Historians characterize the first World War as a boon to organized labor. Union membership increased substantially and wages soared. Samuel Gompers’ strategy of unqualified support for the war effort elevated the American Federation of Labor to favored status with the Wilson administration symbolized by the first appearance of a United States President at an AFoL convention in 1917. Government backing enabled labor to reach the long sought goal of the eight hour day in the railroad industry, a breakthrough that union leaders expected would become the national standard. The fact that even the steel industry, an implacable enemy of unions, made some concessions to their workers, indicates the degree of progress made by organized labor during 1917 and 1918. (1)

The fate of the hatters industry in Danbury, Connecticut was an exception to this pattern. Hat manufacturers in the single industry town of approximately 22,000 people exploited wartime circumstances to accomplish their twenty year objective of curtailing the influence of the United Hatters of North America. A bitter strike against four of the largest hat firms in the city, provoked by management in 1917 contrary to the publicly expressed wishes of the Wilson administration, dragged on until 1922 when the union conceded that its members could work in all local non-union factories thereby acknowledging its impotence. This paper will show how aggressive factory owners, with crucial help from the Connecticut Manufacturers Association and its affiliates, vanquished the United Hatters despite the sympathetic presence of the federal government and transformed Danbury from a union stronghold to an open shop town.
The hatting industry in the United States at the start of World War I had resisted rationalization. Concentrated in a half dozen cities in Connecticut, New York, and Pennsylvania it encompassed many small to medium sized firms that engaged in ruthless price competition. Efforts to create a national industrial association that could impose order on the trade met with limited success. (2) Within each hatting center the situation was equally chaotic. The Connecticut Department of Factory Inspection listed 38 businesses in Danbury in 1918 that either made hats or directly serviced the hat industry. (3) Some semblance of unity was provided by the Hat Manufacturers Association of Danbury and Bethel which was set up in 1903 but not all firms were members. The most notable absentee was the sizable E.A. Mallory Company. The rivalry among Danbury hat firms appalled a field agent of the Manufacturers Association of Connecticut sent to the city in 1919 who reported to the state organization that the major problem he found in the community was a lack of cooperation among businessmen who "had insufficient desire and ability to serve their joint ends because they were more or less knifing one another." (4) The ability of factory owners to control the system of hat production was complicated by the presence of established unions. As early as 1791 local journeymen began to formalize the terms of their employment. In 1800 the United and True Assistant Society of Hatters, the nation's first hat union, was established in Danbury to spell out in detail the rules and responsibilities of membership in this artisan fraternity. (5) As the scale
of the industry, grew such local organizations consolidated into national unions. Representing those who performed the most skilled tasks of styling, polishing, and curling, the elite hat finishers were the first to amalgamate forming the Hat Finishers National Trade Association in 1854. Their counterparts in the so-called back shop, the hat makers, were unable to form a national front until 1885. Collaboration between the unions representing each segment of the hat manufacturing process was sporadic until the Depression of 1893 prompted the merger of the two groups into the United Hatters of North America in 1896 which immediately affiliated with the American Federation of Labor. The membership in the Danbury district of the new union was large and influential. (6) The Danbury Hat Trimmers Union, composed exclusively of women who represented about one-third of the work force in each factory, never joined the United Hatters and was often more militant than their male colleagues. (7)

