

UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE

The Trials of Wilbur Hobby:
“Everything I Did, I Did for the Union.”

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On a sunny day in April of 1972, Wilbur Hobby attempted to crash a political campaign stop of fellow North Carolina Democratic gubernatorial candidate Pat Taylor.¹ Hobby managed to gain access to a microphone before Taylor's scheduled appearance at the University of North Carolina Chapel Hill, and used the opportunity to challenge Taylor to a debate.² Although Hobby and Taylor were running for the same office, there were few similarities between the candidates. Hobby, the North Carolina State American Federation of Labor Congress of Industrial Organizations (AFL-CIO) president, stood little chance in the upcoming election as a political outsider and organized labor candidate running for the highest office in the state with the lowest percentage of unionized workers in the country. While Taylor, the current lieutenant governor, ran as a powerful favorite in the upcoming primary. Taylor agreed to let Hobby speak for a few minutes after his speech, and even jokingly promised to debate Hobby everyday if Hobby managed to get enough votes to force a runoff primary between the two candidates --a highly unlikely scenario that even Wilbur Hobby must have known would never occur.

Taylor's reluctance to debate Hobby made sense. Throughout the campaign, Hobby had viciously attacked every candidate in the race. He called Taylor and fellow candidate Skipper Bowles, "two sweet talking Madison Avenue pretty boys."³ And he even called a conservative Republican candidate a "pint-sized Hitler."⁴ Hobby did not confine his attacks to individuals during his campaign, but condemned the entire North Carolina political system. He promised to "Take on the Big Boys": the utility companies, the insurance companies, and the banks, which he claimed were financing state politics and controlling public affairs at a great cost to the average citizen.⁵ At the height of his populist rhetoric, Hobby vowed to "burn a new image in

¹ "Hobby, Taylor Meet In Debate at UNC," *Raleigh News and Observer*, 28 April 1972, 9.

² Ibid.

³ "Will Hobby's 'Long Bomb' Bring Out Major Issues?" *The Charlotte Observer*, 20 March 1972, sec. E.; William M. Smith, "Labor's Big Boy Works 15-Hour Days," *Durham Morning Herald*, 29 August 1976, sec. D.

⁴ Smith, "Labor's Big Boy," *Durham Morning Herald*, D-1.

⁵ "Hobby's 'Long Bomb,'" *The Charlotte Observer*, E-1.

Tar Heel politics.”⁶ He pledged a “new vigorous commitment to the black people of North Carolina,” and he promised to renew his efforts to fight for all those North Carolinians who had been left out of the important decision making processes in the state.⁷

Almost nine years after Hobby’s campaign for state governor he stood again at the center of intense statewide attention. This time, however, Hobby had to spend his energy defending himself against charges of fraud and misuse of federal training funds as he struggled to clear his name and keep his position as North Carolina State AFL-CIO president. The contrast between the two images of Wilbur Hobby were striking. As a political candidate he portrayed himself as a champion of the working class and the downtrodden of the state, only to later be accused of stealing money from programs designed to assist the poor. Hobby’s eventual conviction and imprisonment stemming from these charges only helped to confirm the popular view held by many conservatives in North Carolina that unions were hopelessly corrupt. According to historian and North Carolina State Representative Paul Luebke, any contributions Hobby made to Labor during his career were negated by his conviction.⁸ However, this widely accepted view of Hobby as a crooked labor boss does not come close to telling the entire story. Wilbur Hobby’s stated goal as North Carolina State AFL-CIO president was to promote himself as an easily identified and powerful leader in order to advance the organized labor agenda. In working to achieve this goal Hobby often bent the rules of his office and blurred the lines between his personal goals and the goals of the organization he represented, and it was this ever increasing push for power and control that led to his arrest. However, Hobby’s eventual downfall can not be seen as simply a personal failure, but must also be viewed in a larger context as the failure of organized labor in North Carolina to overcome the entrenched business and political powers that stood against it.

⁶ *Raleigh News and Observer*, 23 March 1972. John E. Jervis Labor Collection, Series 7, M77.12.4.20, Southern Highlands Research Center, Ramsey Library, University of North Carolina Asheville.

⁷ *Asheville Citizen*, 25 April, 1972. John E. Jervis Labor Collection, Series 7, M77.12.4.20.

⁸ Paul Luebke, *Tar Heel Politics 2000* (Chapel Hill: The University of North Carolina Press, 1998), 119.

Labor historians Bryant Simon and Robert H. Zieger, among others, have pointed out that almost all discussions regarding labor in the South return to the question, “Why are there so few unions in the South?”⁹ This question remained central in Wilbur Hobby’s attempt to organize labor in North Carolina and help labor gain a political voice in state politics. In order to understand the climate of the times that Hobby worked in, it is necessary to examine the low level of unionization in North Carolina and the region. Simon pointed out that at the peak of unionization in America --the post World War II period leading into the early 1950s-- that close to 40 percent of American manufacturing workers were union members, but in twelve southern states the average never got above 17 percent.¹⁰ In North Carolina the numbers were even lower. The percent of nonagricultural employees in a union in 1953 was 8.3 percent.¹¹ In 1970 it had grown to 9.4 percent, and in 1975 it hit a high-water mark of 11 percent.¹² After this point, following a national trend of declining unionization, a long steady slide occurred until just 2.9 percent of workers in North Carolina were union members in 1994.¹³ One constant in the fluctuation of the percentages is the fact that North Carolina has consistently ranked forty-ninth or fiftieth amongst states in terms of organized workers.

There are two primary schools of thought in the vast historiography covering the failure of organized labor in the South. Simon pointed out that most early research used cultural arguments to explain the low percentage of union workers in the South, and that these arguments were based primarily on stressing how different life in the South was from other areas of the country.¹⁴ This belief is exemplified by labor historian Irving Bernstein’s view of the

⁹ Bryant Simon, “Review Essay: Rethinking Why There Are So Few Unions in the South,” *The Georgia Historical Quarterly* 81, no. 2 (Summer 1997): 465.; Robert H. Zieger, “Textile Workers and Historians,” in *Organized Labor in the Twentieth-Century South*, ed. Robert H. Zieger (Knoxville: The University of Tennessee Press, 1991), 35.

¹⁰ Simon, *Review Essay*, 465. Simon included the eleven states of the old Confederacy and Kentucky for his statistics on southern workers.

¹¹ F. Ray Marshall, *Labor in the South* (Cambridge: Harvard University Press, 1967), 299.

¹² Andrew Herod, “Reinterpreting Organized Labor’s Experience in the Southeast: 1947 to Present,” *Southeastern Geographer* 37, no. 2 (November, 1997): 218.

¹³ *Ibid.*

¹⁴ Simon, 467.

typical southern worker. “His rural tradition, his ingrained individualism, his ignorance, his isolation, his restless mobility, his apathy, his poverty, his suspicions of northerners joined to impede his capacity to act collectively.”¹⁵ Michael Goldfield, in *The Failure of Operation Dixie*, summarizes the widely held view that paternalistic mill and factory owners controlled their workers to such an extent that organized labor never stood a chance in the South. These paternalistic owners controlled the local church, politicians, law enforcement officers, and newspaper editors in a concentrated effort to deny union organizers their constitutional rights.¹⁶ John Salmond, in *Southern Struggles: The Southern Labor Movement and the Civil Rights Struggle*, uses specific cases to show the real impact that violence and intimidation had in the first half of the twentieth century. He illustrates that workers were in a battle

that they could not win when strikes were crushed by a powerful combination of fear, political power, police force, and loss of livelihood.¹⁷

The second school of thought, widely known as “New Southern Labor” history, points out some weaknesses in the stereotypes used to explain the failings of labor in the South, and identifies a myriad of factors that were previously downplayed or overlooked.¹⁸ According to labor historian Joseph Earl Andrews, Jr., the cultural context of the South had changed a great deal since the 1920s and 1930s when paternalism, racism, and fundamentalism were the key contributors to creating the strong anti-unionism in the region. After WW II, workers in the South could no longer be seen as solidly anti-union for such simple reasons. Instead, in the South,

¹⁵ Ibid.

¹⁶ Michael Goldfield, “The Failure of Operation Dixie: A Critical Turning Point in American Political Development?” in *Race, Class and Community in Southern Labor History*, ed. Gary M. Fink and Merl E. Reed (Tuscaloosa: The University of Alabama Press, 1993), 171.

