: Marie Howland, *Plant Closings and Worker Displacement: The Regional Issues* (Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, 1988); Richard B. Freeman and Morris M. Kleiner, "Do Unions Make Enterprises Insolvent?," *Industrial and Labor Relations Review* 52, no. 4 (July 1, 1999): 510–527.

The deindustrialization of Freehold was not merely the product of a changing dynamic of the labor-management accord. Rather, other micro- and macroeconomic factors also played vital roles in Karagheusian and 3M's relocations and the consequent breakdown of what workers perceived as the sacrosanct bond between capital and their community.<sup>5</sup> Karagheusian began a period of intense bureaucratic reorganization in the early post-war period as an entire generation of executives died or retired. In their stead emerged a new group of executives willing to change the basis of relations with workers; the geographic scope of the company; and Karagheusian's status as an independent corporation. Meanwhile, Americans' changing taste in carpeting prompted the company to shift its production priorities away from those styles made in Freehold. While the presence of a union helped provoke the decision to build new facilities elsewhere, other factors also contributed to the closure of the mill that had defined Freehold for over 50 years.<sup>6</sup>

Twenty five years after the Karagheusian closing a very different series of changes in the structures of corporate capitalism pushed 3M executives to shift production away from Freehold. Amidst a wave of mergers, buyouts, and hostile takeovers in the mid-1980s, American corporations—even those the size of 3M—adopted business philosophies geared towards short-term profit maximization. 3M proved unwilling to spend millions to upgrade a plant amidst an

<sup>&</sup>lt;sup>5</sup> I borrow this method of thinking from: Lisa M. Fine, "The 'Fall' of Reo in Lansing, Michigan, 1955-1975" in *Beyond the Ruins: The Meanings of Deindustrialization* edited by Jefferson Cowie and Joseph Heathcott (Ithaca and London: Cornell University Press, 2003), 44-47.

<sup>&</sup>lt;sup>6</sup> I hope to add the Karagheusian case to the literature on America's textile industry in the postwar period which, has focused almost exclusively on the South; for example: Mimi Conway, *Rise Gonna Rise: A Portrait of Southern Textile Workers* (Garden City, NY: Anchor Press/Doubleday, 1979); Timothy J. Minchin, *Hiring the Black Worker: The Racial Integration of the Southern Textile Industry, 1960-1980* (Chapel Hill: University of North Carolina Press, 1999); Clete Daniel, *Culture of Misfortune: An Interpretive History of Textile Unionism in the United States* (Ithaca and London: Cornell University Press, 2001); Randall L. Patton with David B. Parker, *Carpet Capital: The Rise of a New South Industry* (Athens, GA: University of Georgia Press, 2003); Timothy J. Minchin, "Don't Sleep With Stevens!": The J.P. Stevens Campaign and the Struggle to Organize the South, 1963-1980 (Gainesville: University Press of Florida, 2005). .

overall cost-cutting campaign, especially considering intense competition from Japanese producers. Unsurprisingly, neither Karagheusian nor 3M workers were aware of the effects systemic changes in corporate capitalism and market preferences would have on their plants. As they had fulfilled their side of the industrial bargain and complied with the desires of management, workers felt betrayed when the companies returned years of loyal employment with paltry severance packages.

I begin by examining the years Karagheusian spent in Freehold, the changes that prompted its departure, and the embittered reaction of longtime employees which formed the basis for Freehold's collective memory following the closing. The second section examines the union-led public relations campaign against 3M's closure of one of its Freehold facilities. This campaign, which lasted from the end of 1985 through the spring of 1986, invoked memories of Karagheusian as a political strategy to draw attention and assistance to the workers' plight. After analyzing the causes of 3M's departure, I shift my focus from the reasons for deindustrialization to workers' responses to it. In a fight against one of the world's largest corporations, local union president Stanley Fischer beseeched 3M to retain its plant in Freehold but also articulated a platform of progressive economics that sought to redefine the connection between a community and the industrial facilities in its midst. I argue that Freehold's whole history with industrial capitalism—not merely the 3M departure—prompted this movement. Despite demographic changes in the years since the Karagheusian closing, the population of Freehold retained a historical memory of a previous generations' experience with capital flight. As manifest in "My Hometown," a song about the rug mill shutdown that served as the anthem of the 3M closing campaign, the lingering memory of the departure of Karagheusian informed 3M workers' ideas on the meaning of the loss of their jobs and the responsibility of corporations

to prevent such shutdowns in hometowns across America. Through Springsteen's song and Fischer's campaign, Freehold became emblematic of working-class communities and the fate of blue-collar America in the age of industrial flight.

## I. "They're Closing Down the Textile Mill Across the Railroad Tracks"

In 1904, Arshag and Miran Karagheusian, brothers, Armenian immigrants, and rug importers, visited Freehold to consider the city for their first plant in the United States. Residents courted the company with lowered rent payments and a reduction in the company's initial tax burden. However, some residents raised the concern "that the rug people might come here for a short time and then pull stakes and go elsewhere, leaving Freehold in the lurch [sic]."<sup>7</sup> Nonetheless, as Karagheusian began construction on a vacant factory in early 1905, the *Freehold Transcript* gushed with optimism: "As work progresses at the Freehold carpet mills great possibilities become apparent for material benefit to the town in general."<sup>8</sup>

The mill quickly became the economic heart of Freehold. By 1928, the employee tally at Karagheusian reached almost 1,000 though Freehold Borough had a population of only 1,720. By 1950, with Freehold Township's population numbering 3,442, the mill employed around 1,500 people. A former resident recalls that "most anybody in town either worked for the rug mill or knew somebody who did."<sup>9</sup> Accordingly, Freehold's economy rose and fell with the success of the company, a fact which did not escape one local official who commented in 1937: "It might be going too far to say that the mill *is* Freehold, but I do not like to think what Freehold

<sup>&</sup>lt;sup>7</sup> Freehold Transcript, "Freehold Carpet Mills," November 25, 1904, 1.

<sup>&</sup>lt;sup>8</sup> Freehold Transcript, "Carpet Mills Prospects," March 17, 1905, 1.

<sup>&</sup>lt;sup>9</sup> Dean Herrin, "The Makers of Gulistan: A. & M Karagheusian's Rug Mill in Freehold, New Jersey 1904-1965" (September, 1987; n.p.; Found in records of the Monmouth County Historical Association (MCHA), Freehold, New Jersey), 16; U.S. Department of Commerce, *Fifteenth Census of the United States: 1930, Population Vol. 1* (Washington: United States Government Printing Office, 1931), 717; U.S. Department of Commerce, *County and City Data Book, 1952* (Washington, D.C.: United States Government Printing Office, 1931), 52; Harry F. Hutchinson, Oral History Interview, August 18, 2009, by Shaun Illingworth, Rutgers Oral History Archives, 7; online via http://oralhistory.rutgers.edu/images/PDFs/hutchinson harry.pdf (accessed May 1, 2014).

would be without it."<sup>10</sup>

The mill also stood at the center of the town's collective identity. Freehold fielded a team in the Jersey Shore Baseball League named the "Gulistans" after Karagheusian's distinctive brand of carpet. The 1943 Memorial Day parade featured a marching unit of rug mill workers and news from the mill frequently graced the front page of the *Transcript*. A 1939 Works Progress Administration guide noted the blurred line between the town's culture and the mill, writing of the "large rug factory that has blended with the community rather than altered it into a factory town."<sup>11</sup>

Though the town had initially courted the company, by the 1930s mill workers began demanding improved wages and benefits. The steady presence of the factory in Freehold led employees to a sense of ownership over their jobs, that they deserved a higher share of company profits than those initially offered by the company.<sup>12</sup> Spurred by the National Industrial Recovery Act's (1933) protection of unions' collective bargaining rights, workers organized an independent union, the Freehold Carpet Workers Union, in 1933. In March, 1934, 900 of the mill's 1,190 employees went on strike after the company reduced wages by eight percent, though the walkout ended a week later as wage increases at other rug mills brought parity to pay in the industry.<sup>13</sup> In December 1935, in what would be the longest strike by Karagheusian workers

<sup>&</sup>lt;sup>10</sup> Karen DeMasters, "A Factory that Wove Rugs and Bound a Town Together," *New York Times*, April 9, 2000, NJ3; *Asbury Park Press*, "Freehold Mill Shutdown Raised Relief Bill \$4,947," January 5, 1937; Quoted in: Herrin, "The Makers of Gulistan," 1.

