

Note: This is an excerpt from a longer article by Maria Powell. Most of the information and quotations came from Madison: A History of the Formative Years, 2nd Edition (2003), by David M. Mollenhoff, but for ease of reading I took out most footnotes and citations. If you are interested in them, please contact me at mariapowell@mejo.us.

How the “Madison Compromise” came to pass

What kind of city should Madison be? Elites envision “Athens of the West” resort

The presence of the state capital and university established political and academic identities for Madison right from the beginning, attracting academics, professionals and politicians from eastern U.S. to settle there even while it was still a village. But working class people, including some from other countries also began to populate Madison and helped build the city, which grew quickly.

In the next several decades after its incorporation in 1856, and into the early 1900s, deep tensions persisted among Madison leaders and citizens about whether the city should be a resort and university town, a home for factories and manufacturing, or both. In early decades of the city, sentiments leaned towards the former two. While a minority of city residents felt that factories were essential to the city’s population and economic growth, “most Madisonians” agreed with D.K. Tenney, an early city leader, who advised the city to bank on its public educational institutions and unique natural beauty. “Madison and surroundings are the handsomest on the face of God’s green earth...No other place in the West possesses it,” Tenney pronounced.

By 1877 many accepted as a “settled fact” that Madison’s “natural advantages would make it one of the most attractive summer resorts in the country” with “[n]o soot-belching chimneys, no noisy factories, and no grimy workers,” Mollenhoff wrote. Instead, Madison would be a “nationally famous northern resort” and “a center of culture, learning and legislation, a city of fine homes, and the commercial emporium for Dane County.” Opposition to Madison as an industrial city was very strong among university professors, state employees, doctors, and lawyers who “constituted the backbone of Madison’s rather intellectual, professional, and salaried society.”

In 1889 a Harper’s Weekly author wrote that “few towns...can become beautiful and learned, or can achieve social distinction...Madison can of course darken her skies with the smoke of countless furnaces, and cover her vacant lots with long rows of tenement houses, if she so will its...It would be a great pity if she did so, however, for the industrial West can ill afford to sacrifice those shining qualities that have made Madison famous for the paltry sake of a larger census return and the sale of a few acres of vacant land. Madison ought to be content as well as proud of her present... She is rich and prosperous and cultured; let her exist for the sake of being beautiful.”

University and professional elites wanted the city to be a “great educational center,” and assumed as the university kept growing that Madison could prosper without many industries. Academics argued that they valued antimaterialism, intellectual achievement, and natural beauty as ideals for the city’s identity, and argued that Madison’s university-centered culture reflected these values. With these ideals in mind, some academic and professional leaders even began referring to Madison as “Athens of the West,” while others hoped it would become “the Oxford of America.”

The anti-factory contingent did not believe Madison could be a factory town and beautiful at the same time. Factory opponents asked, “Do we really want to encourage factories to come here

knowing that their smoking chimneys will make our skies leaden and our lakes a depository for their wastes? Is a smoky, dirty, ugly city worth the extra money such factories would bring in?"

This perspective was partly a reflection of privilege of the anti-industrialist group, who benefited greatly from the work and political connections of the wealthy easterners who founded the government institutions and university in Madison decades earlier. Further, since that time, Wisconsin's legislature continued to generously fund the university. As Mollenhoff notes, "the anti-industry group also had the advantage of doing almost nothing to make the university and state government grow. Both were then expanding relatively rapidly and were being well-funded by the legislature."

At times, elitism, as well as thinly veiled racism and fear, exuded from public writings of some in the anti-factory group. Some refused to buy stock in a company that wanted to locate its factory in Madison because they did not want to see "the air fill up with smoke and the streets with grimy men." Others argued that if factories were to be in Madison, they would be separate from residences—e.g., a 1899 pamphlet, *Madison Wisconsin and Its Points of Interest* said that unlike many western cities, Madison "is not a dreary waste of sandy dusty streets nor smoke begrimed houses; on the contrary the manufactories and the residence portion are widely separated." Mollenhoff wrote that groups opposing factories in Madison did so "because they meant a great influx of "grimy workers," many of whom would be "ignorant, poverty-crushed foreigners" that would "lower the city's intellectual and moral standards" and "the city's intellectual life might decline."

Wake Up, Madison! The beginnings of the Chamber of Commerce

Growth in Madison in the late 1800s wasn't enough for pro-industrialists. At the turn of the century, Madison business leaders were extremely dissatisfied with the amount of city growth, especially given that several other Wisconsin cities had surpassed Madison in population. They wanted a bigger city, more railroads, more streetcars, more businesses, and more factories. They wanted "a metropolitan future" with "truly metropolitan walls of buildings" surrounding Capitol Square, "metropolitan" electric lights, "plumes of black smoke from factories" and "countless locomotives."

In 1899, an editorial by Wisconsin State Journal's editor Amos Wilder screamed "Wake Up, Madison, Wake Up," scolding the city for being too "slow" and "conservative" and not doing enough to attract industry and capital. Eventually he and other leaders formed the "Forty Thousand Club" to encourage business and industry growth in Madison. The group offered incentives to business owners and industries to locate in the city, formed committees to help negotiate better railroad freight rates, endorsed stock offerings of new enterprises, and gave carriage tours of the city to prospective factory owners. The Club helped negotiate free sites and large stock purchases, the "standard demand of mobile, mercenary corporations," for several companies.

