



The People's Telephone: The Political Culture of Independent Telephony, 1894-1913

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In this paper, I explore the political culture of the independent telephone movement in America from 1894 to 1913. Thousands of small telephone companies appeared in those years to challenge the monopoly of American Bell. They embraced the language, if not the substance, of American populism, speaking boldly of “liberating the people” from Bell’s “tyranny” and declaring their fight “the War for American Industrial Independence.” However, what was truly radical about the independent telephone companies was not their overblown rhetoric, but their approach to the task of building America’s communications infrastructure. The independents offered a different style of telephone network, oriented to a different class of consumers. Theirs was a telephone system with less reach but more democratic access, with less efficiency but more local control. Their story demonstrates the conflicts and the inescapable connections among corporate structures, physical infrastructures, and political ideas.

Before 1894, the American Bell Telephone Company (later reorganized as the American Telephone and Telegraph Company, or AT&T) enjoyed exclusive patent rights to the telephone in the United States. In 1894, those patents expired and the Bell monopoly faced a flood of hostile competition. Within a decade, thousands of rival telephone companies were formed. By 1907, AT&T’s competitors operated 3.1 million phones in the United States, more than half the nation’s total.¹ These competitors called themselves “the Independent telephone movement.” The “in-

¹ U.S. Bureau of the Census, *Telephones and Telegraphs: 1902* (Washington, D.C., 1906), *Telephones: 1907* (Washington, D.C., 1910), and *Historical Statistics of the United States* (Washington, D.C., 1975), 2: 783-84.

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dependents” and their heyday, from 1894 to about 1913, are the subject of this paper.

The story of the independents runs against the grain of some of the standard narratives of Chandlerian business history and Hughesian history of technology.² The independents built literally thousands of small, unconnected telephone systems. Their modest, vertically disintegrated companies had little in common with Alfred Chandler's modern managerial firms. Their scattered local networks did not resemble the large technological systems Thomas Hughes described as the characteristic achievements of this era. Yet the independents were hardly throwbacks or aberrations. They embraced technological innovation, they captured half the telephone business in the United States, and they transformed America's communications infrastructure—both the way the network was organized and the way Americans thought about the phone.

The independents launched a ferocious attack on the legitimacy of the Bell telephone system. Their publicity efforts were flamboyant, impassioned, and never subtle. They made speeches; they published journals, pamphlets, and broadsides; they gave parades and sang songs. They spoke of “liberating the people” from the “tyranny” of the AT&T “octopus.”³ They called Bell's patents fraudulent, its rates extortionate, and its policies lawless and cruel. “Opposition to that company [Bell],” a typical Iowa independent declared, “is the bounden duty of all who believe in the right, revere justice, and love their fellow men.”⁴

Business historians and historians of technology have not known what to do with the independent telephone movement. We know better, perhaps, than to take the movement's fevered rhetoric at face value. Certainly, independent publicity was self-serving and often exaggerated for effect. However, it did provoke debate about the future and the purpose of the telephone. The independents insisted to America that there

² See especially Alfred D. Chandler, Jr., *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, Mass., 1977) and Thomas P. Hughes, *Networks of Power: Electrification in Western Society, 1880-1930* (Baltimore, Md., 1983). For a synthesis of Chandler and Hughes, see David A. Hounshell, “Hughesian History of Technology and Chandlerian Business History: Parallels, Departures, and Critics,” *History and Technology* 12 (1995): 205-24. For recent views on Chandler's approach, see Richard R. John, “Elaborations, Revisions, Dissents: Alfred D. Chandler, Jr.'s *The Visible Hand* after Twenty Years,” *Business History Review* 71 (1997): 151-200.

³ For a sample of independent rhetoric, see Frederick S. Dickson, *Telephone Investments--And Others* (Cleveland, Ohio, 1905), Historical Collections, Baker Library, Harvard Business School; Paul A. Latzke, *A Fight with an Octopus* (Chicago, 1906); A. C. Lindemuth, *A Larger View* (Chicago, 1908); Telephone Pamphlets, Widener Library, Harvard University, and the independent journals *Telephony*, *Sound Waves*, and the *American Telephone Journal*.

⁴ Quoted in Roy Alden Atwood, “Telephony and Its Cultural Meanings in Southeastern Iowa, 1900-1917” (Ph.D. diss., University of Iowa, 1984), 106.

were choices to be made about how this new technology would be organized, operated, and understood. No one has really tried to unpack the rhetoric of the independents, to ask what they were so “fired up” about, and what they were truly trying to accomplish. We have avoided serious engagement with the independents and their ideas.⁵

In this paper, I do not provide a complete history of telephone competition in the United States, but, rather, an examination of the political culture of independent telephony. How did the independents understand what they were doing? What, in fact, did they achieve? My goal is to move past the overheated rhetoric of the independents and expose the ways in which they were truly radical—ways that had less to do with the “tyranny” of the Bell “octopus” than with the actual shape of the communications infrastructure these two competing factions sought to build.

