

# Labor Developments in the Late 19<sup>th</sup> Century

By the 1870s the most important effect of industrialization on working people was the transformation of the skilled craftsman into a factory worker. The consequences of this change for the worker included:

- ★ the loss of the bargaining power that his skills and tools had given him;
- ★ the impersonality of employer-employee relations in the new corporations;
- ★ and increased competition for jobs resulting from the entry into the labor force of former slaves, women, and immigrants.

For unskilled laborers weekly wages of ten dollars or less and a workday of ten hours or more were common. In addition, working conditions in factories were unhealthy and often dangerous.

## **AIMS AND TACTICS OF MANAGEMENT AND LABOR**

Although both management and labor have generally wanted to see a prosperous America, they otherwise have diverging interests and goals. The relationship between management and labor creates some areas of agreement between the two, but also, and naturally, creates a conflict of interests as well.

The operators of business firms— the management—seek to achieve the greatest profits possible by increasing production through the most efficient use of materials and labor. This is called the profit motive. The profit motive, in and of itself, is a good thing. Without it there is no market, no production, no employment and no goods of any value. The problem in the 19<sup>th</sup> century was that management, as a result of a number of factors, treated workers very badly, indeed, and saw no reason to do otherwise. Factors that encouraged the poor treatment of workers included:

- ★ the supply of workers outstripped demand for workers—an enormous and growing pool of potential labor gave management the all of the power in the labor market.
- ★ the political class at the national level did not yet see workers as constituents, so the government was largely unsympathetic to the needs of workers.
- ★ labor unions were few and weak and not yet organized to a degree that gave them power in the economic or political arenas.

Most employers of the late nineteenth century distrusted attempts by workers to organize and took active measures to hinder them. Among their tactics were:

- ★ the "yellow-dog" contract (a worker's agreement not to join a union during the period of his employment);
- ★ the blacklist (a list circulated among employers of workers reputed to hold opinions or engage in actions contrary to the employers' interests);
- ★ the injunction (an order issued by a court whereby one is required to do or refrain from doing a specified act) to restrain unions from actions harmful to employers;
- ★ the open shop (an establishment in which non-union members may work);
- ★ company police and company spies;
- ★ use of strikebreakers (called "scabs" by workers) to fill the jobs of strikers.

**Labor.** In the latter half of the 19<sup>th</sup> century, American workers began to organize to improve their status. The labor movement had three principal aims:

- ★ higher wages
- ★ shorter hours (the common demand was for an eight-hour workday)
- ★ safe and sanitary working conditions

But the labor movement was concerned with more than these goals. Among its secondary aims were:

- ★ abolition of child labor;
- ★ recognition of the principle of collective bargaining (negotiation for the settlement of terms of the collective agreement between an employer or group of employers on one side and a union or number of unions on the other);
- ★ institution of compulsory arbitration of management-labor disputes;
- ★ laws providing for workmen's compensation in case of a work related accident.

Among the tactics of organized labor were:

- ★ the strike;
- ★ picketing;
- ★ the boycott;
- ★ the closed shop (an establishment in which the employer by agreement employs only union members.

Labor leaders were often less successful than management in mobilizing their forces. Various factors hindered labor leaders' attempts to organize workers effectively. Among these factors were:

- ★ the entrance of blacks, both skilled and unskilled, into the ranks of paid labor,;
- ★ the presence of many poorly paid women in certain crafts;
- ★ the increase in numbers of foreign-born workers, divided by language, religion, and national tradition;
- ★ the activities of radicals (who were often intellectuals) who wished to reorganize American society according to fanciful theories without much regard for practical difficulties, or sometimes even reality.

### **SOME INFLUENTIAL LABOR UNIONS**

As industrialists formed ever-larger businesses, factory workers tried to create large and strong organizations that could bargain on equal terms with employers. The mid 19<sup>th</sup> century had seen the birth of small crafts unions that were small and largely local. These unions were no longer sufficient in an age of consolidation of American industry. Small local craft unions gave way to large national industrial unions, whose membership included workers in an entire industry irrespective of their occupation or craft.