By 1910, the Forty Thousand Club was renamed the Commercial Club. The Commercial Club later disbanded, but not long after this another business promotion organization, the Board of Commerce, was formed, to make Madison "a better, bigger and busier community." This group eventually became the Chamber of Commerce.

Madison's progressive citizens want more services, which requires more tax money...

Madison's progressive citizens, meanwhile, wanted "efficient, honest, and much more powerful local government, devoid of partisan silliness; a city that preserved the natural beauty of its unique world-class site; a city whose lakes were clean, not green and stinking; a city devoid of slums and poverty; a city that boasted clean milk, clean food, a sewage plant that worked, free garbage collection, and modern hospitals; a city where every citizen had a say." Madison's leaders realized that the city "could not afford to break into the metropolitan ranks" and provide the improvements citizens demanded without more tax revenue—and that factories could provide some of this money. In 1912, the state legislature passed the nation's first state income tax giving 70 percent of its yield back to municipalities, which made factories even more enticing to Madison's leaders.

During this time, both the Wisconsin State Journal and the Madison Democrat ran passionate pro-factory stories and editorials. The editor of the State Journal, Richard Lloyd Jones, an outspoken factory advocate, wrote long editorials scolding Madisonians for their fear of factories. Mollenhoff quotes from one of his editorial series, urging citizens to "wage war on those who were 'contented with Madison the Peaceful'...Who said we want more peace and quiet?...Let people who want to go to bed at 8:30 go somewhere else."

In 1912, Jones organized a slogan contest for the city. Entries for the contest revealed the widely ranging visions for the city, some highlighting progressivism, intellectualism, and natural beauty, others focusing on money and mansions, and a few combining both—e.g.: "Madison, Healthy, Wealthy, Wise, and Witty," "Madison, Pretty, Proud, and Progressive," "Brains, Business, and Beauty Make Madison Move," "Madison, Wisconsin, the Home of Progressivism," "Madison Maintains Many Magnificent Mansions," "Make Your Millions in Madison," and "Madison Men Make Money."

With the tax benefits of factories becoming more necessary for city infrastructure, and cheerleading from newspapers and commercial clubs, city leaders and elected officials in time became more welcoming to factories. When Carl Johnson of Gisholt asked the city to vacate a residential block on the east side in 1906 to expand his factory, citizens were opposed and the city said no.

But in 1910, Johnson enlisted the support of the Commercial Club, the business community, and even the governor, and eventually received support of the common council, "*an event that signaled the beginning of an era when the common council became a friend of industrial growth.*"¹

The Madison Compromise

Debates between anti-factory professionals and pro-factory industrialists continued to simmer in the early years of the century. Eventually, "both sides recognized that the pure version of their dream was politically out of the question since each side had enough power to thwart the other" and "could made certain concessions, win great gains, and save face."

¹ To thank the city, Johnson rented a plush railroad car on which he took the Commercial Club leaders, the Mayor, the alders and editors of both papers to Chicago. On the trip, he gave a presentation "on the importance of city-business cooperation on industrial growth." A formal council meeting was conducted on the train, since a quorum was present. In Chicago, Johnson treated his guests to cocktails, and hors d'oeuvres at the Chicago Athletic Club.

Savvy industrialists realized it would be a mistake to push “the ruder kinds of factories” such as steel mills, instead promoting “high grade” factories which would employ “highly skilled, highly paid artisans who owned their own homes and sent their children to the university.” Swayed by this rationale, in 1914-1915, the Board of Commerce rejected many factories considered not “high-grade” enough for the city. By this time, however, Kipp and several other heavy industries—not exactly “high grade” or employing “highly skilled, highly paid artisans”—were already established on the city’s east side.

This argument apparently calmed the fears of the anti-factory elites that Madison would become filled with “dirty, grimy” workers, and they gradually accepted that Madison would need “people with the dinner bucket” to operate its factories. One anti-factory representative, who had reluctantly come to accept factories in the city, condescendingly argued that it was “no more [than] common justice to desire to give to as many [laboring men] as possible the advantages...a city like Madison has to offer.”

However, though they had finally accepted having more factories, elites did not want these factories near their homes, nor did they want factories workers living near them. Hence, the east side was dubbed the “factory district” and the west side, where most Madison elites and professionals lived, the “residence district.” John C. Fehlandt, an attorney who lived on Langdon Street (the mansion district on Capitol Hill), proposed that Madison’s topography made the city perfect for factories and homes to coexist, because Capitol Hill nicely separated these two districts. Of course, he also certainly knew that most factory workers, unable to afford automobiles, would need to live near their work—on the east side.²

The anti-factory and pro-factory groups’ “tacit agreement”—to accept more factories (only “high grade”) and designate the East Side as the “factory district” and the West Side the “residence district”—became known as “the Madison compromise.” As Mollenhoff opines, “It was a comfortable world of cozy compartments separated by a socioeconomic fault line that even today sends tremors through discussions of municipal problems.” By 1910, he wrote, the Madison compromise “had been accepted by most opinion leaders.”

² The divide isn’t really this clean; there were already several established elite homes and prestigious neighborhoods on the east side by this time, including one just south of Kipp along the edge of Lake Monona near Hudson Park, and another further to the west on the lake. Still, factory workers eventually settled in the neighborhoods immediately around Kipp.