The labor unrest that exploded in Danbury as the United States ended its three years of neutrality had deep roots. As one astute observer put it "The city has been dead-locked for years with hat manufacturers on one side, union labor on the other." (8) The Hat Makers and the Hat Finishers each faced a major threat to their job security. With the introduction of the forming machine in 1846, which shaped the basic hat cone, a pattern of greater mechanization of back shop lessened dependance on skills of the worker. In the case of the Finishers the menace consisted in fewer hats to
finish. Since 1892 when Harry McLachlan originated the scheme to specialize in fabricating rough hat bodies that would be completed in small “buck-eye” shops all over the country more Danbury firms turned to this mass production approach. By 1917 the Director of the Industrial Bureau of the Chamber of Commerce estimated that more than half of the output of Danbury hat factories was being finished elsewhere, mostly in New York City. Nine factories were sending rough hats outside the city for finishing. These issue and other strict apprenticeship rules and regulation of the pace of work--Danbury hatters enforced the “stint” or acceptable days out put--were responsible for a 16 week lockout in 1893-94 and a 21 week work stoppage in 1909 as well as numerous shorter interruptions. The frequency of labor confrontations increased after 1903, not only because local management was more unified, but because the Supreme Court decision in the famous Danbury Hatter’s case (Loewe v. Lawler) deprived the United Hatters of its most effective weapon, the boycott.

War intensified the tension between labor and management. Because hatting was not a vital war industry and hat companies received few government contracts Danbury did not share in the prosperity that the war stimulated in most of the nation. Yet workers in this stagnant industry suffered disproportionately from the high cost of living fueled by inflated wages in other sectors of the economy. In order to provide relief the Executive Committee of the United Hatters decided that the new wage contract which would replace the bill of prices that would expire on
May 1, 1917 must be tied to the selling price of hats rather than the production costs. In the eyes of union officials this was far from a radical proposal having been the pricing standard for the manufacture of stiff hats since 1902 and introduced as the basis for remuneration for making soft hats in the 1916 contract. In order to allay management's fears of constant wage increases as hat prices went up union leaders agreed to freeze wages for an entire year.

The war placed the hat manufacturers in a difficult position. Raw materials imported from Europe, such as rabbit fur and chemical dyes, were now scarce. With two million men in the service the demand for civilian hats was weak. Under the circumstances they were uneasy about granting wage increases without knowing their exact costs. Only a few firms followed the example of E.A. Mallory and Sons, one of the city's oldest and largest companies, who within a few days of the expiration of the old contract signed a new agreement with the union where the wage rate was pegged to the selling price of hats.

More attractive was the response of Frank J. Lee, the largest employer in the city, who sensed that unsettled conditions provided an opportunity to break the union. Along with Harry McLachlan, a Scotch immigrant who began as a journeyman in the 1890's and was in partnership with Lee from 1909 to 1914, and the son of John W. Green who had recently taken over control of that established company, Lee decided to provoke a strike. The three firms took the provocative position that linking wages to the selling price was a departure from past practices and had to be subject to
arbitration as spelled out in the so called “Father Kennedy Agreement” that settled the 1909 strike. Locals 10 and 11 responded predictably that wage policy was a national issue and could not be subject to local arbitration, an accepted principle in labor-management relations. (11)

Frank Lee, the most militant foe of the United Hatters in Danbury, was an unlikely union buster. The youngest of ten children who was raised on a Connecticut farm, he was a journeyman and union member before starting his own factory in Bethel in 1886. In 1909 he constructed a modern steel and concrete factory that in 1916 employed 1,100 workers and grossed over 2.5 million dollars in business. Despite his financial success he maintained an unostentatious lifestyle on a hilltop farm. He knew most of his employees by their first names and earned their respect for integrity and generosity to the community. Even in the midst of labor unrest in 1917 President Jeremiah Scully showed his admiration for Lee by telling a gathering of the Hat Makers union that Lee “has gone away from us but in every dealing with me he has been fair and honest.” (12) Yet Lee resented the intrusion of a national union into the affairs of his factory so strongly that he was willing to endure considerable economic loss to remove its presence. He admitted in 1919 that the strike he triggered had cost him a half million dollars and reduced his work force by one-half. (13)