*The National Labor Union.* The earliest instance of bringing various craft unions into a single national organization was the establishment in 1866 of the **National Labor Union**, mainly through the efforts of William H. Sylvis. But since many of Sylvis' s associates were allied with skilled craftsmen, they often failed to win the confidence of the factory workers.

**OBJECTIVES.** In its program the National Labor Union demanded the elimination of monopoly in industry, the establishment of a federal department of labor, the abolition of contract labor, the arbitration of labor conflicts, and the enactment of laws providing for the eight-hour workday in factories.

**GROWTH AND DECLINE.** The leaders of the union turned to politics to further their organization's objectives, entering the political field as sponsors of the National Labor Reform party. However, in the presidential election of 1872 the party made a notably poor showing, contributing significantly to the rapid dissolution of the National Labor Union.

**The Knights of Labor.** For more than a decade after the collapse of the National Labor Union, the forces of labor were represented mainly by the **Noble Order of the Knights of Labor**, founded in 1869 under the leadership of Uriah S. Stephens, a tailor who had helped organize the garment cutters of Philadelphia.

**OBJECTIVES AND METHODS.** The Knights of Labor stressed:

- ★ the inclusion of all workers-skilled and unskilled, regardless of the craft or industry-in a single great organization;
- ★ the formation of local assemblies of workers on the basis of their residence rather than their occupational affiliation;
- ★ highly centralized control of the local assemblies by the national body.

Members pledged themselves “to secure for workers the full enjoyment of the wealth they create, and sufficient leisure in which to develop their intellectual, moral, and social faculties.”

The specific objectives of the Knights of Labor included:

- ★ establishing the eight-hour workday;
- ★ equal pay for equal work for men and women;
- ★ the abolition of labor of children under fourteen;
- ★ the prohibition of contract foreign labor;
- ★ the arbitration of labor disputes;
- ★ the establishment of bureaus of labor statistics on both the federal and state levels;
- ★ safety and sanitary codes for industry;
- ★ laws compelling employers to pay laborers on a weekly basis;
- ★ the creation of cooperatives;
- ★ the imposition of an income tax (meant to punish corporate wealth and pay for government support of labor);
- ★ government ownership of railroad and telegraph lines.

Although the Knights of Labor held that disputes should be arbitrated, they increasingly relied on strikes and boycotts to achieve their goals. The Knights lobbied state and national governments aggressively for its program. On the other hand, the organization did not support the idea of a workers' political party of the kind that was beginning to appear all over Europe.

**GROWTH AND DECLINE.** The Knights of Labor expanded rapidly, reaching its greatest strength in 1886 when 5,892 local chapters reported over 700,000 members. However,

a series of unsuccessful strikes in 1886 marked the beginning of the union's decline. Its complete collapse was hastened by:

- ★ growing public belief that unions favored the use of violence in disputes;
- ★ the hostility of skilled workers toward a union that seemed to cater to unskilled workers;
- ★ the failure of most of the cooperative ventures in which the Knights of Labor had invested funds;
- ★ the confusion of aims among the some radical intellectual leaders who increasingly focused on idealistic social reform measures rather than the specific labor goals of the Knights;
- ★ the revolt by many of the local assemblies against centralized control by the national body;
- ★ the organization's ineffective handling of the large numbers of unskilled workers.

**The American Federation of Labor.** The increasing dissatisfaction of skilled craftsmen with the objectives and methods of the Knights of Labor resulted in the formation in 1881 of the Federation of Organized Trades and Labor Unions of America and Canada, reorganized in 1886 as the **American Federation of Labor (AFL)**.

**OBJECTIVES AND METHODS.** Samuel Gompers and Adolph Strasser, who together had revived the Cigar Makers' Union, were influential in organizing the American Federation of Labor and formulating its philosophy. The AFL was a league of separate and quite craft unions, each of which retained strong local powers, with the authority of the central body strictly limited. The specific objectives of the AFL were quite similar to those of the Knights of Labor, and for a time the two organizations cooperated.