¹⁷ John A. Salmond, *Southern Struggles: The Southern Labor Movement and the Civil Rights Struggle* (Gainesville: University Press of Florida, 2004), 177.

¹⁸ For more details on others reasons for the failure of organized labor in the South see: Simon, *Review Essay*, 468-484.; Michael Goldfield, *The Decline of Organized Labor in the United States* (Chicago, The University of Chicago Press, 1987), 96-112.; Jacquelyn Dowd Hall et al, *Like a Family: The Making of a Southern Cotton Mill World*, 2nd ed. (Chapel Hill: The University of North Carolina Press, 2000), 374-376.

just like in other regions of the country, employees either accepted or rejected unionization on the basis of perceived benefit.¹⁹

Timothy Minchin, in *What Do We Need a Union For*, argues that studies conducted prior to WW II give an incomplete picture of modern labor issues and subsequently left out many important factors in explaining the failure of unions in the South. Minchin thinks that most existing studies on the failures of unions in the South concentrate on employer opposition to unions, which could hardly be seen as unique to the South, and cultural resistance from workers.²⁰ Minchin claims that post WW II Southern workers rejected unions for more pragmatic reasons. Workers understood that the union was vital to winning workers wage increases; however, rising wages in the postwar South were being shared by all southern textile workers, not just organized workers. This development became known as “free-riding”; nonunion members of a factory received the same benefits of the contract negotiated by the local union. In addition, owners of nonunion companies matched the wage increases and benefits of union mills in order to discourage unionization in their own plant. Because of the broad social and economic improvements brought by the booming postwar economy, most workers deemed unions to be unnecessary. Utilizing this strategy, mill owners were able to fight

Operation Dixie, the massive post war attempt by the AFL and the CIO to gain widespread union membership enrollment, by meeting or exceeding the benefits offered by unions.²¹ By the mid 1950s these same companies were able to put a freeze on wage increases because they understood that the newly established credit system would leave workers unwilling to strike for prolonged periods in fear of losing the consumer goods they had recently acquired.²²

Because the unions in the South were not as well developed and organized as in other parts of

¹⁹ Joseph Earl Andrews, Jr., “Strike in the Heart of Dixie: Analyzing Southern Workers’ Attitudes Toward Organized Labor,” (M.A. diss., The University of North Carolina Greensboro, 1999), 2.

²⁰ Timothy J. Minchin, *What Do We Need a Union For?: The TWUA in the South, 1945-1955*, (Chapel Hill: The University of North Carolina Press, 1997), 200.

²¹ Ibid.

²² Ibid., 202.

the country, southern workers could count on little financial support during a strike. Minchin's study shows how many, often interrelated, factors led to the failure of crucial strike attempts, and these failed strikes are what helped foster the mindset in southern workers that all strikes were doomed to fail.²³

In order to understand what Hobby and other southern labor leaders faced in their struggle to organize, it is necessary to look into some of the important research done on attempts at building biracial unions in the South. Historian John Salmond clearly illustrates how closely tied the plight of poor black and white workers were, and how they could have made real strides in improving their lives by organizing together. Salmond sees the failure of this coalition as the great tragedy of southern labor.²⁴ Robert Korstad, in *Civil Rights Unionism*, writes about a brief period of success during WW II that the CIO had in promoting a union, Local 22, based on a coalition of black and white workers at the R.J. Reynolds Tobacco Company in Winston-Salem.²⁵ Korstad points out that this success did not last. Reynolds responded to demands by black workers by ridding itself of a large portion of its black workforce. After WW II the company started a massive mechanization campaign that eliminated many typically all black departments.²⁶ In the early 1950s Reynolds broke up the interracial Local 22 by several means. By this time Reynolds had eliminated enough of its black workforce to gain a fifty-fifty racial split in its plant workforce, and with the loss of a large black majority the union started to show signs of weakness. The company and the community applied strong pressure on the whites in Local 22 to discontinue union support. Even though the workers, white and black alike, had strong grievances against the company, the pressure of fear, racism, and social

²³ Ibid., 204.

²⁴ Salmond, 177.

²⁵ Robert Korstad and Nelson Lichtenstein, "How Organized Black Workers Brought Civil Rights to the South," in *Major Problems in the History of American Workers*, ed. Eileen Boris and Nelson Lichtenstein (Lexington, Mass.: DC Heath and Company, 1991), 477. The AFL and CIO were often bitter rivals in the fight to unionize the South before their merger in 1956.

²⁶ Ibid., 482.

ostracism kept enough white workers from joining the left wing and black-led union so that it eventually lost its power to represent the workers of the plant.²⁷

During his career Wilbur Hobby worked as a tireless promoter for organized labor. At the same time, Hobby worked equally as hard to promote himself and never passed up an opportunity to give a colorful quote in order to get his name in the paper. Due to Hobby's efforts he became known far beyond the local political and labor circles that would be expected for a state union leader. Because of his high profile on the state level, it is surprising that so little secondary research exists on Hobby. A thorough search of secondary literature found only two mentions of Hobby. Paul Luebke, in *Tar Heel Politics 2000*, mentions Hobby briefly in his insightful examination into the changing role of organized labor in North Carolina since the 1950s. Luebke pointed out that Hobby's arrest only confirmed the negative stereotype of the crooked labor boss, and more than offset any good that Hobby did during his career as a labor leader.²⁸ Steven Niven wrote a brief biography of Hobby for inclusion in a book on the one hundred and sixty most influential North Carolinians of the twentieth century.²⁹ Niven's essay does a good job of summarizing the major issues in Hobby's life, but since it relies primarily on very pro-Hobby press releases and articles as its primary sources it does not provide any real critical analysis of his career. In contrast, this paper will provide a balanced view of Hobby's career by including the many dissenting opinions that Niven left out of his study. In addition, this paper will be the first study to utilize the North Carolina AFL-CIO papers at the Southern Labor Archives to go beyond the headlines of

²⁷ Robert Rodgers Korstad, *Civil Rights Unionism: Tobacco Workers and the Struggle for Democracy in the Mid-Twentieth Century South* (Chapel Hill: The University of North Carolina Press, 2003), 9-10.

²⁸ Luebke, 119.

²⁹ Steven Niven, "Wilbur Hobby," in *The North Carolina Century: Tar Heels Who Made a Difference, 1900-2000*, ed. Howard E. Covington Jr., and Marion A. Ellis (Charlotte: Levine Museum of the New South, 2002), 569-572.

Hobby's career and offer insight into how his day-to-day business practices show a pattern of behavior that contributed to his downfall.³⁰

Although Wilbur Hobby spent over twelve years as the head of the North Carolina State AFL-CIO, he could never be accused of being a detached and overly educated labor elite. Instead, he came across as a shabbily dressed, unhealthy looking man that spoke plainly and with little finesse. As one newspaper columnist put it, Hobby fit the image of "the classic caricature of the Napoleonic, loud-mouthed labor agitator."³¹ A high school dropout and World War II veteran, Hobby started working in his early twenties at a Durham tobacco factory, and joined his first union, the Tobacco Workers International Union (TWIU), in 1946.³² He spent two years as a rank and file union member with almost no participation in the day-to-day workings or politics of his local. One night in 1949, a night he claimed to have nothing else better to do, he attended a union organizing meeting, and "just got a vision what the working people could do if they'd stick together.... Well, I just figured all we had to do was walk down to the polls and vote, and hell, we'd take over Durham.... It wasn't quite that easy, that vision got exploded."³³ Hobby learned in that first election that getting workers registered to vote and to the polls on election night was not an easy task. Not enough workers turned out for that election, and the pro-union candidate that Hobby backed lost a close decision.³⁴ Despite the failure of his first experience in union politics, Hobby had found his life's work as a union organizer and leader.

³⁰ North Carolina AFL-CIO Records 1950-1981, Southern Labor Archives, Special Collections Department, Pullen Library, Georgia State University, Atlanta.

³¹ Smith, "Labor's Big Boy," *Durham Morning Herald*, D-1.

³² Although Hobby was often referred to as a former high school dropout in primary sources, he later finished his high school education while in the Navy, and went on to attend Duke University for three years. For more details on Hobby's education and military service see: Smith, "Labor's Big Boy," *Durham Morning Herald*, D-1.