<sup>&</sup>lt;sup>11</sup> *The Karagheusian News,* "Memorial Day at Freehold," Vol. 1, No. 2 (July, 1943), 2; Federal Writers' Project of the Works Progress Administration for the State of New Jersey, *New Jersey: A Guide to its Present and Past* (New York: The Viking Press, 1939), 250.

<sup>&</sup>lt;sup>12</sup> See: Cowie, *Capital Moves*.

<sup>&</sup>lt;sup>13</sup> Freehold Transcript, "Mass Meeting to Form Mill Union Set For Sunday," July 14, 1933, 1; Freehold Transcript, "416 Join Union of Mill Workers at First Meeting," July 21, 1933, 1; New York Times, "900 Rug Workers Strike," March 23, 1934, 11; Freehold Transcript, "Strike at Rug Mill Will Be Called Off at Once; Former Wage Scale Will Be Paid," March 30, 1934, 1. Freehold Transcript, "Mill Working Full Time," April 6, 1934.

following their unionization, the mill closed for three months over wage issues.<sup>14</sup> In the mid-1930s the Freehold Carpet Workers Union joined the United Textile Workers (UTW), an affiliate of the American Federation of Labor (AFL), though in 1937 union members voted to join Textile Workers Organizing Committee (TWOC), the textile arm of the newly formed Congress for Industrial Organizations (CIO). Shortly after workers switched their affiliation, the CIO threatened a strike, thereby winning a series of wage and other benefits for the 1,400 Karagheusian workers.<sup>15</sup>

Following a period of labor tranquility during World War II, workers at the mill participated in the labor activism which ravaged American industry in the postwar years. Especially in late 1945 and throughout 1946, hundreds of thousands of American workers around the country and from various industries went on strike. In August 1947, 1,200 of the mill's 1,600 workers walked out after contract negotiations broke down between the company and the Textile Workers Union of America (TWUA, the successor of the TWOC within the CIO). Strike fears reemerged among executives at the industry level in the early spring of 1948 as the TWUA threatened a walkout of 20,000 rug mill workers, including those at Karagheusian's two New Jersey plants. This time, company representatives and the union agreed on wage increases, preventing a strike.<sup>16</sup>

<sup>15</sup> Freehold Transcript, "100 Per Cent [sic] Voted Second Time," October 9, 1936, 1; Asbury Park Press, "C.I.O. Guides Freehold Union," April 4, 1937; Freehold Transcript, "Rug Mill Workers Will Not Strike Unless Forced To," April 16, 1937; Freehold Transcript, "Mill and Union in Conference," April 23, 1937; Asbury Park Press, "Rug Workers Approve Pact," April 29, 1937, 1; Freehold Transcript, "Rug Mill Workers Approve Terms of Work Agreement," April 30, 1937.

<sup>&</sup>lt;sup>14</sup> Asbury Park Press, "Freehold Mill Opening Waits Roselle Truce," February 23, 1936; Freehold Transcript, "433 Workers at Rug Mill Out of Work Again," March 20, 1936, 1; Asbury Park Press, "Mill Workers Accept Terms" March 21, 1936.

<sup>&</sup>lt;sup>16</sup> New York Times, "More Rug Workers Strike," August 20, 1947, 15; *Freehold Transcript*, "Mill Employees Meet today to Vote on New Contract," August 22, 1947, 1; *New York Times*, "Wage Rise Halts Rug Strike Threat," May 31, 1948, 28; International News Service, "Textile Unions Get 13<sup>1</sup>/<sub>2</sub> Cent Raises," *Times-Picayune* (New Orleans, LA), June 1, 1948, 41.

The 1947 strike and 1948 strike threat notwithstanding, employees at the rug mill made few protests to the company in the postwar period. Workers did not engage in an extended walkout nor did they demand radical changes in their annual contractual negotiations. Like many other American industrial facilities in the late 1940s and 1950s, the mill saw brief episodes of unrest in the form of wildcat strikes, which occurred at Karagheusian in April 1948, July 1952, and the falls of 1955 and 1956, largely over wages issues or disciplinary matters.<sup>17</sup> However, these incidents rarely posed a serious threat to Karagheusian's productive capacity; none of these strikes lasted more than a week and the October, 1955 walkout lasted only 24 hours.

The labor strife in the carpet industry in 1952 provides a telling example of the conservative, pro-management temperament of Freehold's workers in the postwar years. After negotiations broke down between major rug companies and the TWUA, the union called a strike of 18,000 employees at three different firms. Over 11,000 workers, including Karagheusian employees at a factory in Roselle Park, New Jersey heeded the union's call. The 1,100 TWUA workers in Freehold, however, ignored the union's "no contract—no work" vow and remained on the job.<sup>18</sup> Freehold workers indicated their displeasure with the TWUA and its inability to reach an agreement with the company by voting to disassociate from the CIO and affiliate instead with the AFL. The CIO represented a more radical and activist union conglomerate; in the strike wave of 1945-1946, for example, two thirds of all strikers were CIO union members.<sup>19</sup>

<sup>&</sup>lt;sup>17</sup> Freehold Transcript, "Mill Operations Back to Normal After Walkout," April 23, 1948, 13; Freehold Transcript, "Unauthorized Strike Hits the Mill Here; Shutdown Predicted," July 17, 1952, 1; Freehold Transcript, "Rug Mill Shutdown Avoided By Mediator," July 24, 1952, 1; Freehold Transcript, "Wildcat Strike Ends, Rug Workers Return," September 15, 1955, 1; Freehold Transcript, "Workers Walk Off Karagheusian Jobs in Grievance Move," October, 13, 1955, 1; Freehold Transcript, "TWUA Local 26 Voting On 2 Penalty Proposals," October 25, 1956, 1; on prevalence of wildcat strikes in this period, see: Nelson Lichtenstein, Walter Reuther: The Most Dangerous Man in Detroit (Urbana and Chicago: University of Illinois Press, 1995), 291.

<sup>&</sup>lt;sup>18</sup> A.H. Raskin, "Inter-Union Rows Hit Carpet Mills," New York Times, June 2, 1952, 29; Milton M. Levenson,

<sup>&</sup>quot;7,000 Fail to Quit in Carpet Strike," *New York Times*, June 3, 1952, 24; *Freehold Transcript*, "Strike Is Called Off At Karagheusian, Inc." June 5, 1952, 1.

<sup>&</sup>lt;sup>19</sup> Robert H. Zieger, *The CIO*, 1935-1955 (Chapel Hill and London: University of North Carolina Press, 1995), 213.