Gradually, however, the AFL concentrated its efforts upon a campaign for the "bread and butter" labor issues—higher wages, shorter hours, and safer and more sanitary conditions of employment within the various crafts. The organization also vigorously advocated restrictions on immigration, because foreign immigrants competed with American-born workers for jobs, and tended to bring about lower wages for all workers.

The weapons of the AFL came to be the strike, the boycott, and collective bargaining. The AFL also refused to sponsor an American workers' party or to ally with any particular political party. The AFL probably did more to convince politicians in both parties that American workers were also voters than any other labor organization. It used its political power to secure immediate objectives like higher pay, shorter hours and better working conditions rather than pursuing an expansive platform of social and economic reforms.

**GROWTH AND ACHIEVEMENT.** Elected first president of the AFL, Gompers served until his death almost forty years later. Despite the pressure of a small Socialist minority among its members, the AFL remained conservative, defending the capitalist system while criticizing its imperfections. Membership increased from 190,000 in 1890 to 550,000 in 1900 to more than 2 million in 1915. AFL achievements included:

- ★ the development within the national organization of strong craft unions with effective programs, aided by large funds, for sickness and unemployment benefits;
- ★ the establishment of the eight-hour workday in several trades;
- ★ the recognition by an increasing number of employers of labor's right to bargain collectively;

★ the slow but steady growth of labor's influence with the federal and state legislatures.

**The Industrial Workers of the World.** In 1905 radical labor leaders together with militant anarchists and socialists founded the **Industrial Workers of the World (IWW)** to oppose the more conservative policies of the mainstream American labor movement. William D. "Big Bill" Haywood, who had been an officer in the Western Federation of Miners, was its most prominent head.

**OBJECTIVES AND METHODS.** The IWW sought to bring all the workers of the nation into a single industrial union. It strove to overthrow the capitalist system and establish in its place a socialist one. Spurning the middle-class reformers and moderate Socialists alike, the IWW championed direct action—strikes (usually violent) and sabotage. Haywood and other IWW leaders were opposed to arbitration and to political lobbying, and often advocated violence as the chief means of achieving the goals of workers.

Much of the "Wobbly" (as they were called) platform was influenced by Marxist Communist thought. Radical Marxism is still reflected in the IWW today as the preamble of the IWW constitution suggests:

The working class and the employing class have nothing in common... Between these two classes a struggle must go on until the workers of the world organize as a class, take possession of the means of production, abolish the wage system, and live in harmony with the Earth. ... Instead of the conservative motto, "A fair day's wage for a fair day's work," we must inscribe on our banner the revolutionary watchword, "Abolition of the wage system." It is the historic mission of the working class to do away with capitalism.

**GROWTH AND DECLINE.** The IWW appealed chiefly to migratory laborers in the lumber, mining, and agricultural industries of the Far West. Businesses that were the victims of IWW labor disputes were often forced to react violently to the union in self-defense. Also, since the IWW operated primarily in "frontier" areas of the nation, violence was a more traditionally resorted-to means of settling disputes. But by 1905, state governments saw the wild-and-wooly methods of the previous century in the West as unwanted and embarrassing. Various states proceeded against the IWW because of its radical views and actions, and in 1918 the federal government sentenced to prison its most influential leaders for opposition to American entry into World War I. By the mid-1920s the membership, which at its height numbered 60,000, had all but disintegrated. The IWW still exists today, with an active membership of 900 worldwide. The city of Berkeley's recycling is picked up, sorted, processed and sent out all through two different IWW organized enterprises.

## **MANAGEMENT-LABOR CONFLICT**

**Confrontation.** From 1880 to 1900 there were close to 25,000 strikes involving more than 6 million workers. Almost half ended in failure while another 15 percent ended in compromise.