Ideas about technology and technological systems do not “map” onto the political spectrum in obvious ways, and the debates they inspire can make strange bedfellows. Nevertheless, they are political. Business historians and historians of technology should take seriously the relationships among political ideas, corporate structures, and concrete physical infrastructure. The telephone systems imagined and built in this era were expressions of political choices, and the networks constructed were, ultimately, political entities.⁶

One reason that the independents have received little research attention is the difficulty of generalizing about a “typical” or “representative” independent system or entrepreneur. There were literally tens of thousands of independent companies and systems in the United States. Their owners never united behind one leader or connected their wires into a single network. Their so-called movement remained chaotic, diffuse, and extremely diverse.

⁵ Recent histories of the telephone, like Claude S. Fischer, *America Calling: A Social History of the Telephone to 1940* (Berkeley, Calif., 1992), and Michèle Martin, “Hello, Central?” *Gender, Technology, and Culture in the Formation of Telephone Systems* (Montreal, 1991) make almost no mention of independent competition. Earlier works such as J. Warren Stehman, *The Financial History of the American Telephone and Telegraph Company* (Boston, 1925), and John Brooks, *Telephone: The First Hundred Years* (New York, 1976), describe the independents only to dismiss them as an error or aberration. The only book-length histories of independent telephony are celebratory works by self-interested participants: Latzke, *A Fight with an Octopus*; Harry B. MacMeal, *The Story of Independent Telephony* (Chicago, 1934); Charles A. Pleasance, *The Spirit of Independent Telephony* (Johnson City, Tenn., 1989).

⁶ For a similar argument about a slightly earlier period, see W. Bernard Carlson, “The Telephone as Political Instrument: Gardiner Hubbard and the Formation of the Middle Class in America, 1875-1880,” in *Technologies of Power: Essays in Honor of Thomas Parke Hughes and Agatha Chipley Hughes*, ed. Michael Thad Allen and Gabrielle Hecht (Cambridge, Mass., 2001), 25-55.

The ranks of the independents included men like Adolphus Busch, the millionaire brewer whose fortune built the prosperous Kinloch Telephone Company of St. Louis, and men like William Sennett, a young farm hand in Crawfordsville, Indiana, who split his days between managing a fledgling telephone company and tending to his uncle's hogs.⁷ They also included women like Lee Jamison of Claypool, Indiana, whose Whippoorwill Telephone Company boasted 145 patrons in 1915.⁸ Independent systems ranged from tiny rural cooperatives connecting a half-dozen farmhouses to multimillion-dollar businesses with sophisticated networks serving tens of thousands of subscribers.⁹

One thing that virtually all of the independents had in common, however, was their rambunctious rhetorical style—the populist-flavored propaganda of “the people’s telephone.” Whether agrarian reformers or “Main Street Republicans,” independent organizers trumpeted their opposition to the “telephone trust” and proclaimed their dedication to “the people.” They called their movement an “uprising” and a “revolution” for the restoration of popular rights. Their goal, they insisted, was not simple profit, but democracy and social progress. The independent battle with the Bell system, according to its promoters, was nothing less than “the War for American Industrial Independence.”¹⁰

Where did this rhetoric come from? In part, Bell’s rivals called on an old American tradition that saw communication and broad access to information as a basic public good.¹¹ More specifically, the independents of the 1890s and 1900s clearly borrowed the language and symbolism of American Populism, the political movement of agrarian unrest that swept across rural America in the late nineteenth century.¹² The independents embraced all the populist tropes. They celebrated the producing class and especially the salt-of-the-earth American farmer. They gave their own

⁷ Sennett’s diary appears in the Thomas J. McGan Record Books, Indiana State Library.

⁸ *Rochester Sentinel*, 3 March 1915, in Fulton County Handbooks, Fulton County Library, Rochester, Indiana.

⁹ See for example Citizens Telephone Company, *Annual Report* (Grand Rapids, Mich.), Historical Collections, Baker Library, Harvard Business School.

¹⁰ The quotations in this paragraph are specifically from *Telephony* (Jan. 1901), 14-15; Latzke, *A Fight with an Octopus*, 5; W. H. Denlinger, “The Independence of Independents,” *Telephony* (March 1908), 175-76; and Lindemuth, *A Larger View*. Such language, however, was extremely common in independent publicity.

¹¹ We can trace this tradition back to the Stamp Act and the printers and pamphleteers of the Revolution, if not before. See Richard R. John, “Recasting the Information Infrastructure for the Industrial Age,” in *A Nation Transformed by Information: How Information Has Shaped the United States from Colonial Times to the Present*, ed. Alfred D. Chandler, Jr., and James W. Cortada (New York, 2000), 55-105.