While workers ultimately voted, in an election run by the National Labor Relations Board, to remain with the CIO, the threat of secession illustrated Freehold workers' dissatisfaction with any uncompromising position by the union against the company.<sup>20</sup>

Despite workers' commitment to keeping the factory operational, in the late 1950s Karagheusian began slowly shifting jobs away from Freehold into newly acquired southern facilities. In Freehold, as elsewhere, deindustrialization did not occur with one dramatic plant closing but rather through a long, drawn out process.<sup>21</sup> In fact, waves of firing had already begun over the course of the 1950s in accordance with the gradual introduction of mechanized loom operation. Then, in March 1957, Karagheusian bought a vacant factory in Aberdeen, North Carolina and began incrementally laying off more employees as various departments and facilities in Freehold relocated or shut down entirely. By early 1961, the velvet weaving and broadloom Wilton carpet divisions had moved, bringing employment to about 500. That February, Karagheusian announced the cutting of 325 more jobs as the company ceased production of Axminster carpets, effectively ending all manufacturing operations in Freehold. These layoffs would leave only 75 employees at the plant which fifteen years earlier had employed over 1,500.<sup>22</sup>

<sup>&</sup>lt;sup>20</sup> The election results (916 for the CIO, 576 for the AFL) do not provide conclusive evidence on the sentiments of Freehold workers. In the original election, of the 1,100 union members at the Freehold plant, 700 had voted in favor of switching affiliation to the AFL, 60 against. However, the NLRB forced Freehold and Roselle Park workers to vote as a single unit and Roselle Park workers were strongly in favor of the CIO. *Freehold Transcript*, "Rug Workers Switch From CIO To AFL," May 22, 1952, 1; *Freehold Transcript*, "Representation Of Local 26 In Question; NLRB Called In," May 29, 1952, 1; *Freehold Transcript*, "Freehold and Roselle to Vote as Unit On Representation Issue," August 28, 1952, 1; *Freehold Transcript*, "CIO and AFL Both Say They Will Win In NLRB Election," September 4, 1952, 1; *Freehold Transcript*, "CIO and AFL Both Say They Will Win In NLRB Election," September 18, 1952, 1; *Freehold Transcript*, "Membership Meeting For Local 26 Called Friday By CIO Head," September 25, 1952, 1.

<sup>&</sup>lt;sup>21</sup> Cowie, *Capital Moves*.

<sup>&</sup>lt;sup>22</sup> Freehold Transcript, "Lay-Out, Machinery Changes Announced By Karagheusian Are Nearly Complete," February 19, 1959, 1; Asbury Park Press, "Firm Will End Manufacture of Axminsters," February 13, 1961, 1; Wall Street Journal, "Karagheusian to End Freehold, N.J. Carpet Operations, Idling 500" February 14, 1961, 4; Freehold Transcript, "Karagheusian Will Shut Down Most Production Facilities; To Discontinue Axminster Carpeting; 325

Karagheusian explained the movement of its production to the South by claiming that its Freehold facilities were not well suited for expansion and that the company needed to economize in the face of imports. Yet, wage issues provided an important, though unspoken impetus for the company's departure from Freehold. In a 1959 edition of Karagheusian's Freehold newsletter, the plant manager wrote that no carpet company held a distinct advantage in quality or style. Thus, cost remained consumers' primary concern, a responsibility he laid on workers: "Carpet can only be priced competitively if the costs resulting from the pay checks of our people are reasonable and realistic. Each of you by working harder, working more efficiently, and continually giving of your *best*, can help keep our costs in line."<sup>23</sup> One weaver noted, too, that the company had tried to depress employee wages despite the recent stability of prices in the carpet market.<sup>24</sup> Though the most activist period of Freehold's unionists had come 25 years earlier, the presence of a union in Freehold kept wages above a certain minimum. As other rug makers opened factories in the South, Karagheusian felt compelled to follow suit in order to reduce production costs. George Oakes, who had worked at the mill since 1916, presciently noted in 1960: "People in the north should wake up to the fact that the [S]outh is taking over today's industries ... taking them away from us."<sup>25</sup>

However, Karagheusian was not merely transferring its manufacturing southward but shifting its code of production entirely in response to Americans' changing carpet choices. Axminster carpeting accounted for 93% of the Freehold rug mill's production facilities, but its popularity was quickly fading: from 46% and 39.4% total of carpeting yardage purchased in the

To Lose Jobs," February 16, 1961, 1; Asbury Park Press, "Closing of Karagheusian Ends an Era In Freehold," April 2, 1961, 3.

 <sup>&</sup>lt;sup>23</sup> Emphasis in the original. Edwin B. Bachman, "Your Pay Check," *The Weaver*, Vol. 3 No. 9 (September, 1959), 2.
<sup>24</sup> *Freehold Transcript*, "150 To Lose Mill Jobs As Broadloom Operations Slated to Move South," November 17, 1960, 1.

<sup>&</sup>lt;sup>25</sup> Freehold Transcript, "150 To Lose Mill Jobs"; Freehold Transcript, "Union Calls Mill Layoff 'Virtual Double-Cross;' Lauds 'Loyal' Workers," December 1, 1960, 1.

United States in 1950 and 1951, respectively, to just 10.2% in 1959 and 9% in 1960. In that time tufted carpeting, the product of new carpeting technology, had risen from 9.4% to 59.5% of the market.<sup>26</sup> When faced with the need for technical upgrades, rather than pay to convert its facilities, Karagheusian elected to purchase a new plant in a union-free southern town.

Internal changes in the Karagheusian Company also prove vital to understanding its departure from Freehold. In the 1940s and 1950s, the company entered an intense wave of corporate restructuring. Though the number of workers at the Freehold mill remained fairly constant in this period, the number of executives mushroomed due to the creation of new positions, filled both externally and through internal promotion.<sup>27</sup> Karagheusian also saw dramatic changes within the company leadership due to the death or retirement of a number of longstanding, high level executives, including a number of company directors.<sup>28</sup> The most important personnel changes occurred among the company's top leaders. Miran Karagheusian, co-founder and president, who ran domestic manufacturing, died in 1948. Upon Miran's death his nephew Charles, a director and the company's treasurer, became Chairman of the Board.<sup>29</sup>

<sup>&</sup>lt;sup>26</sup> Wall Street Journal, "Karagheusian to End Freehold, N.J., Carpet Operations, Idling 500," February 14, 1961, 4. Freehold Transcript, "Karagheusian Will Shut Down Most Production Facilities; To Discontinue Axminster Carpeting; 325 To Lose Jobs," February 16, 1961, 1.

<sup>&</sup>lt;sup>27</sup> Between 1946 and 1953, Karagheusian created at least 11 new national-level executive positions, filling seven through external hires and four via internal promotion: *New York Times*, "Head Gulistan Promotion Ad

Advertising," April 25, 1946, 31; New York Times, "Business Notes," July 8, 1946, 41; New York Times,

<sup>&</sup>quot;Advertising News and Notes: Name Purchasing Agent By A. M. Karagheusian," February 13, 1947, 39; *New York Times*, "News and Notes in the Advertising Field," September 10, 1947, 44; *New York Times*, "Business Notes," September 19, 1952, 36; *New York Times*, "Karagheusian Manager for Sales Development," June 6, 1953, 25; *New York Times*, "Named Vice President of A. & M. Karagheusian," April 10, 1944, 29; *New York Times*, "Advanced to New Post By A. & M. Karagheusian," July 6, 1951, 39; "Company Outlines New Training Plan," *New York Times*, August 28, 1949, F6.