The conclusion that Lee deliberately brought on the strike with the intention of damaging the union is inescapable. Contemporaries not affiliated with the union recognized his motivation. E.C. Ginty, a former
Danbury police captain, told the Connecticut Federation of Labor meeting in Danbury in 1917 that the purpose of the strike was "simply to crush and destroy the United Hatters of America." (15) Mediators dispatched by the United States Department of Labor on two separate occasions, though unable to resolve the impasse, praised the union for cooperation and vilified management for their "antagonistic mental condition," "the manifestly absurd nature of their stance on arbitration, and for the way they "stubbornly refuse to officially deal in any manner whatsoever with the union." E.E. Greenwalt, in frustration, reported to his superiors in 1918 "that the burden of responsibility for the regrettable situation that now obtains in the community rests upon the shoulders of the manufacturers, who, in my judgment, precipitated without sufficient reasons, considering the conditions of the world and our country, an industrial trouble that has brought incalculable harm to the business interests of the community." (16)

The United Hatters recognized Lee's action as a direct challenge to their influence and were wary in their response. On May 16, 1917, after the old contract had expired and negotiations were stalled on the issue of arbitration, the union withdrew the label from four factories controlled by Lee, McLachlan, and Green but permitted union members to continue work in other factories run by members of the Danbury Hat Manufacturers Association. To strengthen their credibility the union immediately signed a new pact with E.A. Mallory (600 employees) and several smaller firms
who were not members of the hat manufacturers organization that tied the bill of prices with the selling price of hats. Within two weeks the union began to distribute strike benefits to employees of the four targeted firms at the rate of seven dollars a week for married men and five dollars for single workers. Although far below the normal earnings of hatters which was close to twenty dollars per week, this financial support tightened the discipline of the union. (17)

Adherence of the Danbury locals to national union rules was soon tested. After five weeks of seeing his factory idle and vowing that "he did not mean to be driven from the manufacture of hats" Lee threatened to permanently shut down his modern factory--known in town parlance simply as the "big plant"-- and to shift his operations to a smaller open shop factory in Danbury or possibly in Norwalk. This warning produced consternation among Lee's striking employees who formed a Committee of Eight to confer with the United Hatters on a suitable response. This meeting, described by the Danbury Evening News as "more or less acrimonious" and one where "personalities were indulged in" showed that Lee had thrust a wedge into union ranks. Some workers were critical of the policies of the national leadership and were adamant about the need to keep the Lee factory operating in Danbury. Patrick Connolly, a former Secretary of the Hat Makers local and an ex Connecticut Labor Commissioner, warned that the loss of the Lee factory "might kill Danbury." Herbert Low, a Lee employee and member of the Committee of Eight, publicly agreed with management that the issue of prices like all others
should be decided by local arbitration and attacked national Secretary
Martin Lawlor who, Low claimed, had stated that he was willing to
scarcify the Lee factory for the principle of attaching wages to the
selling price. (18)

Grumbling against union policy grew in volume. The local newspaper
published letters from hatters critical of national union leadership. One
from an ex hatter in Norwalk predicted that "Kaiser Lawlor is going to get
a bad bump as Kaiser Bill is" (19) Respected leaders in the community
urged union members to disregard the directions of their officers.
Reverend A.C. Coburn, young rector of St. James Episcopal Church, spoke
about the situation from the pulpit. Using analogies to the war,
appropriate from one who volunteered to be a military chaplain, Coburn
compared "bleeding Danbury" to "Bleeding Belgium" and implored strikers
to "get together and show the world we are not slackers." He went on to
tell his congregation that the only solution to labor unrest in Danbury was
direct negotiations between Danbury bosses and Danbury workers, what he
termed "home rule." (20). Reverend Walter Shanley, the fiery pastor of
St. Peter's Catholic Church, who never hesitated to write or speak about
such public issues as temperance and gambling, turned his attention to the
strike. In an open letter to the Danbury Evening News he castigated Martin
Lawler for drawing a high salary as a union executive while local workers,
many of them his parishioners, suffered. He judged that "never in Danbury
have the workers expressed greater indignation against the officers than
at present." These blunt sentiments also found expression in his Sunday
sermons. One life-long Danbury resident remembered that Shanley's remarks provoked Jeremiah Scully, the President of the Hat Makers union, to the unheard of action of speaking out in protest from his pew before stalking out of mass.(21)