³³ Wilbur Hobby, interviewed by Jack Solomon Bass and Walter DeVries, *Southern Oral History Program Collection*, Series A: Bass-DeVries Southern Politics, M-4007, The University of North Carolina at Chapel Hill, 18 December, 1973, 10.

³⁴ *Ibid.*, 11.

Hobby's introduction to organized labor began long before he signed on for the first time as a union member. Hobby grew up in the working class Edgemont section of East Durham.

He described his early life and the section of town that he grew up in.

Oh, I knew that we were poor. I thought that everybody was poor.

Everybody I knew was poor. It was an extremely poor section of the city, still is.... It was a mill village type of thing in Edgemont at that time, because all of the Golden Belt was there and what they called Durham Hosiery Mill was down there. And then they had another hosiery mill and textile mill up on Henderson Street and Walker Street. The houses were close together, most of the people worked in the mill.³⁵

As a child, Hobby lived in a rented house that faced a large field. During the 1934 general textile strike, in which close to half a million workers walked out of their mills throughout the South, striking workers in Hobby's neighborhood turned the field into a tent city.³⁶ Hobby, only six or seven at the time, didn't understand the impact of the strike or the reasons behind it. Only much later did he learn what the striking workers were fighting for: better pay, and the right to organize and gain some input into controlling their ever increasing workloads.³⁷ Throughout his life the romanticized image of the workers joining together stayed with Hobby, but he also remembered that when the strike failed and the workers were forced to go back to work that many had lost their jobs forever, and part of the mill never started back up again.³⁸

Despite this early exposure to striking workers, Hobby claimed to be antiunion in his beliefs as a young man. During WW II, as a seventeen year old Navy seaman in the South Pacific, he remembered being bitterly opposed to striking coal miners.³⁹ Hobby, along with many others in the military, thought that if soldiers could risk their lives fighting for their country that coal miners had no right to hold up the country's war efforts with complaints about working conditions. Years later, as a union organizer, Hobby met and worked with many children of

³⁵ Wilbur Hobby, interviewed by Bill Finger, *Southern Oral History Program Collection*, M-4007, E-6, The University of North Carolina at Chapel Hill, 13 March, 1978, 5.

³⁶ Hobby, *Finger Interview*, 3.

³⁷ Niven, 569.

³⁸ Hobby, *Finger Interview*, 3.

³⁹ *Ibid.*, 13.

former coal miners and started to learn of the truly oppressive and deadly conditions in which they worked. Hobby claimed that this experience opened his eyes to how workers were exploited and started him on his path of union education.⁴⁰

Hobby claimed that the education that he received as a young union organizer helped change the way he looked at the world, and opened his eyes to the plight of minorities, women, and the uneducated. Hobby's true education began when he started working and studying under union leaders Brownie Lee of Richmond, Virginia and Carla Myerson of Baltimore, Maryland.⁴¹ Both of these union organizers were instrumental in developing the Southern Summer Labor School which educated young labor leaders on issues important to all workers. A look at the 1967 training manual from the Tri-State Labor school held at Camp Rockmont in Black Mountain, North Carolina gives some insight into the progressive education that they provided.⁴² Workers and union leaders were educated

in civil rights issues, consumer protection rights, and anti-poverty programs such as consumer debt counseling. Labor historian Michael Honey points out that although biracial unions were ultimately not successful, and by no way abolished racism, that a union education "could and did lead to important changes in the thinking of many whites."⁴³ According to Wilbur Hobby, he could be counted as one person that had his world view enlarged by a progressive labor education.

Any review of labor in the South must start with the obvious effects of paternalism, racism, religion, and sectionalism on the failure of organized labor in North Carolina. According to Wilbur Hobby, these factors, even if currently played down to a large degree by historians and sociologists, still had a huge impact on attempts to organize at the local level in North

⁴⁰ Ibid.

⁴¹ Ibid., 13-14.

⁴² Wilbur Hobby Papers, Collection 2568, Section A, Box 2, unmarked folder, Special Collections, Perkins Library, Duke University, Durham, North Carolina.

⁴³ Michael Honey, *Southern Labor and Black Civil Rights: Organizing Memphis Workers* (Urbana: University of Illinois Press, 1993), 219.

Carolina. Hobby pointed out that the primary obstacle to organizing labor at this time remained the vast effort and resources that the textile industry implemented to defeat the unions.⁴⁴ He also pointed out that the mills continued to rely on the backing and support of company towns, local police forces, and local politicians; and that these combined factors had a large impact on attempts to organize.⁴⁵

Hobby contended that During the 1970s a pro-business state court system allowed businesses to ignore labor laws. Hobby used the example of J.P. Stevens to illustrate this point. J.P. Stevens had been found guilty over twelve times of unfair labor practices, but due to the actions of state and local courts they would, according to Hobby, just get a slap on the wrist.

Hell, it's easy for them to pay the small fine, or even to pay the million dollars they paid five or six years ago to a lot of workers in North and South Carolina who were fired for union activity. They found it much easier to pay that million dollars than it is to have a union in there, so they get a slap on the wrist.⁴⁶

Paul Luebke, author of *Tar Heel Politics 2000*, supports Hobby's claim when he points out that, "The most important factor regarding anti-unionism has been the strength of institutional opposition to organized labor."⁴⁷ Even when the mill workers did vote to organize, management never attempted to bargain in good faith. They refused to agree on any economic improvements sought by the union, and appealed all court decisions that sided with the workers.

Hobby identified the need to build an interracial labor coalition as the key issue in expanding organized labor. In a 1973 interview he expressed the belief that African American workers held the key to union expansion in the state.

I think we are going to organize much more. I think we're going to go up (in percentage of North Carolina workers enrolled in unions) in about 5 years and I think that it's going to jell so that southern workers are going to go up two or three times as much as now.... I

⁴⁴ Hobby, *Bass and DeVries Interview*, 8.

⁴⁵ *Ibid.*, 9.

⁴⁶ *Ibid.*

⁴⁷ Luebke, 122.

think the labor movement is ready to move and its the fact that blacks are moving into job markets in North Carolina.⁴⁸

Robert Zieger, in *Southern Textile Workers and Social Observers*, identified the 1970's as a time when many union leaders thought that blacks were poised to lead a unionization surge throughout the South.⁴⁹ Union organizers saw that blacks were more militant and pro-union. Several studies on worker's attitudes toward organized labor done at this time showed that minorities traditionally were more open to joining unions, and were more sensitive to class consciousness and social injustice.⁵⁰ Even though black workers were identified during this time as the key to union expansion there still remained the daunting task of overcoming racism from white workers. Barbara Griffith, in *The Crisis of American Labor*, explained the dilemma as a "kind of racial balancing act," with the goal to be "progressive, but not too progressive."⁵¹ The primary question for union organizers during this period became how to fashion an appeal to black workers that did not alienate white workers. As Hobby put it in a 1977 interview, "It's the only issue can really tear them up."⁵²

Hobby pointed out that even in the late 1960s and into the 1970s that most mills were all white except for the janitors.⁵³ By 1977, he estimated that most North Carolina mills were between twenty to thirty-five percent African American, and that a high percentage of these workers were pro union.⁵⁴ Hobby felt that union support from this segment of the workforce

⁴⁸ Wilbur Hobby, interviewed by Jack Solomon Bass, *Southern Oral History Program Collection*, Series A: Bass-DeVries Southern Politics, M-4007, Interview A-125, The University of North Carolina at Chapel Hill, December, 1973, 1.

⁴⁹ Robert H. Zieger, "From Primordial Folk to Redundant Workers: Southern Textile Workers and Social Observers, 1920-1990," in *Southern Labor in Transition, 1940-1995*, ed. Robert H. Zieger (Knoxville: The University of Tennessee Press, 1997), 289.

⁵⁰ Michael D. Schulman et al., "Race, Gender, Class Consciousness and Union Support: An Analysis of Southern Textile Workers," *The Sociological Quarterly* 26, no. 2 (1985): 189.

⁵¹ Barbara S. Griffith, *The Crisis of American Labor: Operation Dixie and the Defeat of the CIO* (Philadelphia: Temple University Press, 1988), 76

⁵² Hobby, *Bass and DeVries Interview*, 11.

⁵³ Hobby, *Bass and DeVries Interview*, 31.