<sup>&</sup>lt;sup>28</sup> Two company directors and the heads of two plants died or retired between 1944 and 1954. This trend continued through 1957. *New York Times*, "Fred L. Bronaugh, Rug Executive, 75" December 12, 1946, 29; *New York Times*, "James J. Brogan," June 7, 1950, 29; *New York Times*, "Carl Ehlermann, 66, Lawyer, Executive," October 18, 1950, 33; *Chicago Daily Herald*, "People and Events," November 16, 1952, A9; *New York Times*, "D.A. Diradourian, Rug Official, Dies," September 19, 1954, 89.

<sup>&</sup>lt;sup>29</sup> New York Times, "Miran Karagheusian, A Rug Manufacturer," October 8, 1948, 26; New York Times, "Elected to Directorate of A. & M. Karagheusian," December 16, 1944, 23; New York Times, "Executive Elections," October 21, 1948, 46; Red Bank Register [Red Bank, New Jersey], "Rug Firm Names New Executives," November 4, 1948, 11.

These changes of company personnel facilitated a shift in Karagheusian's business philosophy. Miran and his nephew had radically different styles. "Charles was cool and distant," Freehold historian Kevin Coyne writes, "clearly more at home with the Fifth Avenue end of the business."<sup>30</sup> Miran, by contrast, had visited the mill weekly and was well known and highly regarded there for his lack of ostentation and the care he showed for workers. A eulogy in the company newsletter claimed that Miran had ensured that his employees had sufficient food and fuel during the Great Depression; one worker, Coyne reveals, "felt the loss [of Miran] personally, as if of his own relatives had died."<sup>31</sup> Other changes also signified shifts in labormanagement relations. For example, in 1947, Robert Gaffney was appointed Karagheusian's first Industrial Relations Director. His arrival meant Karagheusian no longer relied solely on the company treasurer and secretary to bargain with the union, as it had in 1946. Gaffney's appointment signaled a new basis for the company's relationship with workers, outsourcing primary negotiation responsibilities away from the highest echelon of Karagheusian executives.<sup>32</sup>

Workers and union leaders proved extremely sensitive to these changes in company leadership. Events surrounding the plant closure, for example, illustrated to workers that the company had changed its managerial philosophy. Many workers assumed that the entire factory would close as early as 1957, though the company denied any such plans. Thus, with the 1960 and 1961 divisional closures, workers cited specific instances when company leadership had refuted allegations that other parts of the factory would soon close. To one worker, this deceit

<sup>&</sup>lt;sup>30</sup> Kevin Coyne, Marching Home: *To War and Back with the Men of One American Town* (New York: Viking, 2003), 224.

 <sup>&</sup>lt;sup>31</sup> The Karagheusian News, "Miran Karagheusian Dead at 74," Vol. 6, No, 5 (November, 1948), 2; Coyne, Marching Home, 228; New York Times, "Miran Karagheusian, A Rug Manufacturer," October 8, 1948, 26.
<sup>32</sup> New York Times, "Heads Industrial Relations For A. & M. Karagheusian," February 3, 1947, 28; "Agreement Between A. & M. Karagheusian, Inc. and Textile Workers Union of America, C.I.O.," January 11, 1946 and "Agreement Between A. & M. Karagheusian, Inc. and Textile Workers Union of America, C.I.O.," June 20, 1947, found in Manuscript Collection #51: A. & M. Karagheusian Records, Box #1, MCHA.

"[hurt] most," ostensibly more than the actual closing.<sup>33</sup> Fights between the company and union leadership over severance and pension payments further confirmed to workers the end of the amicable relationship between the company and its blue-collar employees. Karagheusian's "pose of concern for employees being stranded in Freehold," one 1961 union press release claimed, "is a sham."<sup>34</sup>

Rather than focus on changing consumer patterns for carpeting, workers blamed the closure and breakdown of the familiar, familial worker-management accord that had existed at the plant on the new flock of company executives. TWUA carpet and rug director William DuChessi responded to a 1960 layoff by claiming that the Karagheusian family had at one point invested in its workers, "but the management today is interested in dollars, not human beings."<sup>35</sup> "It was a first class operation when the brothers ran the plant," a former union leader at the mill recalled in 1994; but Charles "cared nothing about the rug mill business [and when he] took over ... it was never the same again."<sup>36</sup> Though it was certainly hyperbolic and overly nostalgic to imply that a benevolent Miran Karagheusian would have prevented the elimination of jobs at his beloved Freehold mill, the passage of the company into the hands of his nephew as well as an array of recently promoted and newly hired executives did represent a new stage of business practice. The abandonment of Freehold was part of a broader retreat from the company's roots as the lack of traditional leadership facilitated the methodical elimination of the oldest, most established sectors of the company, including the importation division in 1957. The effects of the

<sup>&</sup>lt;sup>33</sup> Freehold Transcript, "Union Calls Mill Layoff 'Virtual Double-Cross'" Freehold Transcript, "150 To Lose Mill Jobs."

<sup>&</sup>lt;sup>34</sup> New York Times, "3 Rug Mills Agree to \$100 Pensions," March 19, 1950, 47; Asbury Park Press, "Closing of Karagheusian Ends an Era In Freehold," April 2, 1961, 3; *Freehold Transcript*, "Unfair Labor Practice Charges Being Leveled Against Karagheusian," March 2, 1961, 1.

<sup>&</sup>lt;sup>35</sup> Freehold Transcript, "Union Calls Mill Layoff 'Virtual Double-Cross".

<sup>&</sup>lt;sup>36</sup> Dick Metzgar, "Rug Mill A Fabric of their Memories," *News Transcript* (Monmouth and Middlesex Counties, NJ), May 4, 1994, 8

executive turmoil were best exemplified in 1963 when Charles agreed to surrender Karagheusian's corporate independence, approving a purchase of the family-owned business by J.P. Stevens, America's largest textile producer, though by this point nearly all of Karagheusian's production took place south of the Mason-Dixon Line.<sup>37</sup>

## II. "These jobs are going ... and they ain't coming back"

Even as workers and residents bemoaned the departure of Karagheusian, construction was nearing completion on a new factory just outside Freehold Borough. In early 1961, 3M began building its second plant in Freehold, a sign for municipal leaders that the future of their city was bright despite the impending mill closure.<sup>38</sup> The plant employed 200 workers, producing audio-visual tape for use in professional recording studios and film and television cameras.

3M's time in Freehold passed with little incident. A few years after production began at the tape plant, workers joined the Oil, Chemical, and Atomic Workers (OCAW) union as Local 8-760. The union, which included 240 of the 400 workers at the two plants, only engaged in one major conflict with the company, an unsuccessful two month strike over wages and health benefits in 1976.<sup>39</sup> After a wave of hiring in the early 1980s, company spokespeople announced in November 1985 that the tape plant would close between March 1 and June 1, with production shifting to plants in Hutchinson, Minnesota and Wahpeton, North Dakota.

Based on dominant historical narrative of deindustrialization, the lack of labor unions in the Minnesota and North Dakota plants should provide the primary impetus for the relocation of

<sup>&</sup>lt;sup>37</sup> *Red Bank Register,* "Merger Won't Affect Rug Firm Operations," December 27, 1963, 11; *Wall Street Journal,* "Karagheusian Will Stop Importing Oriental Rugs," September 16, 1957, 7; *Freehold Transcript,* "Rug Mill Custom-Tuft Division To Move South," December 31, 1964.

<sup>&</sup>lt;sup>38</sup> New York Times, "Plastics Plant to Be Built," September 3, 1956, 23; *Freehold Transcript*, "Chamber Official Optimistic About Freehold's Future Economic Outlook," March 2, 1961, 2; *Asbury Park Press*, "Closing of Karagheusian Ends an Era In Freehold," April 2, 1961, 3.