More damaging than words was the belated action of the other members of the Hat Manufacturers Association who on June 16 voted to close their plants rather than accept a contract based on the selling price. In announcing their decision in an open letter to the press the Association indicted the national officers for policies that benefited them but not the workers who were forced to leave the city of find work. They labeled the current strike as a "death blow to Danbury."(22)

Union officials fought back. Martin Lawlor denied that he ever considered "sacrificing" the Lee plant and denounced Father Shanley as a long time apologist for the manufacturers. The most eloquent union reply was the continued support of the rank and file. On June 21 after three hours of heated discussion at City Hall where more than 1000 members jammed the meeting room, spilled out into the hallways, and even sat on the court railing and on the judges' bench, the largest ever meeting of the Hat Makers union voted to support the national position and not pursue separate negotiations with the Danbury factory owners. The following day the Hat Finishers, with considerably less enthusiasm and unity, followed suit. Only 226 of the 400 members who attended the meeting cast ballots and 42 votes were recorded in opposition to the national position. (23)
The response of Lee and his associates to the hatter’s solidarity was direct. Lee leased the abandoned Beltaire factory, a small wooden structure on North Main Street, and began to hire workers regardless of union affiliation. He announced to prospective employees that, although he would never deal with a national union, he would be willing to arbitrate all issues with a local union. Lee advertised his South Street factory for sale in the New York City newspapers and he started negotiations with Norwalk businessmen about opening a factory there. The three other struck firms also reopened on an open shop basis. In August all four incorporated as the United States Hat Company and with capitalization of one million dollars became the largest hat company in the district responsible for more than half of the local output. (24)

As hatters, some of them union members, began to file into the factories of Lee and his partners the union escalated the tension by opting to picket what they termed the “foul shops.” Although union leaders were careful to decry violence and boasted that they did not use force in labor disputes there is some indication that this strike was not entirely peaceful. Of course there is no direct evidence of this in the local newspaper always concerned about Danbury’s reputation. The press recorded peaceful marches of hatters carrying American flags up Main Street to the Lee plant. However Kenneth Hanna, the son of the then City Clerk, recalls that verbal abuse and frequently rocks were hurled by strikers at men who crossed the picket lines. (24) The terse newspaper report that Lee shot at a prowler near his home at the height of the strike takes on added significance in the context of his daughter’s description of her father sleeping with a gun.
under his pillow at this time, having the grounds of his home illuminated, arranging for Danbury police to stay overnight at the farm, and withdrawing his children from St. Peter's school to protect them from physical harm and from the taunts of "scab" hurled by their classmates. (25)

The hardening of positions in the current strike occurred against the backdrop of the denouement of the Danbury Hatters case, a graphic reminder of the resourcefulness and determination of the open shop advocates. After 14 years of legal maneuvering which included two Supreme Court hearings, the $240,000 assessed against the union was scheduled for payment in July, 1917 with the money to be raised by the auction of the homes of 247 Connecticut members of the United Hatters, most of whom lived in Danbury. The forced sale of these residences, which had been under attachment since 1903, reached the stage where the auction date was publicized and each property described in the local press before it was canceled when the American Federation of Labor paid the "blood money" as Martin Lawlor described it. (26)

Frank Lee and other Danbury businessmen who wanted to free themselves from the power of organized labor had eager allies in the Manufacturers Association of Connecticut and its affiliates: the Fairfield County Employers Association, The Hartford County Manufacturers Association, and the Bridgeport Manufacturers Association. In 1917 the state association decided to go beyond its traditional role as a legislative
watchdog for business interests to become an agressive promoter of the open shop. Spearheading this anti-union drive was Clarence V. Whitney, a Hartford industrialist whose hatred of organized labor was so strong that the President of the Association described him in 1919 as someone who regretted "that the action taken by Governor Coolidge of Massachusetts and by Judge Gary in connection with the steel strike has not been taken by Connecticut manufacturers." When Whitney was searching for ways to mobilize the state Association his attention focused on the fight that Lee and his colleagues were making to establish the open shop in Danbury. Named to head a special Danbury Committee of the Manufacturers Association Whitney provided a number of curcial services to the local hat firms.