¹² Robert C. McMath, *American Populism: A Social History, 1877-1898* (New York, 1993).

companies populist-sounding names like the "Citizens'," the "Farmers'," or the "Peoples'" Telephone Company. They denounced monopoly and dis-trusted the growing power of eastern capital. They called the Bell system a "monster," an "octopus," a "grasping and greedy trust."¹³

Were the independents genuine Populists? The independent movement was large and diverse. Its numbers almost certainly contained members of the People's Party and adherents to its ideas. In the so-called farmer's mutuals, the tiny non-profit cooperatives that brought the telephone to many remote rural areas, we can see the same kind of collective activities that were embraced by the Populists and before them the Granges and the Farmers' Alliance.

However, equally large contingents of the independent movement were merchants, bankers, and business leaders. The owners of most of the city-based independent companies (large systems like the Citizens Telephone of Grand Rapids, Michigan, and middling ones like the Rochester Telephone of Rochester, Indiana) were not Rockefellers or Vanderbilts. They were, however, substantial and successful local elites. They were Main Street Republicans or pro-business Grover Cleveland Democrats. They were not socialists or radicals; they did not vote for the Populists in 1892. Yet, when they took up the banner of independent telephony, these capitalists learned to rattle their pitchforks and curse the monster of eastern capital with the best of them.

It is worth noting the regional nature of the independent movement. The independents' greatest success came in the Midwest, both in the industrial cities around the Great Lakes and in the farming areas of Kansas, Iowa, Missouri, Indiana, Illinois, Ohio, and Pennsylvania. More than half of the 3.1 million independent telephones operating in 1907 were in those seven states.¹⁴ Independent phones did not flourish in the urban centers of the Northeast. That was Bell's stronghold from the beginning and so it remained. Nor were the independents ever dominant in the Deep South or in the trans-Mississippi West, the true hotbeds of nineteenth-century Populism. The independent movement was strongest in states between the industrial core and the agrarian periphery where both urban business people and organized farmers had considerable political and economic clout.¹⁵

What are we to make of talk of "liberation" and "tyranny" when it comes from the mouths of midwestern capitalists? What does it mean

¹³ Dickson, *Telephone Investments*; Latzke, *A Fight with an Octopus*; independent journals cited above.

¹⁴ U.S. Census, *Telephones: 1907*; U.S. Census, *Telephones and Telegraphs and Municipal Electric Fire-Alarm and Police-Patrol Signaling Systems: 1912* (Washington, D.C., 1915).

¹⁵ I base this characterization on the discussion of core and periphery in the American economy in Elizabeth Sanders, *Roots of Reform: Farmers, Workers, and the American State, 1877-1917* (Chicago, 1999).

when the local booster familiar to us from the pages of *Babbitt* or *Middletown* as an icon of complacency calls the telephone an “instrument of revolution,” and urges farmers to rise up against the power of eastern capital?¹⁶ Can capitalists be radicals? Can telephones be instruments of revolution? Or was this all hype, and ultimately just a way of selling telephones?

Observers at the time, and historians since, have typically read the independent telephone movement in one of two ways. AT&T and its supporters scoffed at the moral tone of independent propaganda. One Bell executive wrote in 1909:

In industrial strife it is absurd for either side to claim altruism. It is a struggle for popularity and each side is animated by purely selfish motives. Competition is no more philanthropic than monopoly. The people are equally selfish on their side. Isn't it about time to drop the cant that competition is introduced for the benefit of the 'dear people'?¹⁷

This is the implicit position taken by most economists and business historians who have examined the independents. Some are sympathetic to the independents, some are hostile, and some are neutral, but all have seen the independent companies as smaller replicas of Bell.¹⁸ That is, their analyses apprehend both the Bell system and the independents as like-minded organizations concerned solely with the maximization of profit. These observers take little interest in the rhetoric of the people's phone. For them, the independent movement contained no significant political or even technological agenda.

A second, smaller group of observers, including some social historians and sociologists, has seen opposition to the Bell system as a part of a genuine political or social movement.¹⁹ These observers would agree

¹⁶ Latzke, *A Fight with an Octopus*; Sinclair Lewis, *Babbitt* (New York, 1922); Robert Staughton Lynd and Helen Merrell Lynd, *Middletown: A Study in Modern American Culture* (New York, 1929).

¹⁷ Competition in Telephony (Boston, 1909), 28.

¹⁸ For example, Richard Gabel, “The Early Competitive Era in Telephone Communication, 1893-1920,” *Journal of Law and Contemporary Problems* 34 (Spring 1969); Joan Nix and David Gabel, “AT&T's Strategic Response to Competition: Why Not Preempt Entry?,” *Journal of Economic History* 53 (June 1993): 377-87; Milton L. Mueller, *Universal Service: Competition, Interconnection, and Monopoly in the Making of the American Telephone System* (Cambridge, Mass., 1997). Exceptions include Kenneth Lipartito, “‘Cutthroat’ Competition, Corporate Strategy, and the Growth of Network Industries,” *Research on Technological Innovation, Management and Policy* 6 (1997): 1-53; and Richard R. John, *Making Connections: The Promise of Communications in Industrial America*, forthcoming.