<sup>&</sup>lt;sup>39</sup> Telephone Interview with Stanley Fischer, March 26, 2014, recording in possession of the author; *Red Bank Register*, "Court Sets Picketing Rules for Striking 3M Workers," March 4, 1976, 4.

jobs from the unionized northeast. While one *New York Times* reporter attributed 3M's flight to a desire to retreat from the local union, a 3M representative unsurprisingly denied that this was factor in the closing decision. This claim was not merely a corporate, public relations ploy, as verified by both internal company documents and 8-760 president Stanley Fischer who maintained that "there's not a labor dispute here" as "3M is not seeking wage and work rule concessions."<sup>40</sup> Not only was the local union not causing problems for the company in Freehold, but the move also did not represent a flight from high union wages. The *St. Paul Pioneer Press & Dispatch* reported that the midwestern plants boasted comparable wages to those of the Freehold facility, where workers received \$9 per hour, amounting to approximately \$19,000 per year, \$24,000 with overtime.<sup>41</sup>

Though 3M had been one of America's 30 most profitable corporations since 1959, the rise of 'merger mania' and the state of corporate capitalism in the 1980s provide a crucial context for the company's decision to close its Freehold factory. In the postwar period, American business saw intense periods of corporate buyouts, takeovers, and amalgamations. Mergers reached an unprecedented scale in the mid-1980s, affecting even America's largest corporations. Of the companies on the Fortune 500 in 1980, one third had fallen off the list or had ceased to exist altogether by 1990 and, of those that remained, one third had staved off a hostile takeover attempt. Economist Marina Whitman notes the emergence in the 1980s of "a newly intensified focus on the bottom line, on efficiency, productivity, and cost cutting." In order to ensure their

<sup>&</sup>lt;sup>40</sup> William Serrin, "3M Workers Campaign to Keep Plant," *New York Times*, December 24, 1985, B2; John A. Harnes, "3M Workers Ask Entertainers' Aid" *Asbury Park Press*, November 14, 1985; "3M Internal Memorandum on Freehold, NJ Plant Closing," October 18, 1985. Provided to the author by Don Prial, former 3M Public Relations Representative.

<sup>&</sup>lt;sup>41</sup> Mike Langberg, "Plant Closing Turns into 'Family' Feud" *St. Paul Pioneer Press & Dispatch*, January 13, 1986. These sums have not been adjusted for inflation, they represent 1985 dollar values; information on wages in Freehold from: Jean Mikle and Jacqueline Sergeant, "3M Taught Workers a Lesson in Job Insecurity" *Asbury Park Press*, May 26, 1996; Randy Diamond, "Not Even the 'Boss' Can Save N.J. Jobs," *Daily News*, February 28, 1986.

survival as independent entities, corporations enacted waves of "downsizing, restructuring, reengineering, and rightsizing—all terms that signify getting rid of people."<sup>42</sup>

3M was not immune from this trend. In May 1986, with the final closing in Freehold looming, shareholders approved three anti-takeover measures strongly favored by the company executives. Though the company chairman clarified that these were precautionary measure and that 3M was not facing any actual takeover threat, the move illustrated the contemporary siegementality in the boardrooms of even America's largest and most successful corporations.

Another means the company had of protecting itself was, as Whitman writes, maximizing profits even at the cost of reduced production, plant closure, and a reduced labor force. The 360 employees at the Freehold tape plant and 70 workers at the nearby electrical facility could be added to the growing list of those 3M had already laid off in the 1980s, including over 1,300 workers—with an additional 2,300 offers for early retirement—in 1982 alone.<sup>43</sup>

In addition to these concerns, a complicated set of market conditions helped prompt 3M to move away from Freehold. The company held a 50% market share for professional audio-visual tape but faced strong competition and declining profits for home-use tapes. Accordingly, parts of 3M's main tape plant in Hutchison, Minnesota were underutilized, leading the company to relocate professional tape production from Freehold to its semi-vacant facility.<sup>44</sup> So too, the machinery in Freehold was in need of repairs. Since at least the early 1980s 3M operated an

<sup>&</sup>lt;sup>42</sup> Marina Whitman, *New World, New Rules: The Changing Role of the American Corporation* (Cambridge: Harvard Business School Press, 1999), 9; Bruce Nussbaum, "Deal Mania," *Business Week*, November 24, 1986, 74; Michael Useem, "Corporate Education and Training," in *The American Corporation Today* edited by Carl Kaysen (New York, Oxford: Oxford University Press, 1996), 294-297; Marjorie Kelly, *The Divine Right of Capital: Dethroning the Corporate Aristocracy* (San Francisco: Berrett-Koehler, 2001), 54-55; Robert B. Reich, *Supercapitalism: The Transformation of Business, Democracy, and Everyday Life* (New York: Alfred A. Knopf, 2007), 50-52; Stanley Buder, *Capitalizing in Change: A Social History of American Business* (Chapel Hill: The University of North Carolina Press, 2009) 357-363.

 <sup>&</sup>lt;sup>43</sup> Thomas W. Lippman and Mark Potts, "Layoffs Found Across the Board," *Washington Post* July 4, 1982, A1.
<sup>44</sup> Robert Hordt, "Competition in Videotapes Hurts Sales," *Asbury Park Press*, November 3, 1985, D1; *New Tribune* (Woodbridge, N.J.), "Monmouth Officials Pitch in to Keep 3M in Freehold," November 11, 1985.

around-the-clock production schedule for six or seven days per week.<sup>45</sup> As a result the company addressed only small mechanical problems while ignoring major repairs instrumental to ensuring the longevity of its machinery. Rather than pay an estimate \$15-20 million for renovation at a time of short-term profit maximization, the company could instead make small-scale upgrades to the midwestern facilities and shift production there. "It's a question of manufacturing a large amount of tape at rock-bottom prices," said one spokesman; Plant Manager Ken Dishino agreed, stating that the Freehold plant was "not making typical 3M profits," a frightful concept for any corporation in this period.<sup>46</sup>

As in the Karagheusian mill closing years before, workers felt betrayed by the impending shutdown, many of them likening it to losing their family, a second home, a friend, or even their wife. "So many times the company has said it is not 3M, we are 3M," a machine operator stated. "I agree with that. We are 3M. Those guys are abandoning their own company."<sup>47</sup> Fischer set out to convince the company to overturn a decision they publically deemed irreversible. Immediately following the closing announcement, Fischer vowed: "We're not giving up. It's going to be a long hard fight, but I feel confident that we're going to [be] able to influence the company to remain."<sup>48</sup> In early October, Fischer visited the Labor Institute, a think-tank in New York City, to plan 8-760's campaign.

Freehold would not be the first site of worker resistance to deindustrialization, as workers and community member had tried in recent years to fight closures in Youngstown, Ohio, Pittsburgh, and elsewhere. Yet, given the failure of worker resistance to these and other closures

<sup>&</sup>lt;sup>45</sup> Fischer Interview, January 31, 2014; *International Labour Reports*, "Stars Line Up Against Closure," No. 14 (March/April, 1986), 5.

<sup>&</sup>lt;sup>46</sup> Lisa R. Kruse, "3M Plant Closing, Many Lose Jobs" *Red Bank Register* [Red Bank, New Jersey], November 13, 1985, 1A; Francis Pestana and John A. Harnes, "Springsteen's Aid No Help, 3M Says," *Asbury Park Press*, December 5, 1985.

<sup>&</sup>lt;sup>47</sup> Serrin, "3M Workers Campaign to Keep Plant."