Most important the Manufacturers Association helped overcome the fragmentation and isolation of the Danbury industrialists. On September 13, 1917 the Fairfield County Employers Association met with local businessmen at the Hotel Green. At this gathering Whitney and others gave glowing testimony to the patriotic nature of the open shop. Lee, McLachlan, and W. Harry Greer pledged their dedication to giving workers "the liberty to work to their full potential." Other Danburians pledged their support. Reverend Coburn, for example, said that he was willing to "temporarily alienate workingmen" in order to support the open shop. One month later a Danbury branch of the Fairfield County Employers Association headed by Arnold Turner, a maker of hat machinery, was formed. At the first session of the new group a stream of out of town speakers promised
the support of the state Association and predicted that this new approach would remove "Danbury's unsavory reputation as a labor town. Walter Drew, an attorney retained by the state Association to help build a Danbury employers organization, captured the revivalistic tone of the meeting when he intoned "I believe the light is breaking over the hills of Danbury" bringing "a new era that would see Danbury safe for democracy." (29) The Manufacturers Association then took its message to the public by underwriting a half-page advertisement in the local newspaper that reprinted Elbert Hubbard's 1910 article from the Roycrofters entitled "The Closed or Open Shop" (30).

In addition the Manufacturers Association subsidized the services of savvy lawyers who presented the Danbury employer's position in the best light before courts and government agencies. Ralph O. Wells, a Hartford attorney retained by the state Association since 1912, argued persuasively that the War Labor Board, sympathetic to organized labor, had no jurisdiction over labor matters in the Danbury hat industry. (31) Wells, as counsel for the United States Hat Company, obtained an injunction from the Superior Court in Bridgeport to curtail picketing near Lee's plant and handled the contempt proceedings against John O'Hara, Secretary-Treasurer of the Hat Makers union for allegedly violating this injunction. (32)

One benefit to Danbury hat manufacturers of the alliance with like minded state industrialists is easier to allege than it is to prove. On numerous occasions hat union officers asserted that striking hatters were discriminated against when they sought work in Bridgeport munitions
factories during the summer of 1917. In particular it was claimed that Remington Arms instructed all hatters who applied for positions to "go back to Danbury and go to work." John O'Hara went further and reported to Secretary of Labor William Wilson that hostile Bridgeport employers maintained a blacklist that forced hatters to accept employment in Danbury open shops. (33) Ultimately this charge was relayed to the War Department but there is no indication that any investigation was made. However it is strange that hatters in large numbers were forced to take menial jobs on the railroad and on farms if positions in war plants had been available to them. (34)

The Manufacturers Association's determination to nurture the open shop movement in Danbury continued into the postwar period. The field Secretary of the Association and a special counsel spent much of their time in 1919 in Danbury attempting to unify the business community behind what they referred to as a system of "industrial democracy." One of their accomplishments was to help establish the Danbury Boosters Club at whose weekly luncheons the advantages of the open shop could be proclaimed. (35) When Frank Lee and Harry McLachlan decided in 1919 that it would be prudent to purchase a vacant hat factory rather than let it reopen as a closed shop the Association provided a loan of $20,000 as a gesture of encouragement. (36) Testimony to the importance of the Manufacturers Association's assistance to the open shop in Danbury was given by Frank Lee at the 1919 meeting of the state group. At that time Lee paid tribute to Clarence Whbitney as the one who "has inspired me in
the Open Shop propaganda more than any other member of the Association,” and then added significantly “I dare say there was a time and a period in my open shop propaganda when, if it hadn’t been for Clarence Whitney, I might have weakened, but fortunately we continued on.” (37)