⁵⁴ Hobby added that his numbers did not include segregated mills, which were still prevalent and brought the overall percentage of black workers down a great deal. Hall et al. *Like a Family*, 374, provides the

could be seen as both a positive and a negative in the ongoing attempt to organize. "They are turning off the whites. The management at the unions think they might have a nigger union, you see. Right now, we're not able to get to the whites in these kind of cases, and so we're losing a very close election, but we're losing."⁵⁵ Hobby used the pending 1973 union vote at the J.P. Stevens mill in Roanoke Rapids as an example. He said that there were almost 3,000 workers at the mill and that African Americans made up approximately thirty to thirty-five percent of the work force.

Every black over there is for the union. Got a bumper sticker on his car, wears a badge every day and brings it to work every day.... I believe that if we put the right kind of emphasis over there... And we got to go after those whites now. And I've told them so, that I think they're going to win that election.⁵⁶

Hobby saw that this election could still go either way and knew that management would use racial fear as the primary focal point for opposition to any worker coalition. As Hobby put it, "[The Problem is] you can holler nigger at [the white workers]... and half of them run the other way."⁵⁷

Hobby used the example of Claiborne Ellis to show that a change in attitude among white workers could provide the needed spark to start a union upswing. According to Hobby, Ellis --a former junior high school classmate of Wilbur's-- spent the early years of his life in Durham as a vicious Klansman that provided muscle for area business leaders when they experienced labor unrest from the African American community.⁵⁸ During that period of his life Ellis was so anti-union in his beliefs that he refused to shake hands with many union members because of the AFL-CIO's pro civil rights position. Because of poor working conditions and low pay however, Ellis became active in organizing a local union for maintenance workers in

following statistics: As late as 1960 African Americans made up only 3 percent of the textile workforce; by 1989 over twenty-five percent of textile workers were African American.

⁵⁵ Hobby, *Bass and DeVries Interview*, 31.

⁵⁶ *Ibid.*, 32.

⁵⁷ *Ibid.*, 10.

⁵⁸ *Ibid.*, 33-35.

Durham during the early 1970s. He became a union leader in his local and became instrumental in bringing black and white workers together despite his former deeply held convictions on race. Ellis himself said, "When I began to organize, I began to see far deeper. I began to see people again bein' used. Blacks against whites. I say this without hesitancy: management is vicious.... You see black people and white people join hands to defeat the racist issues they use against people."⁵⁹ Hobby summed up Ellis's realization when he said, "instead of being black and white, its working class against the big boys."⁶⁰ This sentiment, even more powerful because of its source, showed the growing belief that the race issue could be minimized, if not overcome, with sufficient education.

Hobby's political goal of organizing African Americans for the benefit of the union leaves room for questioning both his motives and his true feelings regarding civil rights. Did union leaders like Hobby truly support racial equality, or were they simply doing what made sense politically? With Wilbur Hobby it is not always easy to tell. It appears obvious from today's perspective that the derogatory and racist language he often used in early interviews would prove him a confirmed racist. However, Hobby grew up in a segregated Durham that makes his racial stance seem liberal in comparison.

Hobby spoke at length about his background and how it affected his early view on race relations. He said that many of the people that came from his area grew up with a hatred for blacks.⁶¹ Hobby felt that he did not pick up this hatred for several reasons. He said that he seemed to lack the capacity to hate any other person, even people with which he strongly disagreed. He also felt that his parents' relative racial tolerance had much to do with his outlook. Hobby's father, a brick mason, worked with many blacks and allowed Wilbur to play

⁵⁹ C.P. Ellis, interviewed by Studs Terkel in *Race: How Blacks and Whites Think and Feel about the American Obsession* (New York: The New Press, 1992), 277.

⁶⁰ Hobby, *Bass and DeVries Interview*, 35.

⁶¹ Hobby, *Finger Interview*, 9.

with black children in the area.⁶² Although Hobby claimed that although he never hated African Americans, he still admitted racial prejudice as a young man.

Hobby told a story about how his early union involvement helped him overcome his prejudice. While in the Navy during WWII, Hobby had served with African American sailors. The Navy still retained some forms of segregation at this time, and blacks and whites ate at separate tables. When Hobby took a break from his union work to complete his naval reserve requirement he decided to sit down and eat with some black sailors for the first time. Hobby had worked closely in his union organizing duties with black workers. This close work with African Americans made him realize that they shared many of the same goals, and inspired Hobby to make a conscious effort to overcome his long standing prejudice. Hobby recounted this story in an interview:

So, when I got my tray that day and I saw these two black guys sitting by themselves, I made myself go over there and sit down with them, and fully expecting to feel some physical pain because I was sitting beside a black and eating.... I was twenty-five years old and expecting physical pain just because I sat down and ate with them. Things have changed a lot in the South.⁶³

Hobby's long role in the statewide leadership of the CIO's Political Action Committee (PAC), which later became the Committee for Organized Political Education (COPE), also helps to explain his stance on race relations. Labor historian Robert Zieger's study of southern political education leader Daniel Powell shows that the CIO-PAC and COPE were organizations that were forced to react politically to the racism of the South's workforce. Powell pointed out that union members were a cross section of the community, and that in the South that meant that there were "Klansmen, White Citizen Council members, and unorganized racists in our local unions."⁶⁴ Still, the organization that Hobby played such a large role in locally endorsed the

⁶² Ibid., 10.

⁶³ Ibid., 11.

⁶⁴ Robert H. Zieger, "A Venture into Unplowed Fields: Daniel Powell and CIO Political Action in the Postwar South," in *Labor in the Modern South*, ed. Glenn T. Eskew (Athens: The University of Georgia Press, 2001), 174.

civil rights movement and worked in cooperation with the National Association for the Advancement of Colored People (NAACP). Daniel Powell said that the major question that faced education efforts was to see how far “unions could or should go in the field of race relations.”⁶⁵ Hobby had to face this very issue, and it often dictated his seemingly contradictory stance on race.

Identifying himself as a populist, Hobby pointed out that he started his political and labor career long before the right wing element attempted to gain a foothold in organized labor.

I was head of an organization here known as Voters for Better Government, which was a combination of the liberals at Duke, blacks and the labor movement.... In '55 and '56 after the Supreme Court decision, the conservatives - the Klansmen, the White Citizens Council - used the union vehicle to organize in this area.... They passed out leaflets against me saying that I was selling the (white) people's jobs to the NAACP.... And these were my own members, my own people

that I worked with, out there voting against me simply because I had become known then as a nigger-lover. Because of my leadership.⁶⁶

Due to a conservative movement to gain control of organized labor, Hobby lost his position as the head of his local union for a period. This movement, known as the GOP's “Southern Strategy,” attempted to work on the racist fears of many long time Democratic party members and peaked after the passage of the Voting Rights Act of 1965.⁶⁷ This strategy worked on the fears of conservative Democrats that growing black enfranchisement would lead to a biracial party, and attempted to recruit conservatives to the Republican party. Hobby had to deal with a climate in which he could lose his job as union head if he turned off too large a percentage of the mostly white workers that he worked for. Hobby himself said that he could only be as

⁶⁵ Alan Draper, *Conflict of Interests: Organized Labor and the Civil Rights Movement in the South, 1954-1968* (Ithaca, NY: ILR Press of Cornell University, 1994), 77.

⁶⁶ Hobby, *Bass and DeVries Interview*, 4.

⁶⁷ Zieger, *Daniel Powell and the CIO*, 158.

“liberal as I thought I could get away with.”⁶⁸ A review of Hobby’s failed 1972 run for governor in the Democratic primary helps to show his true political orientation.

Hobby ran his 1972 campaign on a very liberal and populist agenda. He identified his primary objectives as championing the little man against big business with the promise to make the state utilities, banks and insurance companies more accountable. He also wanted to overhaul the state tax structure so that it would tax both corporations and wealthy individuals at a much higher rate.⁶⁹ Other major focuses of his campaign were equal opportunity for minorities and women, and an overhaul of environmental protection laws.

Hobby’s extreme campaign stance brought on two predictable outcomes in conservative North Carolina; he was attacked by the business community and its candidates, and he lost the election in a landslide. Out of four Democratic primary candidates he came in last, finishing just behind a Charlotte dentist named Reginald Hawkins. Still, Hobby may have had an effect on the subsequent second primary between Lieutenant Governor Pat Taylor and former state Senator Skipper Bowles. Bowles lost Hobby’s and the union’s support after Hobby claimed that Bowles made a “blatant attempt to ignore us.”⁷⁰ The nearly sixty thousand union votes that had gone to Hobby in the first primary appeared to be enough to swing a close second primary to Taylor in the runoff.