¹⁹ The best American example is Dan Schiller, “Social Movement in Telecommunications: Rethinking the Public Service History of U.S. Telecommunications, 1894-1919,” *Telecommunications Policy* 22 (May 1998): 397-408,

more with the Canadian independent A. F. Wilson, who said in 1907: "The Independent movement . . . is a people's movement, in the truest sense, causing and propelling a social revolution in farm life and business and in home life in urban residences."²⁰

These two groups, not surprisingly, have focused their attention on different branches of the independent movement. The first group has tended to emphasize the largest, most profit-oriented independents. City-based systems like the Keystone Telephone Company of Philadelphia, or the Cuyahoga Telephone Company of Cleveland, come closest to resembling the Bell system in size, structure, and outlook. These, to business and economic historians, were the "real" independents.²¹ The second group of scholars has been more likely to emphasize the rural independents, in particular the tiny cooperatives known as "farmers' mutuels." Smaller but far more numerous than their commercial cousins, these non-profit systems, owned and operated by the farmers they served, had little in common with the Bell system and represented a very different way of organizing the telephone industry.²² The problem with both of these positions, however, is that neither the large urban systems nor the small rural cooperatives represent the "real" independent movement. Independent telephony contained both these groups, and this fact is key to understanding the movement.

It is not always possible to strictly separate the urban-commercial and the rural-cooperative independents. The border between rural and urban America was precisely where many of the most successful independents found their market niche. Nor is it easy to classify independent organizations as wholly commercial or wholly cooperative. Telephone companies came in all shapes and sizes in this era. They changed hands rapidly and experimented with a variety of mixed organizations and forms.²³ Independent networks were constantly combining and interconnecting. Farmers' mutuels would link their wires to other rural systems to expand their range and ultimately connect to the

but see also Robert E. Babe, *Telecommunications in Canada: Technology, Industry, and Government* (Toronto, 1990), and Robert M. Pike, "A Chequered Progress: Farmers and the Telephone in Canada, 1905-1951," *Journal of Canadian Studies* 33 (Autumn 1998): 5-30.

²⁰ A. F. Wilson, "The Relation of Rural Telephones to Towns and Cities," *Telephony* (Jan. 1907), 42-44.

²¹ See, for example, Mueller, *Universal Service*, 56.

²² Claude S. Fischer, "The Revolution in Rural Telephony, 1900-1920," *Journal of Social History* 21 (Fall 1987): 5-26.

²³ The correspondence of Henry A. Barnhart, owner of the Rochester Telephone Company of Rochester, Indiana, and president of the National Independent Telephone Association, provides considerable evidence of these claims; see boxes 3, 4, and 11, Henry A. Barnhart Papers, Indiana State Library. See also MacMeal, *The Story of Independent Telephony*; Atwood, "Telephony and Its Cultural Meanings", and the various independent journals.

more commercial systems in neighboring towns and villages. These interconnections created hybrid networks among cities, villages, and farms, mixing profit, non-profit, and not-quite-for-profit organizations. The U.S. Census Bureau gave up differentiating between the types of independents in 1912, finding “no clear line of demarcation” between urban and rural systems or between commercial and mutual endeavors.²⁴

Not only is it misleading to view either end of this spectrum as representing the “real” independent movement, but also there is evidence that the alliance between the two ends made the independent movement successful. I make this argument in my dissertation; its development is beyond the scope of this paper. However, one of the key variables between areas where independent competition flourished and areas where it did not was the presence of both the urban-commercial independents and the rural cooperatives, and the interconnection between them.²⁵ The independent movement at its strongest points was an alliance between rural farmers and urban business people, an alliance made literal in the interconnection of rural and urban telephone systems.

The rhetoric of the “people’s phone” reflected this alliance. It was populist in flavor, but it was a populism that both agrarian reformers and Main Street business people could embrace. Independent publicity dropped the hardcore populist’s antipathy toward the banker and the merchant and the assumption of an inevitable conflict between farm and town. Independent promoters channeled these impulses, rather shrewdly, into an alliance against the suitably distant monopoly of Bell Telephone. They railed against the conglomeration of corporate power without questioning the wisdom of the market. They constructed a political rhetoric that was anti-corporate without ever being anti-capitalist. Their shared enemy was the Bell system and, in some ways, Wall Street and all the nation-spanning corporations emerging in this era that Bell both represented and served.

This alliance was not merely rhetorical; it was manifest on the ground in the actual networks the independents built. One way to get beyond the sound and fury of independent propaganda, and of the Bell propaganda that answered it, is to look closely at the physical telephone systems themselves. Where were telephones installed? How were they operated? Where did the wires go? When we examine the telephone network as a historical source, we get closer to the real differences between the Bell system and its opposition and closer to understanding empirically the stakes of the telephone fight.