<sup>&</sup>lt;sup>48</sup> Kruse, "3M Plant Closing"

around the country, Fischer and the Institute cohort opted for an original tactic in hopes to achieving a different result. Rather than purchase the decaying plant—as workers had attempted to do in Youngstown—or organize a boycott of the company—as threatened by General Motors workers in Los Angeles in 1983—8-760 would wage its campaign in the media. Though 3M, like many corporations, invested heavily in the maintenance of its public image, the media offered a space for workers to make their voice heard; as one Institute official told the New York *Times*: "workers have no economic power. They have only public-relations power."<sup>49</sup> The press provided consistent coverage to deindustrialization in this period, much to the vexation of perennial positivist President Ronald Reagan, who complained in 1982: "You can't turn on the evening news without seeing that ... they're outside the factory that has laid off workers and so forth. Is it news that some fellow out in South Succotash someplace has just been laid off, that he should be interviewed nationwide?"<sup>50</sup> These reports on factory closures and layoffs allowed blue-collar Americans to expose the existence of losers in the ascendant Reaganomic system. Though Reagan's 1984 re-election campaign centered on the return of "Morning in America" and its implied national prosperity, the media at times provided a counter-narrative, illustrating that, for working-class Americans in the industrial sector, the 1980s were gilded, not golden.

Thus, noting that 3M was "very image conscious," Fischer opted to attract sympathy and media attention by rallying support from public figures to entreat the company to reconsider rather than organize a slander campaign or boycott.<sup>51</sup> After hearing the reference to the Karagheusian closing in "My Hometown," Fischer and Institute staff reached out to Springsteen

<sup>&</sup>lt;sup>49</sup> Henry Weinstein, "Boycott by UAW of GM Threatened," *Los Angeles Times*, May 15, 1983, C1; Serrin, "3M Workers Campaign to Keep Plant."

<sup>&</sup>lt;sup>50</sup> United Press International, "Reagan Raps TV Reporting: South Succotash Not News?" *Los Angeles Times*, March 17, 1982, B2.

<sup>&</sup>lt;sup>51</sup> Armando Machado, "3M Workers Will Try to Save Freehold Plant from Closing," *Red Bank Register*, November 14, 1985, 1A; Armando Machado, "Boss, Willie Sign on For 3M Workers," *Red Bank Register*, December 5, 1985, 1A.

to see if America's most popular singer would be willing to help workers in Freehold. Fischer wrote to Springsteen: "You wrote a song about your hometown and about a factory that was shut down and what it meant to the town. When we hear that song, it strikes a very painful chord ... because it's happening all over again."<sup>52</sup> Beyond Springsteen's widespread charitable contributions to hungry Americans on his 1984-1985 tour and his personal connection to Freehold, the trend of celebrity social activism in the mid-1980s on behalf of causes such as Ethiopian famine relief, aid to American family farmers, and resistance to the Apartheid regime in South Africa gave Fischer heart that entertainers would join 8-760's campaign. Fischer drew further heart given that the plant produced audio-visual tape for the entertainment industry. On December 1, Springsteen had dinner with Fischer's family and agreed to lend his name to 8-760's public relations campaign. He also made an unsolicited \$20,000 donation to help pay the union's advertising costs.<sup>53</sup>

The workers' campaign began on December 4 with an advertisement in four newspapers. Under the headline "3M: Don't Abandon Our Hometown!" the ad, credited to OCAW Local 8-760, featured the verse on the rug mill closing from "My Hometown" and an appeal to 3M's moral and economic sensibility to keep the plant open: "We are not asking for charity. All we want is the chance to work." An additional plea, signed by Springsteen and Willie Nelson, who had also agreed to join the campaign, further urged the company to reconsider. "We know that these decisions are always difficult to make," their letter read, in part, "but we believe that people of goodwill should be able to … come up with a humane program that will keep those

<sup>&</sup>lt;sup>52</sup> Marsh, Two Hearts, 463.

<sup>&</sup>lt;sup>53</sup> New York Daily News, "Boss Dinner' With Labor Leader in Freehold," December 8, 1985; Steven Dougherty, "Chatter," *People*, February 10, 1986.

jobs and those workers in Freehold.<sup>354</sup> Though hardly a radical call for working-class empowerment, newspapers all over the country reported on the content of the advertisement as well as Springsteen's involvement in the campaign. Other entertainers answered Fischer and Springsteen's calls for additional support, as 12 cast members of *Hill Street Blues* produced a newspaper advertisement of their own, appealing for "social justice" for Local 8-760 through the preservation of their jobs.<sup>55</sup> The following month, local artists played a 12 hour benefit concert on behalf of 8-760 where, as mentioned above, Springsteen made a surprise appearance. Fischer planned another concert for the spring, but local officials denied the union's permit, fearful that huge crowds would arrive if Springsteen agreed to perform. Despite this outpouring of support and media attention, however, the factory did shut down, as planned, with the first set of layoffs beginning on February 27 and the firing of the final 81 workers on May 29, 1986.

As the workers' crusade progressed and prospects of keeping the plant open dimmed, Fischer changed the message of his campaign. Tony Mazzocchi, a former OCAW official who advised the Labor Institute, remained certain that any attempt to keep the factory open was doomed. Given the lack of success of similar campaigns, he did not want 3M in Freehold to serve as merely another failed plant closing fight. Rather, with Fischer's permission, Mazzocchi used the publicity surrounding Springsteen's involvement to turn the 3M closing into a catalyst to draw attention to the need to reexamine and to regulate companies' responsibilities towards their workers in the event of a shutdown.<sup>56</sup> The changes in 8-760's advertisement campaign

<sup>&</sup>lt;sup>54</sup> Oil, Chemical and Atomic Workers International Union, "3M: Don't Abandon Our Hometown!" *New York Times*, December 4, 1985.

<sup>&</sup>lt;sup>55</sup> Taurean Blacque, Dennis Franz, Charles Haid, Veronica Hamel, Ed Marinaro, Kiel Martin, Robert Prosky, James Sikking, Joe Spano, Daniel J. Travanti, Michael Warren, and Bruce Weitz, "A Roll Call for Social Justice from Some of Hollywood's 'Finest'" *Variety*, December 11, 1985, 80.

<sup>&</sup>lt;sup>56</sup> Les Leopold, *The Man Who Hated Work and Loved Labor: The Life and Times of Tony Mazzocchi* (White River Junction, VT: Chelsea Green Publishing Company, 2007), 418-422; Telephone Interview with Les Leopold, February 2, 2014, recording in possession of the author.

provide a telling example. Whereas the December 4<sup>th</sup> ad had entreated 3M to stay in Freehold, an ad in the *Asbury Park Press* in January articulated far more radical ideas about companies' responsibilities to their workers. Under the banner "3M: Violating the Human Rights of Our Hometown," the ad condemned 3M as well as other corporations for violating workers' rights to provide for their families by abandoning hometowns all across America. The ad called for a "Bill of Rights for Plant Closings," claiming that companies like 3M should be responsible for workers' higher education tuition as well as medical insurance, income, and child care until a new job could be found following a plant closure. Like the December ad, this one also featured a note by celebrities, including Springsteen, Nelson, and the *Hill Street Blues* cast.<sup>57</sup>

As the campaign shifted away from the specific project to save the plant, it also moved away from Freehold, both rhetorically and physically. Fischer took up the "hometown" idea in order to turn the 3M plant into a nationally understood symbol, using the closing in Freehold as a synecdoche for the imbalance of power between capital and communities and the fate of those left behind by factory closures. As he brought the crusade for a plant closing bill of rights around the country in a speaking tour at record stores and to union groups in early 1986, Fischer did not speak merely of his plant. "What we're starting here does not just stop here in Freehold" Fischer told ABC's 20/20. Addressing striking Hormel workers in Austin, Minnesota, Fischer noted that "our campaign in New Jersey is really about all our hometowns;" Springsteen had attended 8-760's benefit concert where he "sang song after song about the problems we all face … But it isn't just our hometown he is singing about. He is singing about your hometown … He is singing about working people everywhere."<sup>58</sup> Under the organizational title Hometowns Against

<sup>&</sup>lt;sup>57</sup> Leopold interview, February 2, 2014; Oil, Chemical and Atomic Workers International Union, "3M: Violating the Human Rights of Our Hometown," *Asbury Park Press*, January 20, 1986.