Speaking just months after his failed campaign, Hobby said that he ran for two main reasons. He felt compelled to run because of a lack of response from either Democratic or Republican leaders on labor issues. Hobby also wanted to draw exposure to many issues that were being ignored by the pro-business candidates. Hobby pointed out that before he announced his candidacy he could not get a return phone call from either of the leading candidates, but that after he went public with his intentions to run he felt that he gained

⁶⁸ Hobby, *Bass and DeVries Interview*, 20.

⁶⁹ Wilbur Hobby, *Hobby and the Issues 1972*, Special Collections, Perkins Library, Duke University, Durham North Carolina. This document is a collection of press releases from that years campaign.

⁷⁰ “Hobby Backs Taylor For Dem Runoff” *Asheville Citizen*, 23 May 1972.

important influence with the Democratic party platform.⁷¹ The fact that candidates were reluctant to accept input and support from labor leaders is easy to understand. According to political reporter Jack Bass, the endorsement of organized labor had long been seen as a kiss of death for political candidates state wide.⁷² Paul Luebke pointed out that the use of pro-labor smear campaigns were still prevalent even in the 1990's when Democratic opponents were still being labeled as "corrupt labor bosses" by their conservative opponents.⁷³ A look at Hobby's campaign and its attacks from conservative foes show that these labels were well used against him.

Many of the fliers and ads that were taken out by Hobby's opponents attacked his campaign by claiming that Hobby's extremist positions threatened the state with job loss, communism, and potential mob violence. One flier showed a particularly unflattering picture of Hobby above James Hunt, Jimmy Carter, and North Carolina Commissioner of Labor, John C. Brooks.⁷⁴ In this ad, Hobby is called "Union Boss" Wilbur Hobby. The ad further links Hobby with Caesar Chavez, and claims that a repeal of the Right to Work Laws would result in "compulsory unionism." The reference to Caesar Chavez was an obvious attempt to link Hobby with a radical and potentially communist platform, since Chavez during that period faced allegations of ties to the communist party. This association had no basis in fact since Hobby identified himself as a strict anti-communist. In 1976, Hobby attempted to use his influence to get the U.S. Labor Party barred from the state ballot due to their known communist links. Hobby claimed that the group operated as a "communist

⁷¹ Hobby, *Bass and DeVries Interview*, 20.

⁷² Hobby, *Bass Interview*, 5.

⁷³ Luebke, 111.

⁷⁴ Undated circular paid for by Friends For Flaherty; T. Worth Coltrane, Chairman. Raleigh, North Carolina. John E. Jervis Labor Collection, Series 7, M77.12.4.19.

front,” and that they were “fanatic extremists” with “kookie ideas” that gave labor a bad name. Hobby felt that the group operated as an “enemy of working people in this state and in the nation.”⁷⁵

Another ad from the 1972 campaign, paid for by a group that identified themselves as “Democrats & Independents Against Union Boss Control in North Carolina,” claimed that Hobby wanted to bring mandatory unionization to the state. This organization stated that mandatory unionization would lead to widespread unemployment, and force North Carolina business’ to move to other non-right to work states. Their ad depicted an angry and sullen looking group of striking workers in a conflict with an undermanned and overwhelmed police force that attempted to hold the crowd back with some flimsy wooden barricades. Their message, which can not be missed, is that organized labor would lead to unemployment and potential mob violence.⁷⁶

In the nine years between Hobby’s failed primary run in 1972, and his conviction for misuse of government funds, he maintained his position as president of the North Carolina State AFL-CIO, and continued to use his office to fight for social rights. At the same time, Hobby found ways to personally profit from his union connections, and it was this perceived conflict of interest that led to the FBI investigation against him. Hobby served as president of both not-for-profit corporations and for-profit corporations that secured federal and state funding for low income housing projects and job training.⁷⁷ In addition, he owned a printing company that received large contracts from the North Carolina State AFL-CIO, and from state agencies that were often headed by officials that Hobby had previously endorsed.⁷⁸ Hobby denied that these arrangements were improper. “I work 100 hours a week,” he said, “and while I may take care of some personal business for 10 to 15 hours a week, I do not see any conflict of

⁷⁵ Gary Pearce, “US Labor Party Opposition,” *The Raleigh News & Observer*, 25 October 1974, 33.

⁷⁶ John E. Jervis Labor Collection, Series 7, M77.12.4.19.

⁷⁷ Pat Stith and Daniel C. Hoover, “Union Boss Quite an Entrepreneur,” *Raleigh News and Observer*, date unknown. Wilbur Hobby Clippings File, 1976-1989, Reel 11, pg. 165-166, North Carolina Collection, University of North Carolina at Chapel Hill.

⁷⁸ *Ibid.*, 165.

interest.”⁷⁹ Hobby preferred to focus on his accomplishments when questioned about money he earned related to his union activities. “I tried to get minorities, the young and females engaged in the labor movement,” he said.⁸⁰ Hobby also pointed to a low income housing development, the JFK towers in Durham, that were built because of his organizations efforts.⁸¹ Despite the good works, Hobby will always be best remembered for his role in the misuse of federal funds.

Hobby was convicted of fraud and conspiracy in 1982 for his part in the misapplication of federal funds that were intended for job training for the poor.⁸² Paul Luebke is one person that argues that any contributions Hobby made by making labor more effective as a player in state politics were negated by his subsequent arrest, which only helped to confirm the conservative stereotypes of the corrupt union boss.⁸³ In an interview before his arrest, Hobby discussed the widely held belief that all union leaders were corrupt. Hobby spoke to an unnamed North Carolina senator about why doctors and lawyers were so opposed to unions. “Well, they don’t know union people. They think that everybody is a crook because they think that everybody is like what they read what Jimmy Hoffa was. They haven’t had your [positive] experience.”⁸⁴

The fact that Hobby stole money from the federal Comprehensive Employment and Training Act (CETA), a federal program set up to assist the poor, does not help support his claim of being a champion of the downtrodden of the state. In light of his conviction, it does not seem possible to view Hobby’s life as a political, professional or ethical success. However, it is necessary to take a look at the details of the case, and Hobby’s claim --which he maintained

⁷⁹ Ibid., 165.

⁸⁰ John Byrd, “Big Push for Unions in NC has Subsided,” *Winston-Salem Journal*, 31 January 1981. Wilbur Hobby Clippings File, 170.

⁸¹ “Hobby’s Career in Unionism, Politics Tottering,” *Durham Morning Herald*, 10 August 1980. Wilbur Hobby Clippings File, 167-168.

⁸² Elizabeth Leland, “High Court to Review Foreman Selection in Hobby Case,” *Raleigh News and Observer*, 27 November 1983. Wilbur Hobby Clippings File, 177.

⁸³ Luebke, 119.

⁸⁴ Hobby, *Finger Interview*, 11.

until his death in 1992 at the age of sixty-six-- that he never profited personally from any misapplication of funds, and that he only did what he did for the good of the union.⁸⁵

In order to understand the charges brought against Hobby it is necessary to look at the details of the investigation against him. In 1975 Hobby incorporated a printing company, Precision Graphics, that he claimed remained unconnected with his union duties. Later that year, Hobby's company received three separate CETA contracts for \$175,146 from the North Carolina

Department of Labor.⁸⁶ In addition, the firm also received an additional \$129,429 from the Department of Natural Resources and Community Development (NRCD).

In 1979 Hobby started a second corporation, Precision Data Institute Incorporated. Within days of incorporation this firm also applied for a large CETA contract. This second company did not receive the contract due to internal concerns from an NRCD employee, Robert L. Hughes Jr. Hughes rejected Hobby's bid because the company, a private for-profit corporation, had no staff, little or no operating capital, and no experience in providing the type of training mentioned in the proposal. Hughes also noted that if CETA awarded a contract to Hobby's firm that the organization would open itself "for severe criticism from similar private industries charging unfair advantage."⁸⁷ Hobby then reapplied for the contract under his already existing corporation, Precision Graphics, received the contract, and then immediately subcontracted the job to his new company, Precision Data. Hughes had been correct in forecasting the criticism that would follow when word leaked out regarding Hobby's ability to procure the contract.