The telephone networks built in areas with independent competition, and the networks built in areas where Bell retained its

²⁴ U.S. Bureau of the Census, *Telephones and Telegraphs: 1912*, 27.

²⁵ Statistical support for this argument is offered in William P. Barnett and Glenn R. Carroll, “Competition and Mutualism among Early Telephone Companies,” *Administrative Science Quarterly* 32 (Sept. 1987): 400-421.

monopoly, were different in physical ways. What they show is that independent systems were not simply smaller copies of the Bell system. Nor did they represent some earlier, more primitive, stage in the “natural” evolution of a telephone network. In fact, the independents had different priorities and goals. They made different decisions than Bell’s owners and directors about the way to operate and understand the telephone.

The first and most obvious difference was that the independent telephone was cheaper. During the years of its patent monopoly, American Bell marketed the telephone almost exclusively to businesses and wealthy urban clients. Bell’s managers saw the telephone as a tool for commerce. They sincerely believed that the only people who really wanted or needed a telephone were those who would derive immediate financial benefit from its use. They set their prices for telephone service high enough to make this a self-fulfilling prophecy. In the last year of Bell’s patent monopoly, telephone service cost between \$50 and \$150 per year in most cities, and as much as \$250 per year in Chicago or New York. The average non-farm worker in 1893 earned just \$450 per year.²⁶ Even a doctor or lawyer making ten times that amount might think twice before installing a home telephone.

The independents almost invariably charged less than Bell for telephone service. In urban centers, independent rates were typically between half and three-quarters of what Bell charged.²⁷ Rural cooperatives asked even less of their subscriber-patrons; after an initial charge to install the phone and string the wires, some offered service for dues of less than \$10 per year.²⁸ It is extremely unlikely that the quality of that service measured up to that offered by AT&T and its subsidiaries, but quality is a subjective thing. “This type is not wholly desirable in its concrete results,” one Michigan independent admitted in describing a no-frills rural system. But “it is inexpensive in its construction and maintenance,” he continued, “and, as its patrons aver, ‘better than walking’.”²⁹ The independents demonstrated a considerable market for lower quality telephone service at cheaper rates.³⁰

Lower prices for telephone service and the aggressive marketing brought on by the onset of competition had a simple, predictable effect.

²⁶ Stehman, *Financial History of AT&T*, 44-45; U.S. Bureau of the Census, *Historical Statistics of the United States*, 165-66.

²⁷ It is impossible to speak authoritatively about telephone rates in every community, but the available evidence generally supports this estimate. See, for example, the data collected by the Parliament of Canada in House of Commons, Canada, *Select Committee Appointed to Inquire into the Various Telephone Systems in Canada and Elsewhere, Report* (Ottawa, 1905), 2: 766-810.

²⁸ MacMeal, *The Story of Independent Telephony*.

²⁹ E. B. Fisher, Citizens Telephone Company of Grand Rapids, Michigan, in Canada, *Report*, 102-3.

³⁰ Lipartito, “‘Cutthroat’ Competition.”

The telephone spread. The networks of both Bell and the independents grew rapidly after competition began. In 1894, there had been only 260,000 telephones in the United States. By 1907, there were six million phones—a twenty-three-fold increase in just thirteen years.³¹ Such expansion also changed the class makeup of the telephone network. What had been the exclusive privilege of the wealthy soon appeared in middle and even working-class homes. The class breakdown of those with telephone service was very different in areas with and without independent competition.³²

Billing structures also differed between the Bell system and the independents. In areas where Bell maintained its monopoly, the company preferred to charge its subscribers by amount of calling. Known as “measured service,” Bell managers sought to introduce it in as many markets as possible.³³ The independents, by contrast, usually charged a flat rate for unlimited local calling. Direct competition between Bell and the independents often forced the Bell exchange to offer flat rate billing too.³⁴

This encouraged “frivolous” uses of the telephone, such as non-business calls to family or friends, in areas with independent competition, but discouraged it in areas without. This was not accidental. First generation Bell owners and directors were actively hostile to frivolous use or misuse of their wires. They sought to limit “superfluous” telephoning, particularly undignified activities like courting or gossiping over the phone. Bell managers often discouraged the use of the telephone by women (thought to be incorrigible offenders in this regard), as well as by children and servants.³⁵ It is clear from Bell executives’ discussion of “measured service” in the nineteenth century that they did not consider it

³¹ U.S. Bureau of the Census, *Historical Statistics of the United States*, 783-84.

³² For a detailed examination of the class make-up of early telephone networks and the effect of competition on same, see Robert MacDougall, “Calling Middletown: The Local Origins of Telephony in the United States and Canada, 1877-1907,” paper presented at the Society for the History of Technology Annual Meeting, Toronto, Ont., 18 Oct. 2002.