<sup>&</sup>lt;sup>58</sup> "Statement by Stan Fischer," *The Unionist* (Austin, Minnesota), Vol. 51, No. 10, January 31, 1986.

Shutdowns, Fischer, even after the 3M closing, worked to provide transition assistance for laid off workers in New Jersey and advocated for companies to financially support its workforce following a shutdown. By 1988, Hometowns had joined a coalition of 20 similar organizations committed to reducing companies' unilateral power regarding the fate of their factories.<sup>59</sup>

Fischer employed the "hometown" image of Freehold as a means to popularize 8-760's campaign, making it applicable to all American workers while simultaneously providing a notso-subtle reminder of Springsteen's solidarity with the 3M workers' plight. Yet, Fischer also invoked Karagheusian to draw from Freehold's collective memory, using the town's historical experience with industrial capitalism to highlight the injustice and seeming arbitrariness of plant closings. The former Karagheusian employees garnered a special mention in the December 4<sup>th</sup> advertisement which, after referencing "My Hometown," drew explicit connection between the two closings, claiming: "We can't just let this happen again and again." The near ubiquity of "My Hometown" during the campaign testifies to Fischer's attempt to simultaneously attract national attention, galvanize the local populace, as well as invoke memories of the Karagheusian closing to stimulate his Hometowns political project. 3M's chief spokesman, for example, remembers that in Freehold the union was "playing 'My Hometown' everywhere."<sup>60</sup> Dozens of articles, advertisements, and news features covering the closing quoted the song's lyrics or referenced it, and Fischer played the song at his initial press conference where he announced that Springsteen would be joining the campaign. The song also served as a campaign tactic; Fischer used the word "hometown" a dozen times in his speech in Austin and 8-760 leadership called for residents of St. Paul, Minnesota—the site of 3M's headquarters—to inundate local radio stations

 <sup>&</sup>lt;sup>59</sup> ABC News, 20/20, February 27, 1986; Erik Gunn, "Group Fights Plant Closings," *Milwaukee Journal*, April 12, 1988, 5C; Marian Courtney, "Counseling for Displaced Workers," *New York Times*, February 22, 1987, NJ6.
<sup>60</sup> Telephone Interview with Don Prial, February 10, 2014, recording in possession of the author;

with requests for "My Hometown" to indicate their support for the Freehold campaign. The track provided a forecast for Freehold's fate should 3M continue with its planned shutdown. "Our community needs these jobs," Fischer stated. "We are fighting to prevent the kind of social and economic destruction that brother Springsteen sings about so well in 'My Hometown."<sup>61</sup>

Yet, talk of Freehold within a "hometown" framework was largely disingenuous, and the implication that Freehold's Main Street still bore the "whitewashed windows and vacant stores" mentioned in "My Hometown" in 1986 presented an anachronistic view of a city that had undergone intense changes since the Karagheusian closing. Few 3M workers called Freehold their hometown, as between 45 and 50% of 3M workers hailed from neighboring Ocean County, including Stanley Fischer who hosted Springsteen at his home in Brick Township.<sup>62</sup> Based on available data on 46 different 3M plant employees, only four lived in Freehold. Though some working-class residents remained in Freehold, the city's demographics had shifted away from the blue-collar suburbs of Springsteen's childhood. Freehold sat as the seat of Monmouth County whose average per-capita income exceeded average county per-capita income nationwide by 12% in 1959, 17% in 1979, and 42% in 1989.<sup>63</sup> Property values in Freehold increased tremendously in the 1980s, with a wave of residential construction that saw some homes more than double in value between 1982 and 1985 alone.<sup>64</sup> Freehold's business sector, too, was growing rapidly, with a million square feet of commercial space built between 1985 and 1988.<sup>65</sup>

<sup>&</sup>lt;sup>61</sup> Francis Pestana and John A. Harnes, "Springsteen's Aid No Help"; Fischer Interview, March 26, 2014; Armando Machado, "3M Workers Carry Battle to Minnesota," *Red Bank Register*, December 28, 1985, 3A.

<sup>&</sup>lt;sup>62</sup> Alvin Decker, "Letter," *Ocean County Observer,* January, 1986; Tim Faherty, "Laid Off in the U.S.A." *Atlantic City Press*, June 1, 1986, A1.

<sup>&</sup>lt;sup>63</sup> United States Census Bureau, "Per Capita Income by County: 1959, 1969, 1979, and 1989," accessed July, 2014 via: <u>http://www.census.gov/hhes/www/income/data/historical/county/county3.html</u>

<sup>&</sup>lt;sup>64</sup> Edward L. Walsh, "Freehold Planning Has Paid," Asbury Park Press, February 2, 1986, H1; Philip S. Gutis, "A Project in Jersey Evokes Colonial Era," New York Times, August 15, 1986, B6.

<sup>&</sup>lt;sup>65</sup> Shawn G. Kennedy, "Office Complexes Displace Jersey Barns," *New York Times*, February 10, 1988, B10; Jerry Cheslow, "If You're Thinking of Living in: Freehold Borough," *New York Times*, January 26, 1992, R7.

Despite these changes, the 3M closing reopened wounds of the Karagheusian closing, prompting longtime residents to connect the two incidents. Local newspapers referenced the lyrics of "My Hometown" in October, 1985, two weeks before Fischer announced that Springsteen would be joining 8-760's campaign.<sup>66</sup> Dorothy Burdge, a packer at the 3M plant stated: "When they shut the rug mill down, my father told me then: 'you're nothing but a number and this can happen to you someday.' And I never believed it. But now here we are, and I'm going down the drain with the rest of 'em.'<sup>67</sup> About 20 workers slated for layoff from 3M had been laid off elsewhere, half of them from Karagheusian, a fact which drew considerable media attention. Local columnists drew further connection between the closings, one writer commenting: "I felt a sense of déjà vu talking with 3M workers. It was as though I was thrown back to 1961 when Karagheusian's announcement left … [workers] expressing similar feelings of betrayal.'<sup>68</sup>

The 3M closing ignited a final wave of consideration of the consequences and causes of Karagheusian closing in Freehold, a discussion manifest in an intense wave of negotiation over the future of the rug mill and, by extension, the place of Karagheusian in Freehold's past. Though filled with light industry through 1980, by 1983 the former mill stood vacant, its boarded-up windows providing a clear sign of its physical deterioration. Before the 3M closing, rather than collectively consider the economic forces that had led to its demise or its significance to Freehold's history, sporadic discussion about the mill among residents and local politicians focused on the future of the mill's physical structure. The hulking mass on Jackson Street, two

<sup>&</sup>lt;sup>66</sup> Frank Pestana, "Workers Fear Long-Time Jobs Will Be Lost," Asbury Park Press, November 3, 1985, D1.

<sup>&</sup>lt;sup>67</sup> ABC News, 20/20, February 27, 1986; Saunders interview with Joan Greenbaum, December 24<sup>th</sup>, 1985.