Some people close to the situation saw a conflict of interest and thought that North Carolina Commissioner of Labor, John C. Brooks, may have awarded Hobby the contract as a

⁸⁵ Craig Whitlock, "Wilbur Hobby obituary," *Raleigh News & Observer*, 10 May 1992, sec. B, final edition.

⁸⁶ Stith and Hoover, "Union Boss Quite an Entrepreneur," *Raleigh News and Observer*, date unknown. Wilbur Hobby Clippings File, 1976-1989, 165-166.

⁸⁷ *Ibid.*, 165.

form of political pay back. Brooks won his 1976 campaign with the endorsement and financial support of the union, and also helped set up Hobby's printing company as the incorporator and registered agent for Precision Graphics.⁸⁸ It must be noted, however, that most of these claims of political pay back came from the camp of I. Beverly Lake Jr., a noted anti-labor conservative Republican that could only gain from such accusations in his upcoming run against James Hunt for governor. Critics also questioned the high price that the state paid to Precision Graphics to lease office space. At the time, the average office space in Raleigh leased for four dollars and twenty-three cents per square foot, but the CETA contract paid Hobby's firm close to fifteen dollars per square foot.⁸⁹ CETA officials claimed that the overpayment had not been intentional, and that no conspiracy or inside deal existed. Hobby, while he admitted that the programs were not as well run as they should have been,

claimed that all charges brought against him were due to the strong anti-labor sentiment in the state and were done for strictly political reasons.⁹⁰

Many of Hobby's friends and supporters did not believe that Hobby intentionally abused the system for any personal gain. Richard Ray, a labor leader that listed Wilbur Hobby as both his mentor and the person that most inspired him to help others, summarized the opinion that what led to Hobby's arrest were a lack of attention to detail and a desire to help the union at all costs.

In fact, there was a downfall to Wilbur. He did have too many irons in the fire, and could not do a great job on anything because he just had too many things going.... He had let some people keep the books and run some of this stuff, and they had done some things that were not legal.... They charged him with taking this money and spending it on himself. Why, I have never felt that he did that. I think any money that he might have gotten that he did not spend on job training was probably poured back into the labor movement because... he didn't need a lot. I mean, you know, he was always out there working. He didn't need money to spend

⁸⁸ Ibid., 166.

⁸⁹ Ibid., 166.

⁹⁰ "Hobby's Career in Unionism, Politics Tottering," *Durham Morning Herald*, 10 August 1980. Wilbur Hobby Clippings File, 167-168.

for himself. You know, he didn't dress that great. He didn't have a new car. I mean, all Wilbur wanted to do was to work for the labor movement.⁹¹

Ray's claim that Hobby did not need much for himself seems to be based on an early view of Hobby. In 1978 a North Carolina Division of Motor Vehicle notice of termination of liability insurance showed that Hobby still drove a 1974 Ford.⁹² However, an investigative journalism piece pointed out that at about the same time that Hobby started receiving funds from the government he also started to spend money on himself and his family. In 1972, when Hobby made his run for governor, he and his wife lived in a rented house on a dirt road in rural Durham County at a rent of eight-five dollars a month.⁹³ They later moved to a new house in an upscale housing development in Raleigh, and in 1979 Hobby and his wife replaced their Ford with two new cars; a 1979 Mercury Marquis Brougham and a Mercury Grand Marquis.⁹⁴ Hobby also purchased some additional real estate, including a building

directly across the street from the state AFL-CIO headquarters in Raleigh that he would later use as the office for Precision Graphics.⁹⁵

Despite his claim of innocence, Hobby participated in a real conflict of interest when he tried to use training money earmarked for the poor and underprivileged of Durham, Orange, and Franklin counties to benefit the union. According to court records, Hobby came up with the idea to use job training funds to purchase a computer that the union needed in its daily business.⁹⁶

⁹¹ Richard Ray, interviewed by Chris Lutz, *Voices of Labor Collection*, 95-12, pg. 11-12. Special Collections Department, Pullen Library, Georgia State University, Atlanta. 29 August, 1995.

⁹² North Carolina AFL-CIO Records 1950-1981, Wilbur Hobby 1972-1978, Box 2240, File 7, Special Collections Department, Pullen Library, Georgia State University, Atlanta.

⁹³ Stith and Hoover, "Union Boss Quite an Entrepreneur," *Raleigh News and Observer*, date unknown. Wilbur Hobby Clippings File, 1976-1989, 165-166.

⁹⁴ *Ibid.*, 166.

⁹⁵ *Ibid.*

⁹⁶ *United States of America v. Wilbur Hobby, v. Mort Levi*. Nos. 82-5143, 82-5144, Cited as 702F.2d 466, *United States Court of Appeals, Fourth Circuit*. Argued 12 November 1982, Decided 9 March 1983. In

In theory, the computer would be operated by the poor that were eligible for job training under the terms of the CETA contract. However, Mort Levi --Hobby's assistant who also faced criminal charges-- allowed ineligible students into the program. Levi advised some applicants to falsify their address and prior income levels so that they could be funneled into the program in front of deserving candidates.⁹⁷ Levi and Hobby had a long standing relationship, and some close to the case felt that it might have been best if Hobby had separated himself from Levi during the defense. During the trial it came to light that Levi had a criminal record in California under the name of Clarence Levy Belle, which does add some support to Richard Ray's contention that Hobby let the wrong person handle the books, but still leaves many questions regarding Hobby's level of involvement unanswered.⁹⁸

The main charges of irregularity in the case were that CETA funds were given out for services that were never rendered. In short, Hobby, as owner of both companies, appears to have made a profit from CETA funds with a combination of inflated or fraudulent charges paid from one of his companies to the other. Depending on the outlook and political orientation of the observer, this appeared to be either a blatant and poorly covered up shell game, or a simple case of careless bookkeeping. CETA funds, which were awarded to Precision Graphics, were paid out to Precision Data in an apparently fraudulent manner. These charges started with an unsupported payment to Levi for two thousand and five hundred dollars for "curriculum committee support."⁹⁹ Beginning in May of 1979, checks from Precision Graphics in the amount of five hundred dollars per month were

written to Precision Data under the pretense that they were for computer maintenance when in fact the computer had not yet been installed. When the computer eventually was installed the

Westlaw [database online]. Cited 31 August 2004. Available from Buncombe County Law Library, Asheville, North Carolina.

⁹⁷ Ibid., 3.

⁹⁸ Elizabeth Leland, "Hobby Guilty of CETA Abuse," *Raleigh News and Observer*, 20 December 1981. Wilbur Hobby Clippings File, 171-172.

⁹⁹ United States of America v. Wilbur Hobby, 2.

five hundred dollar monthly checks continued although the actual contract with the company that provided the service, Mohawk-Data Sciences, only called for two hundred and fourteen dollars per month. The overpayments were never accounted for, and the money never returned.

An additional audit done by the state of North Carolina brought into question \$212,470 of the money that had been awarded to Hobby's companies.¹⁰⁰ The State Auditor's Office also claimed that another \$159,939 in CETA funds given to Carolina Skill Advancement Center were due because of disallowed or undocumented expenditures.¹⁰¹ The largest accusation of diversion of funds took place when close to \$28,000 in overcharges were drawn on CETA funds for the alleged transportation of students. In his defense, Hobby admitted only that the programs were not perfect. Although Hobby served as president of the corporations that were charged, he claimed to have been "primarily the sponsor" of the contracts and thought that he could be seen as the "fall guy now."¹⁰²

During the court case many of the initial charges against Hobby were dropped by U.S. District Court Judge W. Earl Britt, in part because the prosecution had to prove both fraud in obtaining the grant and misapplication of the funds in each separate charge. In the end, Hobby was convicted of overcharging the state \$3,000 for computer rental and \$1,840 for computer maintenance. He was sentenced to eighteen months of jail time and fined \$40,000. Judge Britt later reduced the jail sentence to one year, and withdrew Hobby's fine based on his poor financial situation. One of Hobby's attorneys, David S. Rudolf, claimed that the elimination of the fine served as "an acknowledgment that Wilbur didn't profit personally from what happened."¹⁰³ Judge Britt never went that far in his statements, but did say that he did not

¹⁰⁰ Pat Stith, "N. C. Demands Hobby's Firm Repay CETA Contract Funds," *Raleigh News and Observer*, 27 September 1980. Wilbur Hobby Clippings File, 169.

¹⁰¹ Ibid.

¹⁰² Ibid.

