

Catherine J. Athearn

XXX-XX-XXXX

December 7th, 1993

KINDER, GENTLER CAPITALISTS
(A Contrast of the U.S. and English Steel Industries)

HISTORY 1378/04417
Professor Joe Pratt

The following facts are the result of an interview with my father, Peter Wilton Habershon, born in 1921. Although he chose a naval career, he was brought up in Yorkshire and witnessed the growth and subsequent nationalization of his family's steel firm.

Catherine J. Athearn

* * * * *

From 1829 until 1947, the Habershon family of England ran a small steel firm in Rotherham, Yorkshire. During this time Andrew Carnegie was born, sailed penniless to the United States, created a huge Steel empire, and sold it for four hundred and eighty million dollars. On a much smaller scale, J. J. Habershon & Sons, Limited was successful and turned out many useful products. While its five generations of owners lacked the drive, ambition and ruthlessness of Andrew Carnegie, they knew their workers and their families, and did all they could to ensure their well being.

Matthew Habershon was the pioneer of Habershon Steel when he bought a tin plate works in Rotherham and converted it into steel rolling mills. The company turned out sickle steel for use in the West Indian Sugar industries for a few years, and then got its first big break with the invention of the steel pen nib. From the pen nib to corset hoops to lead shot to cannon balls used in the Napoleonic Wars, by the turn of the century the company was thriving, employed over 200 workers, and became the prime manufacturer of cycle wheel rims, chains, hubs, mudguards and other fitments for bicycles.

In 1920 Alfred Rix Habershon became the fourth generation owner of J. J. Habershon & Sons, Limited. He had a thirst for the steel industry and made several trips to Pittsburgh to study the methods of his U.S. counterparts. He formed a close friendship with Harry Brearly, the inventor of stainless steel and the two of them traveled together to many European countries. During one trip to Stockholm, Sweden, a waiter complained that he was unable to sharpen his stainless steel knives. Brearly told the waiter to bring them all to the table, and while he ate, he and Alfred proceeded to sharpen them. The Brearly/Habershon friendship continued into the next generation, when Alfred's son, Peter used to visit him regularly during naval leave in Plymouth.

During the depression of the late 1920s and early 1930s it was necessary for the company to lay off many of its workers. Alfred did his best to keep them employed, but times were tough. Peter Habershon, a young boy at this time recalls the deep concern his father had for his workers and how his mother organized the soup kitchens. "No one today could really know how bad it was without experiencing it first-hand. People were starving in the streets, thousands were unemployed. There was no Welfare State. Children were barefoot and dressed in sacks, listlessly sitting on the corners of the streets." He recalls the miners' strike and how the 100-acre forest behind his house completely disappeared as people cut down trees and burned the wood to keep themselves warm. His father was distressed by poverty and stood on the council as a Liberal for many years. He did all he could to help his laid-off workers and their families, even hiring back a worker who had spent three weeks in jail for stealing a cabbage.

Although Habershon Steel went through a bad slump, it had enough "meat" to carry it through the first part of the depression. It was then fortunate to land the order for supplying all the stainless steel for the Airship R-101. The company then provided the stainless steel girdle required to strengthen the dome of St. Paul's Cathedral in London. Shortly after this, with the coming of Nazi Germany, the country began to re-arm, and the company became known as "The Firm which made the All-Metal aeroplane possible," the aeroplane being the "Bristol Bulldog." Habershon Steel was embodied in almost every type of aircraft flown during the second World War, including the "Spitfire" and the "Hurricane."

Peter Habershon had no desire to work permanently for the firm, and joined the Royal Navy in 1938. During his leave he would help out and work from 7:30 to 6:00 turning out wagon wheels on a lathe. It was during the war that worker dissatisfaction became apparent: "My father was an exceedingly fair man, one of the nicest men you could ever meet. I never heard him say a bad word. And I think what killed him in the end was the sort of Communist and bitter view coming from the workmen he'd known for many years. He was very upset, I think. A bad influence came in during the war. Not the socialist side—they were all socialists then. The young people had gone to the war and the older ones that had been unemployed came in to do their jobs. They were strong union men with a chip on their shoulder. Political animals. My father didn't understand that. It really upset him."

Alfred died prematurely in 1942 and Peter's elder brother, John, down from Cambridge, came in reluctantly to run the company, and experienced constant labor problems. The unions had become the bosses and the country had become uncompetitive. At the end of the war Peter considered leaving the navy and joining the firm; however, the company was one of 25 nationalized by the government in 1947 and he was therefore able to continue his naval career.

Whilst the Habershons did not possess the ruthless nature of the Carnegies of this world, they proved that owners can be "kinder and gentler," making money whilst retaining the affection of their workers. Although Carnegie left his philanthropic imprint on the world, the people of Yorkshire, England still have memories and hold a certain amount of affection for the Habershons.