The most effective strategy used by Lee and other open shop employers to “continue on” with their anti-labor campaign in the postwar years was to exploit Danbury’s very dependence on the hatting industry, dramatized by the city’s experience of being cut off from the wartime economic boom. On August 6, 1918 a group of 25 prominent local businessmen met to form a corporation whose purpose was to attract diversified industry to the city. The Danbury Industrial Commission ultimately played an important role in revitalizing Danbury’s economy in the 1940’s and 50’s following the collapse of hatting, but in the early years it was primarily a mechanism to counteract what Arnold Turner, one of the founders of the organization, termed Danbury’s “bad press about labor problems.” Three of the five officers of the company were hat executives including Lee and McLachlan. Lee served as the first President of the Industrial Commission until his death in 1937. His interest in the corporation was clear from his comments at the original meeting when he expressed willingness to subsidize the construction of a modern factory building that could be rented to relocating industries. However this offer was valid, he emphasized, only if the community welcomed the newcomers with “the proper spirit.” It is apparent from the type and number of industries brought to the city by the Industrial Commission that to Lee “proper spirit” meant “hostility to unions.” (38)
Against this powerful business attack the United Hatters had meagre weapons. They forged an alliance of convenience with the building trades represented by the Danbury Central Labor Union, something the hatters' locals had shunned for many years. The convention of the Connecticut Federation of Labor was held in Danbury in 1917 providing a psychological boost and a propaganda platform where state delegates were urged to honor the union label. Union officials orchestrated a modest letter writing campaign to counter the claims of the manufacturers that an open shop paid higher wages and provided more satisfying working conditions. Face to face meetings between the United Hatters national President and Danbury manufacturers in January and February 1918 failed to break the impasse. Probably the most prudent union tactic was to permit members to work in all open shop factories except those owned by Lee, McLachlan, and Green even though they controlled 57% of the local production capacity. By the end of August 1917 all other Danbury hat companies had withdrawn from the Danbury Hat Manufacturers Association and had reached a modus vivendi with the union.

Appeals to class and racial fears that became more explicit as the labor situation deteriorated were central to the hatters' strategy. Martin Lawlor told the delegates to the Connecticut Federation of Labor Meeting held in Danbury over Labor Day in 1917 that the open shop had 'truly lured into the community undesirable immigrants with a lower standard of living and a willingness to subordinate themselves to machines in the hat factories. He guaranteed that local merchants could testify to the "riff-raff of outsiders" that had flooded into Danbury.' When the Reverend Coburn expressed sympathy with the open shop the union advised him...
sarcastically to start an "open chapel in the vicinity of Beaver Street
where the latest acquisitions to Danbury's peaceful population live and work
in the 'open shop'". (43) Patrick Ginty, a journeyman, was more blunt when
he charged that the open shop had brought to Danbury "a low class of
people...the scum of Europe." (44)

The most promising source of support for the Danbury hatters was the
federal government particularly the Department of Labor headed by
William Wilson, a former United Mine Workers official. The United Hatters
concluded that intervention of federal authorities more sensitive to
labor's plight than any previous administration who, in addition, were
eager to quell any labor troubles that marred the war effort would be to
their advantage. Yet on two occasions, in August 1917 and in April 1918,
federal mediators failed to bring the feuding parties together. When the
National War Labor Board in July, 1918 ruled that it was not appropriate
for them to intervene in a strike that did not directly effect the conduct
of the war the cause of the union was doomed.