¹⁰³ Donna Alvarado, "Hobby's Fine is Withdrawn by US Judge," *Raleigh News and Observer*, 14 November 1984. Wilbur Hobby Clippings File, 182.

doubt that Hobby and Levi were motivated by a desire to help the union even though they had done a great injustice to the poor that depended on the

CETA programs. "It strikes me as a disservice... to teach these needy people by example, if you will, that it's all right to bend the rules," Britt said.¹⁰⁴

Before Hobby served any jail time he had his lawyers appeal his case all the way to the Supreme Court. They were not appealing his innocence, but instead contended that Hobby's case should be thrown out due to the "systematic exclusion of blacks as foremen of federal grand juries."¹⁰⁵ The Supreme Court rejected Hobby's case in a 6-3 verdict. In his written decision Chief Justice Warren E. Burger wrote that, "discrimination in the selection of grand jury foreman... does not in any sense threaten the interest of the defendant protected by the [Constitution]." Hobby's lawyer in the Supreme Court appeal, Daniel H. Pollitt, stated that the fact that Hobby was a white male, and not a member of the same class alleged to have been discriminated against, played a factor in the failure of the court to overturn.¹⁰⁶ It seems ironic that Hobby, who championed himself as a defender of African American rights, fell back on a claim of racism in an attempt to avoid his prison sentence. While Hobby remained free pending the appeal of his case he returned to work on the factory floor of the American Tobacco Company in Durham. With his appeals finally exhausted he served his time in a federal prison in Lexington, Kentucky.¹⁰⁷

¹⁰⁴ William M. Welch, "Former North Carolina Labor Leader Given Prison Term," *The Associated Press*, 29 December, 1981, In LexisNexis, Domestic News [database online]. Cited 24 September 2004. Available from Ramsey Library, University of North Carolina Asheville.

¹⁰⁵ "High Court Upholds Conviction of Former Union Leader Hobby," *Raleigh News and Observer*, 3 July 1984, Wilbur Hobby Clippings File, 180-181.

¹⁰⁶ *Ibid.*, 181.

¹⁰⁷ Alvarado, "Hobby's Fine is Withdrawn by US Judge," *Raleigh News and Observer*, 14 November 1984, Wilbur Hobby Clippings File, 182.

In order to gain insight into the reasons for Hobby's arrest, it is necessary to go beyond the newspaper coverage, which varied greatly in interpretation of the case based on the political orientation of the writer, and look into the day-to-day records of the North Carolina AFL-CIO. These records show that Hobby had a history of bending rules and lax oversight of money. An internal memo of the North Carolina State AFL-CIO from president Wilbur Hobby to Secretary Roger Bauguss dated July, 22 1975, illustrates that Hobby had a history of being unaware of the financial situation of his organization. In this memo Hobby claimed that he had not been made aware of the organizations "bad financial shape," and that he only became aware with a call from

American Express that they were two months and \$11,300 in arrears. Hobby went on to claim that he should have been notified of the fact.¹⁰⁸

A charge by James Adams, who had run against Hobby's slate in a prior North Carolina State AFL-CIO election, also showed concern over the large budget that Hobby controlled with no apparent oversight. Adams stated that Hobby had almost complete control of the organizations \$212,000 budget in 1976. He also claimed that it was unusual that one union official should have control of such a large sum, and that there were no apparent guidelines for oversight on how Hobby spent the money. Adams stated that he did not mean to accuse Hobby of any willful wrongdoing, but wanted to make the call for a system of checks and balances on such a large budget.¹⁰⁹ Later, in 1980, when it came to light that the organization had accumulated a debt of \$22,000 Hobby again explained the shortfall on his efforts to do too much. "I have a bad habit of trying to do everything that needs doing in North Carolina [for the

¹⁰⁸ North Carolina AFL-CIO Records 1950-1981, Wilbur Hobby 1972-1978, Box 2240, File 3.

¹⁰⁹ James I. Adams, "Another View of Hobby, Labor's 'Big Boy,'" *Durham Morning Herald*, 12 September 1976, sec. E.

union], and we spend close to everything that comes in. The [budget shortfall] comes when you lose a couple big locals like the textile union, it hurts.”¹¹⁰

Additional information found in Hobby’s files shows that he had little regard for strict rules, and that he did not make a clear separation between union business and his own private business concerns. A memo dated May, 10 1979 from E.A. Britt, Secretary Treasurer of the North Carolina State AFL-CIO, sent to Wilbur Hobby as the president of Precision Graphics -- and carbon copied to his assistant Mort Levi-- brought to attention the practice of Hobby and Levi’s use of the State AFL-CIO’s copying equipment to complete private jobs for Hobby’s printing company.¹¹¹ Hobby had at first invested in and later gained control of Precision Graphics, a small job printing company, in order to secure jobs from the North Carolina State AFL-CIO. Hobby again saw no conflict of interest in this arrangement. “The idea was that the union is always needing printing done for organizing efforts and often in a hurry. I figured if we had our own press, we could get the work done,” Hobby argued.¹¹² He left unsaid the fact that he would profit from this convenient

arrangement. In this memo, Britt stated that Hobby could no longer use the union’s machines for nonunion business, and that all work done for such purposes would be charged at ten cents a copy in the future. By sending the memo, Britt appeared to be distancing himself from any questionable business practices that took place in the office.

Britt later told prosecutors investigating Hobby’s fraud case that Hobby had previously threatened him with blackmail. Britt admitted that he had helped Hobby disguise the source of a five-hundred dollar contribution in a past campaign, and said that Hobby threatened to disclose

¹¹⁰ “Hobby’s Career in Unionism, Politics Tottering,” *Durham Morning Herald*, 10 August 1980. Wilbur Hobby Clippings File, 167-168.

¹¹¹ North Carolina AFL-CIO Records 1950-1981, Wilbur Hobby 1972-1978, Box 2242, File 2.

¹¹² “Hobby’s Career in Unionism, Politics Tottering,” *Durham Morning Herald*, 10 August 1980. Wilbur Hobby Clippings File, 167.

Britt's part in the cover-up if he ran against him in an upcoming AFL-CIO election.¹¹³ A letter to Wilbur Hobby from Kenneth A. Germanson, the national director of COPE, dated March, 2 1978, provides more information on illegal contributions that Hobby solicited. This letter informed Hobby that the national COPE office could not make a contribution to a state political candidate for whom Hobby requested funding. Germanson stated in the letter that his office could not make a direct contribution to the campaign since his organization was not registered as a Federal Campaign Committee. At the bottom of this letter is a handwritten note from Hobby requesting that two-hundred dollars in hard money be mailed out to individual union members in an apparent attempt to get around the direct contribution restriction.¹¹⁴

Additional letters show that Hobby used his position to put pressure on those he had helped elect to public office to make pro-union appointments, and secure employment for his friends. In what may have been a standard operating procedure for union leaders, Hobby often used his office to remind elected officials of his organization's prior support while asking for a favor at the same time. In a 1978 letter to the newly elected Governor James Hunt, Hobby requested that Hunt reappoint Coy Vance to the Industrial Commission.¹¹⁵ In this letter, Hobby pointed out that Vance had long been a friend and asset to organized labor. Hobby also alluded to an early conversation he had with Hunt in which Hunt had informed Hobby that reappointing Vance as commissioner would be a problem since Vance had originally been appointed by Governor Holshouser. Hobby, in this letter, came back with a counter offer that Vance be instead appointed to the lower deputy commissioner

position. Hobby continued in the letter to twice remind Hunt that he was "strongly [urging] that you appoint Coy to the Deputy Commissioners post and that we discuss the Commissioner's

¹¹³ Leland, "Hobby Guilty of CETA Abuse," *Raleigh News and Observer*, 20 December 1981. Wilbur Hobby Clippings File, 171-172.

¹¹⁴ North Carolina AFL-CIO Records 1950-1981, Wilbur Hobby 1972-1978, Box 2240, File 6.

¹¹⁵ North Carolina AFL-CIO Records 1950-1981, Wilbur Hobby 1972-1978, Box 2240, File 7.

spot at your earliest convenience.”¹¹⁶ Hobby also sent a letter to Mr. Claude Caldwell of the Organization Development Employment Security Commission of North Carolina, requesting a job for his personal friend and long time assistant, Mort Levi.¹¹⁷ The letter is a professional request that mainly outlines why the Commission should consider Levi for a position, but at the bottom of the letter is a handwritten note by Hobby, “Mort needs a job NOW.”¹¹⁸ These letters, even if some of them were legal and perhaps within the context of Hobby’s position, help illustrate the type of power Hobby wielded at the state level, and show that he used it on a regular basis.