³³ “Measured Service Rates,” boxes 1127, 1213, 1287, 1309, AT&T Historical Collections. For discussion of measured service outside the AT&T archives, see G. W. Anderson, *Telephone Competition in the Middle West and its Lesson for New England* (Boston, 1906) and John B. Geijsbeek and Page Lawrence, “Report on the Denver Plant of The Mountain States Telephone and Telegraph Co.,” Jan. 1914, Telephone Pamphlets, Widener Library, Harvard University.

³⁴ Nix and Gabel, “AT&T’s Strategic Response to Competition”; Kenneth Lipartito, “Culture and the Practice of Business History,” *Business and Economic History* 24 (Winter 1995): 1-42.

³⁵ Claude S. Fischer, “‘Touch Someone’: The Telephone Industry Discovers Sociability,” *Technology and Culture* 29 (Jan. 1988): 32-61; Martin, *Hello, Central?*

a way to profit from casual telephone use, but rather as a way to prevent such use.³⁶

Many independent companies, however, embraced the social potential of the telephone. Much of their advertising and their publicity, particularly in rural areas, celebrated the infinite number of uses of the telephone. One can find frivolous uses such as gossiping, playing the banjo, and “pitching woo” in independent literature.³⁷ In addition, women, immigrants, and working-class Americans were all welcomed as potential independent customers. “Not a man or child lives but is a potential telephone subscriber. Not a word is ever uttered but is a potential telephone message,” declared the editors of the independent journal *Telephony* in 1908.³⁸

The Bell system and its competitors perhaps differed most in the physical shape of the networks each built. Around the turn of the century, AT&T began serious construction of an extensive long distance network.³⁹ Although they made some efforts in this direction, the independents never had the organization or the capital to build a comparable long distance network. They concentrated instead on intensive development: better coverage of smaller areas.

A resident of Muncie, Indiana, for example, who wanted telephone service in 1905, had to choose whether to subscribe to the Bell system or to the local independent. With a Bell telephone, that resident could speak to anyone else in Muncie who also used a Bell phone and could make long

³⁶ Measured service, American Bell's general manager argued in 1880, would “cut off all the superfluous business that tends to make the operation of the business so unremunerative.” Theodore N. Vail to Edward J. Hall, 28 Jan. 1880, box 1127, AT&T Historical Collections. Twenty-five years later, views at Bell had not changed: “There is a vast amount of talk over the telephone which serves no useful purpose whatever . . .,” one Boston executive complained in 1906. “This throws upon the companies a heavy burden of useless messages, increases the expense of operation, makes party lines annoying and unsatisfactory, causes complaints as to alleged defects of the service which are not due to the service at all, and in the long run increases the general cost of telephone service which either investors or users must pay for.” Anderson, *Telephone Competition in the Middle West*, 9.

³⁷ Complaints about such practices were not unheard of, but affectionate and indulgent descriptions were more the rule. See, for example, *Telephony* (April 1905), 363; “The Rural Babel,” *Telephony* (Dec. 1907), 385; *Sound Waves* (Nov. 1907), 263; Charles H. Schweizer, “Relation of the Rural Telephone to the Farmer,” *Sound Waves* (Nov. 1907), 259-60; Wilson, “Rural Telephones”; “Spread of the Rural Telephone Movement,” *Scientific American* (18 Feb. 1911), 162. See also Atwood, “Telephony and Its Cultural Meanings”, 317-23.

³⁸ “Ultimate Telephony,” *Telephony* (Sept. 1908), 125-26.

³⁹ The key technical innovation in this regard was the invention of the loading coil by Michael Pupin in 1900. M. D. Fagen, ed., *A History of Engineering and Science in the Bell System*, vol. 1, *The Early Years, 1875-1925* (Warren, N.J., 1975), 244-49.

distance calls to major cities like Chicago, New York, Philadelphia, or Boston. AT&T invested tremendous money and effort into building its long distance network in this era and regarded its long lines as a major competitive weapon.⁴⁰

With a telephone from the local independent, our Muncie resident could not talk to Chicago, New York, Philadelphia, or Boston, but could call someone in Roverton, Indiana, 10 miles away, or in the tiny village of Progress, Indiana, 20 miles outside of the city, or many of the farmers in Mill Grove Township, just over the county line.⁴¹ One could not make those calls with a Bell telephone. The local Bell exchange had not built connections to those rural areas or minor towns and villages. That kind of coverage and those middle distance connections became a key competitive weapon for the independents. Frederick Dickson, the president of Cleveland's independent Cuyahoga Telephone Company, put the matter simply: "The Cuyahoga has the near long distance points, the Bell [has] the far-off."⁴² This pattern held true almost anywhere Bell and the independents were in competition.