Originally it was a worried city government rather than the hatters union
that turned to Washington for assistance. When a Citizens Committee
authorized by the City Council and appointed by Acting Mayor Michael
Sullivan was unable to budge the two sides after several joint meetings
desperate City Clerk George Hanna asked the Labor Department to send a
mediator to Danbury. (45) In response General Robert McWade, an
experienced diplomat who had been the consul general in China, arrived
in early August 1917 only to find that neither management or labor welcomed his presence. However after a series of meetings McWade concluded that it was the intransigence of the hat manufacturers that prolonged the strike. In a press conference before his departure and in his official report to the Labor Department he portrayed labor as willing “to go as far as the limits would allow to settle the matter” while he characterized the owners as stubborn and hostile. His final verdict was that Lee and associates had acted unfairly in trying to take advantage of the war emergency. (46) Possibly because McWade sided so strongly with the union—United States Hat Company attorney Ralph Wells judged that he did “not impress the manufacturers as in any sense an impartial or open minded conciliator,” he was unable to bring the strike to an end. (47)

Encouraged by McWade’s evaluation the hat union was responsible for injecting the Labor Department into the local scene for a second time in the Spring of 1918 after an attempt to apply community pressure misfired. In October 1917 the United Hatters circulated a petition urging that the strike be settled and Danbury’s factories be operated “under union conditions.” This statement, signed by 300 persons including all elected city officials and 86 others who identified themselves by their small business or profession, argued that non union factories have attracted workers “that are not of a type or class to which Danbury is accustomed, and whose standard of living is far lower than that of Danbury citizens.” To underscore the claim that loyal Americans are idle while undeserving foreigners are employed over 50 of the signers added such phrases as “son in army,” “boy in army,” after their names. (48)
When public pressure failed to budge the manufacturers, John O’Hara of the Hat Makers union forwarded the petition to Secretary of Labor Wilson with a cover letter requesting a federal investigation of the unpatriotic activities of the hat companies who fly the American flags over their factories that were purchased by their loyal workers who were then locked out and replaced with aliens. (49) Once again, in April 1918, a federal mediator came to Danbury. The disgust of E.E. Greenwalt after meeting with both sides was even more extreme than that of his predecessor. Like McWade he found the union cooperative and management rigid, “so positive in their assertions” that he could make no headway. For the record he stated that in his judgment owners took advantage of unsettled conditions to provoke the strike and for selfish reasons they were prolonging it to the detriment of the community. (50)

Although two federal mediators had been ineffective in ending the strike, labor was heartened that both agreed that they were being victimized by management’s resolve to establish the open shop in Danbury. Therefore, after almost a year on strike and with no sign of weakening of the resolve of Lee and associates, the United Hatters in desperation again sought federal intervention this time with a charge that the strike was disrupting the conduct of the war. Admitting that the hat factories themselves had few government contracts the union charged that a blacklist existed which prevented hatters from finding employment in the Bridgeport war industries and that management was importing “alien enemies” to work in the open shops in Danbury. (51) The National War Labor Board did consent...
to hold hearings in Washington and asked both sides to file briefs but in the end failed to take any action on the grounds that what was happening in Danbury did not hinder the conduct of the war. (52)

With that terse ruling the possibility that government might reestablish Danbury as a union town disappeared. The open shop factories prospered. Both Lee and McLachlan boasted to the press in 1919 that they had so much business they were eager to hire any hatter immediately. (53) The Manufacturers Association, with satisfaction, rated the industrial scene in Danbury a few years later as 96% normal and 25% above the average for the entire state. (54) Simultaneously pressure mounted among local union members to face reality and lift the restrictions against employment in open shop factories. In January 1922 both the Hat Finishers local 10 and the Hat Makers local 11, with the blessings of the national executive board of the United Hatters, voted to permit members to accept jobs in all local factories. (55) Danbury was no longer a labor stronghold.

The United Hatters of North America locals in Danbury were as much victims of World War I as any battlefield casualties. What is more the union never regained its influential position in the economic life of the community. When the depression of the 1930's and the support of the New Deal revitalized the labor movement the hat industry in Danbury had begun its rapid slide to extinction. By 1960 less than 20% of the city work force was still engaged in hatting. Ironically it was Danbury's new reputation as an open shop town that contributed to its economic survival. Many of the approximately fifty companies that settled in Danbury between 1945 and 1960 were attracted by a pool of non union factory workers.