<sup>&</sup>lt;sup>68</sup> Frank Pestana, "3M May Shut its Two Facilities in Area," *Asbury Park Press*, October 29, 1985; Jennifer King, "Shutdown shuts out 430," unknown publisher, most likely the *News Transcript* n.d. approximately November-December, 1985; found in Manuscript Collection #51: A. & M. Karagheusian Records, Box #4, MCHA, Freehold, New Jersey.

large smokestacks punctuating the city's skyline and proudly bearing the Karagheusian name, provided a constant reminder of the town's industrial past, representing, as one local 1983 headline claimed, a "symbol of [a] bygone era."<sup>69</sup>

With the 3M closing, Freehold, for the first time, began to seriously address its industrial history and began an intense wave of cementing Karagheusian's place in Freehold's collective memory through memorialization. Unlike other industrial sites-most prominently Youngstown—Freehold had not undertaken a memorialization process following its seminal moment of deindustrialization until the 3M catalyzed memories of Karagheusian's flight southward. After debates over the fate of the mill were stymied by fires in 1990 and 1998, the facility reopened in 2001 filled primarily with residential apartments, renamed Rug Mill Towers. Memories of the facility's former function lingered on: "There are a lot of ghosts in this building," a city official commented in 2000.<sup>70</sup> Additionally, around this time, Freehold residents exhibited an intense desire to memorialize their town and, in particular, the place of the mill in their city's history. Local historians published narratives of Freehold's past beginning in mid-1990s, focusing both on Freehold's historic role in the American Revolution as well as the industrial production of the mill in the twentieth century. In 2000 the Monmouth County Historical Association featured a special exhibit on Karagheusian and its place in Freehold's history.<sup>71</sup>

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<sup>&</sup>lt;sup>69</sup> Ira Breskin, "Former Karagheusian Rug Mill Still Alive with Activity," *Asbury Park Press*, March 23, 1980, B4; Robert Wright, "Freehold Revitalization Pushed," *Red Bank Register*, March 30, 1982, A1; Terry Moore, "Old Rug Mill Symbol of Bygone Era," *Red Bank Register*, August 14, 1983, A1; *Asbury Park Press*, "Freehold Planning Has Paid," February 2, 1986, H1.

 <sup>&</sup>lt;sup>70</sup> Dick Metzgar, "Rug Mill Celebrates Past, Looks Forward to Future," *News Transcript*, September 20, 2000, 1.
<sup>71</sup> Herrin, "The Makers of Gulistan" (1987); Lee Ellen Griffith, *Images of America: Freehold* (Dover, NH: Arcadia, 1996); Angela N. Higgins, *A History of St. Rose of Lima Cemetery (1857-1951)*, (n.p., 1998), found in the records of MCHA; Lee Ellen Griffith, *Images of America: Freehold, Volume II* (Dover, NH: Arcadia, 1999); Barbara Pepe, *Freehold: A Hometown History* (Charleston, SC: Arcadia, 2003); Coyne, *Marching Home* (2003)

The case of Freehold prompts a reexamination of the motivations of deindustrialization. While labor considerations proved important to Karagheusian's closing decision, Freehold workers did not, for the most part, adversely affect the 'business climate' in Freehold in the postwar period. Rather, broader market forces and well as internal company changes combined to prompt the decline of Freehold's industrial base. Though Freehold proved to be one of the few places in the northeast successfully able to reindustrialize, a very different set of changes led to the same result in 1986, with the closure of the local 3M plant. Once again, a largely compliant labor force was left with a sense of anger, betrayal, and powerlessness as their jobs moved away.

Thus, Freehold's history allows a unique look into the process of deindustrialization, the way workers and community members effected by closing conceived instances of economic turmoil. The centrality of Karagheusian to 8-760's campaign illustrates that the relationship between a company and a community can endure even after the two no longer occupy the same physical spaces. Deindustrialization does not take place in a vacuum but in a place with a past and, more importantly, a memory of that past. Due to Freehold's experience with Karagheusian, it could not erase the lingering, multigenerational anger and betrayal over the flight of the rug mill. Though they took place 25 years apart, local memory conflated the two closings to serve as evidence of the lack of corporate responsibility towards communities. Accordingly, while 8-760's campaign began as a simple plea for jobs, it gradually morphed into expressions of the need to regulate the relationships between companies and their communities. When that campaign failed to preserve jobs in Freehold, and with demographic changes threatening to erase the remnants of Freehold from the time of Karagheusian, residents began to memorialize their town's industrial past, one that had begun in 1904.

Fischer was able to tap into the collective memory of Karagheusian not only because the

mill had been central to Freehold's identity, but because the political questions raised by the closing lingered into the 1980s. In late 1960, William M. Duchessi, carpet and rug director for the TWUA, predicted the need for legislation to prevent future closings such as that of the Karagheusian mill in Freehold: "Sooner or later, actions of this sort will come under the scrutiny of the Federal government and eventually some government action will be necessary to prevent the destruction of a community and the handling of its people as if they were used machinery to be tossed on the scrap pile."<sup>72</sup> 25 years later, on November 21, 1985—the same day "My Hometown" was released as a single—the House of Representatives voted on the legislation DuChessi had called for, a bill to regulate plant closings. This was not, however, the empowered legislation DuChessi had anticipated. By vote of 208 to 203, the House defeated a bill that would have required companies to provide at least 90 days' notice to workers before a mass layoff. The bill was rejected even though it had already been gutted of its most significant clause, one which would have required companies who planned to shutdown a plant to consult with labor unions to discuss potential alternatives to closures.<sup>73</sup>

The failure of this legislation highlights what DuChessi understood just 15 years after the end of World War II: the vulnerability of American workers and their hometowns given companies' ability to relocate their facilities with impunity, regardless of the troublesome conditions they left in their wake. A quarter of a decade later, the 3M closing taught Stanley Fischer a similar lesson and he relied on a similar metaphor to DuChessi's to describe what factory closings revealed about companies' relationships with their spaces of production: "I liken it to strip mining. [Businesses] come in, they strip workers, plants, communities, strip it bare.

<sup>&</sup>lt;sup>72</sup> Freehold Transcript, "Union Calls Mill Layoff 'Virtual Double-Cross'."

<sup>&</sup>lt;sup>73</sup> Peter Perl, "House Rejects Plant-Closings Legislation," *Washington Post*, November 22, 1985, A51; Leonard M. Apcar, "House Defeats Bill Requiring Notice Of Plant Closings," *Wall Street Journal*, November 22, 1985, 6.

And there's no effort on the company's part to restore that."<sup>74</sup>

In his campaign, Fischer had tried to tap into rhetoric concerning the plight of America's hometowns to resist the harshly economic corporate decision-making process. He condemned the power imbalance of the community-company relationship and the corresponding mercy at which communities sat in the face of capital flight. Yet, while the lessons of Karagheusian remained central to 8-760's campaign, the failure of the campaign despite the intense public relations outburst illustrates the lack of power of collective memory in influencing politics. "My Hometown" could draw from the memory of Freehold's industrial era and help spark a long overdue process of memorialization. So too, thanks to Springsteen's national popularity, it allowed the Freehold campaign to transcend a single plant, and broadcast a message relevant to all working class communities. However, the failure of the campaign illustrates the weakness of popular culture—even as a manifestation of collective memory—as a political tool in the face of an ascending logic of market efficiency. Though it originally served as a defiant call against 3M's closing plans, "My Hometown" ultimately served as a painful confirmation of the fate of the Freehold facility as neither Fischer's campaign nor Springsteen's music could prevent the industrial decline discussed in the song from happening again.

<sup>&</sup>lt;sup>74</sup> ABC News, 20/20, February 27, 1986.