There was considerable debate between the two camps as to which kind of network Americans really wanted or needed. Bell executives insisted that long lines were the future of the telephone field. "We need not fear the opposition in a single place provided we control the means of communication with other places," one Bell executive wrote in 1901.⁴³ "Without long distance connections the telephone is of restricted value today," another agreed in 1906.⁴⁴ The independents argued precisely the opposite. "The Bell argument is that if we would connect with them, we could talk to Boston, New York, etc.," the director of a small system in rural Iowa said in 1907. "True, we can if we have money enough to pay the bill," he continued, "but telephone service is not valued by the number of miles of naked wire we have at our disposal, but by the number of patrons in our immediate vicinity."⁴⁵ "Bell talks the long distance argument

⁴⁰ John V. Langdale, "The Growth of Long-Distance Telephony in the Bell System: 1875-1907," *Journal of Historical Geography* 4 (April 1978): 145-59; Neil H. Wasserman, *From Invention to Innovation: Long-Distance Telephone Transmission at the Turn of the Century* (Baltimore, Md., 1985).

⁴¹ On the telephone in Muncie, see MacDougall, "Calling Middletown."

⁴² Dickson, *Telephone Investments*, 41.

⁴³ George Leverett to Frederick Fish, 17 Oct. 1901, box 1375, AT&T Historical Collections.

⁴⁴ *The Telephone: A Description of the Bell System with Some Facts Concerning the So-Called "Independent" Movement* (Boston, 1906), 19, Telephone Pamphlets, Widener Library, Harvard University.

⁴⁵ William Crownover, "Should Independent and Mutual Companies Co-Operate?" *Telephony* (May 1907), 309.

threadbare,” said another independent, “Ninety-seven percent of the telephone messages of the country probably are local messages anyway.”⁴⁶

Some have argued that the reason for the independents' ultimate defeat by AT&T was their failure to build a national long distance network.⁴⁷ Certainly, there were telephone users who wanted long distance service. These were generally the largest of businesses, those operating on a national scale. However, a substantial number of telephone users did not seem to need or want long distance service. As late as 1930, Bell estimated that less than half of one percent of all telephone calls crossed state lines.⁴⁸ Many residents of Muncie or Cleveland or rural Iowa had little reason to call Boston or New York, and little inclination to pay perhaps \$5 a call to do so.

Not always noted at the time was that choosing between the extensive network of AT&T and the intensive network of the independents was a political choice. Often that choice split along class lines. Wealthier Americans, particularly business people, were more likely than their middle and working-class neighbors to have contacts and interests farther afield. However, this was not always so. One of the things that made the independent movement viable in the Midwest was that there existed a critical mass of Americans there—including some substantial capitalists—who rejected a nation-spanning communication system in favor of networks that were regional in reach and locally controlled. The independents made their fortunes on middle distance calling, the connections between small towns and their immediate rural areas sometimes known as “kitchen-to-farm” lines.⁴⁹ Independent fortunes went into serious decline only when the Bell system caught up to its rivals in this area.

There were other differences between Bell and the independent systems, in both corporate and technological structure. The independents often used different equipment. Independent systems adopted dial telephones long before the Bell system. Bell engineers considered the early dial systems unreliable, and preferred to route all calls through

⁴⁶ F. Page Wilson, “Telephone Requirements in Canada,” *Telephony* (March 1908), 190-92. The president of the Cuyahoga Telephone Company amplified these figures. “Ninety-eight per cent of all telephoning is local,” he declared, “and of long distance telephoning, 98 per cent is to points within a radius of one hundred miles.” Dickson, *Telephone Investments*, 40.

⁴⁷ Langdale, “Long-Distance Telephony.”

⁴⁸ Jeffrey E. Cohen, *The Politics of Telecommunications Regulation: The States and the Divestiture of AT&T* (Armonk, N.Y., 1992), 40.

⁴⁹ The term is used in David J. Lewis, “The Postalization of the Telephone,” 77, Remarks before the Committee on Post Offices and Post Roads, 5 Jan. 1915, Telephone Pamphlets, Widener Library, Harvard University.

trained telephone operators.⁵⁰ The two kinds of network were financed differently. Independent companies typically put much less of their profit aside to cover the maintenance and depreciation of their telephone plant. Bell said that the independents were shortsighted and that their subscribers would surely suffer from this neglect.⁵¹ The independents said that Bell forced its subscribers to pay for upgrades and improvements they did not need, and that Bell's large reserves for maintenance and depreciation were really a way of concealing profits and inflating the price of service.⁵²

The struggle between Bell and the independents may not have been a crusade between tyranny and democracy, but neither was it simply a contest between identical organizations for market share. There were real disputes between Bell and its independent rivals in philosophy and structure, and there were real differences in the kind of telephone network that each group sought to build. What was a reasonable price for telephone service? What was a minimum level of quality? For whom and what was this new technology created? Bell and the independents had different answers to each of these questions. That, ultimately, is what was most radical or revolutionary about the independent telephone movement. It was not their noisy celebration of the hard-working farmer or their condemnation of Bell's "greedy plutocrats." It was this: they understood the telephone in a fundamentally different way.