Hobby’s claim that his conviction came about as a political attack from his conservative opponents does have some basis, but does not excuse Hobby from guilt. Hobby’s court case became one of the main issues in the 1980 gubernatorial race between Governor James Hunt and Republican candidate I. Beverly Lake. During this campaign television advertisements, which were funded by the National Congressional Club --a conservative organization headed by Republican North Carolina Senator Jesse Helms-- claimed that the CETA contracts Hobby received were political payoff.¹¹⁹ The case against Hobby was also prosecuted by two Republican attorneys with “ideologies similar to that of Helms.”¹²⁰ After his conviction Hobby continued to blame his political opponents when he claimed his guilty conviction came about because “this is an anti-union state and I doubt an unbiased jury could be found.”¹²¹ According to Hobby, the fact that he represented the union in North Carolina meant that he would always be a “prime target.”¹²² After his conviction, Hobby said that he would

¹¹⁶ Ibid.

¹¹⁷ Ibid., Box 2240, File 6.

¹¹⁸ Ibid.

¹¹⁹ “Hobby’s Career in Unionism, Politics Tottering,” *Durham Morning Herald*, 10 August 1980. Wilbur Hobby Clippings File, 168.; Elizabeth Leland, “Hobby Guilty of CETA Abuse,” *Raleigh News and Observer*, 20 December 1981. Wilbur Hobby Clippings File, 172.

¹²⁰ Leland, “Hobby Guilty of CETA Abuse,” *Raleigh News and Observer*, 20 December 1981. Wilbur Hobby Clippings File, 172.

¹²¹ “Hobby’s Career in Unionism, Politics Tottering,” *Durham Morning Herald*, 10 August 1980. Wilbur Hobby Clippings File, 168.

¹²² Ibid.

send telegrams to Jesse Helms and certain members of the news media with the message, "Congratulations. You got your man." ¹²³

Years after his failed run for governor, Hobby still defended his idea to enter the race as a victory for labor, although others in the North Carolina State AFL-CIO did not agree. M.W. Gray, the Carolinas director of the Communication Workers of America, claimed that Hobby's failed run as governor, and his subsequent failed run for the Democratic nomination for the State House of Representatives from Durham County in 1974, diverted funds and campaign support away from pro-union candidates that had a legitimate chance at gaining office.¹²⁴ Hobby blamed any such allegations on jealousy over Hobby's many successful programs, and attributed this criticism to nothing more than "internal politics."¹²⁵ The disagreement really came down to a conflicting view on the proper role that a state union leader should play.

Hobby thought that in order to build a strong union at the state level a charismatic and well known leader had to take charge. Many of those who opposed Hobby in the organization felt that Hobby did more to hurt the cause than help it with his headline-grabbing ways. This factional dispute within the state AFL-CIO existed until the end of Hobby's term. When Hobby replaced former North Carolina State AFL-CIO president Millard Barbee he complained that Millard had moved too slowly and been afraid to build a dynamic organization.¹²⁶ Hobby pointed out that he helped build the union from 33,000 members when he took over to

¹²³ "Indicted Labor Chief Deposed," *The Associated Press*, 19 September 1981, In LexisNexis, Domestic News [database online]. Cited 24 September 2004. Available from Ramsey Library, University of North Carolina Asheville.

¹²⁴ Stith and Hoover, "Union Boss Quite an Entrepreneur," *Raleigh News and Observer*, Wilbur Hobby Clippings File, 166.

¹²⁵ Byrd, "Big Push for Unions in NC has Subsided," *Winston-Salem Journal*, 31 January 1981. Wilbur Hobby Clippings File, 170.

¹²⁶ Smith, "Labor's Big Boy," *Durham Morning Herald*, D-1.

approximately 55,000 in 1980.¹²⁷ Hobby thought that the attention that he brought to the union had much to do with the growth. Other labor leaders felt that Hobby's antics hurt the growth of the organization. One unnamed labor leader, responding to the large percentage of AFL-CIO locals that chose to remain unaffiliated with the state

organization during Hobby's reign, said that, "some people run a one-man show. He tried to run everything, and sometimes [union members] vote with their feet. They walk out."¹²⁸

Shortly after his indictment, Hobby lost his position as president of the North Carolina State AFL-CIO by a vote of 30,970 to 19,330 against E.A. Britt, the former secretary-treasurer of the organization.¹²⁹ Britt and Christopher L. Scott made a deal before the election to serve as "co-presidency-secretary-treasureship." They decided to do this, in part, to help rid the organization of the power struggles at the top that they claimed turned many locals away from the state organization. It appears that they were successful, at least on a short term basis, when the number of state AFL-CIO affiliated local unions rose to about 75,000 less than a year after Hobby's removal. Scott claimed that the locals were responding to the new approach and the changes in leadership and that "there is a sense of pulling together to defend ourselves."¹³⁰

In many ways, the fall of Wilbur Hobby can be seen as the end of an era in North Carolina's organized labor history. Although union organization after the Hobby era continued to struggle against entrenched power, a different type of battle evolved. According to Paul Luebke, state business leaders in the mid 1980s and beyond started to see organized labor in a

¹²⁷ "Hobby's Career in Unionism, Politics Tottering," *Durham Morning Herald*, 10 August 1980. Wilbur Hobby Clippings File, 168.

¹²⁸ Byrd, "Big Push for Unions in NC has Subsided," *Winston-Salem Journal*, 31 January 1981. Wilbur Hobby Clippings File, 170.

¹²⁹ "Indicted Labor Chief Deposed," *The Associated Press*, 19 September 1981, In LexisNexis, Domestic News [database online].

¹³⁰ Byrd, "Big Push for Unions in NC has Subsided," *Winston-Salem Journal*, 31 January 1981. Wilbur Hobby Clippings File, 170.

different light. Although labor still met opposition, organization was occasionally accepted as a necessary cost of doing business.¹³¹ Luebke admitted that a certain hard line anti-union stance still existed after Hobby's era, as exemplified by the continuing influence of Jesse Helms, but said that in many ways this approach had been replaced by a spirit of "genteel anti-unionism."¹³² In this genteel anti-unionism there is less stress on blatant antiunion statements and attacks, and more emphasis on pacifying organized labor while denying them a real role in any long range state plans.¹³³

After Hobby, the very make up of union leaders also changed. State AFL-CIO presidents since Hobby have tended to be better educated and more polished, such as Christopher Scott --an English literature Ph.D. holder-- who focused less on grass roots organization issues and spent more time building behind the scenes coalitions with businesses and law makers.¹³⁴ It is very doubtful that another former high school dropout could work his way up from rank and file union member and factory floor worker to head the NC State AFL-CIO again.

Until his death, Hobby continued to claim that his problems came about solely due to the strong anti-union bias in the state. For Hobby, the matter was simple. "If I had not been a labor leader I would not have had these problems."¹³⁵ Hobby started his union career with the belief that he could personally help organized labor overcome its negative image in North Carolina.¹³⁶ He apparently could not accept the reality that someone that worked so hard, and with such good intentions, could become instead a statewide symbol of the crooked labor boss. It is true that Hobby had to fight against an entrenched anti-labor power base as a union leader, but Hobby's refusal to accept responsibility for his own very real and prominent role in creating his

¹³¹ Luebke, 113.

¹³² *Ibid.*, 121.

¹³³ *Ibid.*

¹³⁴ *Ibid.*, 125.

¹³⁵ Bob Dennis, "Vote Ousts AFL-CIO Chief Hobby," *The Charlotte Observer*, 19 September, 1981. Wilbur Hobby Clippings File, 172.

¹³⁶ Hobby, *Finger Interview*, 11.

problems remains as the largest blemish on his career. Before his death, Hobby made a simple emotional plea for how he would rather be remembered. "I want to have my ashes scattered across North Carolina," he said. At the same time, Hobby left open the possibility of a more lasting memorial for his life and career. If there is a headstone, he said, "I want it to read, 'He Did His Damnedest.'"¹³⁷

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¹³⁷ Dennis, "Vote Ousts AFL-CIO Chief Hobby," *The Charlotte Observer*, 19 September, 1981. Wilbur Hobby Clippings File, 172.

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