We might not immediately think of these debates as political, but in fact, they spoke to key political issues of the time. These were the years of the Populists and the Progressives, of the muckrakers and the trusts. Big questions about corporate power and consolidation, about the relationship of the periphery to the core, and also pressing cultural questions about regional and national identity, were all mapped onto very prosaic disputes about the physical layout of poles and wires. On one side of this contest were Bell's national network, its vertically integrated corporate structure, and its celebration of efficiency and standardization. On the other side were the disintegrated systems of the independents, defenders of local control and of networks owned by the people they served. Such a debate, at such a historical moment, inevitably became not only about where to

⁵⁰ Kenneth Lipartito, "When Women Were Switches: Technology, Work, and Gender in the Telephone Industry, 1890-1920," *American Historical Review* 99 (Oct. 1994): 1075-1111.

⁵¹ "The Leading Independent Telephone Company," unpub. typescript, 1903, Historical Collections, Baker Library, Harvard Business School; *The Telephone: A Description of the Bell System*.

⁵² Dickson, *Telephone Investments*; George S. Shanklin, "Depreciation of Telephone Properties," *Telephony* (Feb. 1908), 138; Gansey R. Johnston, W. Roy McCanne, and Charles E. Tarte, *Some Considerations on Telephone Depreciation* (Chicago, 1910), Telephone Pamphlets, Widener Library, Harvard University.

erect telephone poles, but also about the nature and future of the economy and the polity, and about the way commerce and information would flow.

AT&T and the Bell system eventually beat back the independents. By the end of the First World War, Bell would reassert its dominance in most regions of the country. New state and federal regulations would eliminate most direct competition and essentially freeze the status quo, with Bell holding about 85 percent of the national market and the independents dividing the remaining 15 percent among them.⁵³ The story of how AT&T accomplished this victory is beyond the scope of this paper.⁵⁴ However, even after the decline of the independents, there was no denying that competition had redrawn the map of telephony in the United States. When Bell's patents expired in 1894, half of the telephones in the country were in cities with a population of 50,000 or more, and over a third were within a 300-mile radius of Boston.⁵⁵ Residential telephones remained the privilege of the urban rich. Roughly four out of five phones were installed in offices or other workplaces, rather than in homes.⁵⁶ A decade and a half of competition overturned all of these patterns. By 1912, one-third of American farms and urban households had telephones. The area with the most phones in 1912 was not the Northeast but the Midwest. In addition, the state with the highest number of phones per capita was rural Iowa, boasting one telephone for every six residents—more than twice the national average.⁵⁷ By their very presence, the independents had demonstrated that there was not one inherent or inevitable way to structure and run a telephone network. There were choices that mattered; and they were ultimately political, not only technical.

It is important for historians interested in the telephone business, or in communication technology, to take the independent movement seriously, without necessarily taking its rhetoric at face value. The

⁵³ David Gabel, "Federalism: An Historical Perspective," in *American Regulatory Federalism and Telecommunications Infrastructure*, ed. Paul Teske (Hillsdale, N.J., 1995), 19-31.

⁵⁴ Gabel, "The Early Competitive Era," and Mueller, *Universal Service*, offer two opposing interpretations of the independents' decline. Richard John summarizes the literature and the differences between them in Richard R. John, "Theodore N. Vail and the Civic Origins of Universal Service," *Business and Economic History* 28 (Winter 1999): 71-81. My own contribution to this story begins in Robert MacDougall, "The System Mystique: Technological Populism and the Making of Ma Bell," paper presented at the Organization of American Historians National Conference, Washington, D.C., 12 April 2002.

⁵⁵ Mueller, *Universal Service*, 56-57.

⁵⁶ Office and workplaces were, for example, home to 79% of the telephones in Muncie in 1891 and to 84% of the telephones in Buffalo, New York in 1892. Muncie data appears in MacDougall, "Calling Middletown." Buffalo data were cited by Mueller, *Universal Service*, 56-57.

⁵⁷ U.S. Bureau of the Census, *Telephones and Telegraphs: 1912*, 27; Fischer, "The Revolution in Rural Telephony," 8.

populist pretensions of independent entrepreneurs were not always genuine, but neither were they a lie. Populism was a kind of metaphor for the independents. It was a way of describing and selling an alternative approach to America's communications infrastructure. The independents tried to build a different sort of network than the unified national system Bell managers regarded as necessary and inevitable. Instead of matching AT&T's technical standards, the independents undercut its prices. Instead of linking the nation's leading financial centers, they connected modest towns to their own rural hinterlands. The independents built cheaper telephone networks than Bell, oriented to a different class of consumers. They built a telephone system with less efficiency but more local control, with less reach but more democratic access.

The rise and fall of independent telephony was hardly a second American Revolution. It was, however, a moment in which the connections among political culture, corporate structure, and physical infrastructure—always present but often unseen—were laid bare. The dueling networks of this era were expressions of different technical choices, but also of different political ideas. To borrow a phrase, the electrical was, and is, political. The telephone network as it exists today is the historical artifact of these political contests. They are debates that remain rich with relevance for our own times.