**RAILROAD STRIKES.** The railroad strikes of 1877 started when employees of the Baltimore and Ohio Railroad struck because of a reduction in wages. Soon most of the roads east of the Mississippi, and eventually some western lines, were involved. Rioting, resulting in bloodshed and destruction of railroad property, was more than the local authorities could handle, and state militia companies were called into action.

Finally President Hayes sent federal troops to restore order and to protect nonstriking workers who crossed the picket lines.

**THE HAYMARKET INCIDENT.** On May 4, 1886, a mass meeting organized by anarchists was held in Chicago's Haymarket Square to protest tactics of the police against strikers at the local McCormick Harvester Company plant. When the police tried to disperse the crowd, someone threw a bomb at them. Seven policemen were killed and a number were injured. Both sides then opened fire, resulting in the deaths of two civilians and injuries to both policemen and civilians. Although the person who hurled the bomb was never identified, eight anarchists were convicted of inciting a crowd to riot and four were hanged. The Haymarket Square incident was a P.R. disaster for organized labor in the United States. Newspapers carried stories that accused organized labor—especially the Knights of Labor— of affiliating with anarchists, condoning violence, and being responsible for Haymarket Riot.

**THE HOMESTEAD STRIKE.** Just as American anger over the Haymarket Affair began to weaken, labor violence flared again. In June, 1892, at the Homestead, Pennsylvania, plant of the Carnegie Steel Company, members of the conservative Amalgamated Association of Iron, Steel, and Tin Workers struck to protest a reduction in wages. The company employed some 300 Pinkerton detectives to protect strikebreakers. Provoked by the Pinkertons, the strikers fired on and killed several detectives. After the state militia had restored order, the strike ended and the union collapsed.

**THE PULLMAN STRIKE.** In the depression year of 1893 the Pullman Palace Car Company, near Chicago reduced the wages of its employees and laid off many workers. In June, 1894, the employees struck. The members of the American Railway Union tried to help the strikers by refusing to handle any trains carrying Pullman cars. As the boycott spread over the Middle and Far West, the Railroad Managers' Association fought back vigorously. The attorneys for the Railroad Managers' Association secured a federal court injunction, under the Sherman Antitrust Act, to prevent the strikers from interfering with the carrying of the United States mail and with interstate commerce "as a conspiracy in restraint of trade." When the strikers ignored the court order, the government made two moves:

- ★ President Grover Cleveland sent federal troops into the Chicago area, ostensibly to assure delivery of the United States mail but actually to maintain order
- ★ Attorney General Richard Olney instructed government attorneys to press charges against officers of the American Railway Union on the ground that they were in contempt of court.

Eugene V. Debs, president of the union, was sentenced to a six months' prison term for refusing to obey the injunction. The strike disintegrated. Debs emerged from prison an ardent opponent of capitalism and some years later became the head of the Socialist Party of America.

**Effects of Confrontation.** More significant than the failure of anyone set of actions by workers was the evidence that public opinion was opposed to the tactics of unions involving strikes, picket lines, and boycotts. Organized wage earners were fully aware of the fact that the force of government on both the federal and state levels usually entered management-labor disputes in support of the employers.

**PUBLIC OPINION TOWARD LABOR.** Most Americans were unhesitatingly responsive to the individual laborer's grievances concerning long hours, low wages, and unsafe and unsanitary working conditions, but they were suspicious of unions conducting a strong offensive against the employing class as a whole. Many people believed, in accordance with the basic tenets of *laissez faire*, that collective bargaining could not determine wages, which were set by economic competition. Holding an individualistic view of society, many were slow to admit that labor could win shorter hours, higher wages, and satisfactory working conditions without defying the operation of "natural" economic laws, or that it could organize without resorting to violence. Not until the 1920s did the labor movement enjoy a favorable climate of public opinion.

**JUDICIAL RESTRICTIONS ON LABOR.** If labor leaders had long found it hard to defend a union's right to bargain collectively, their task became much more difficult after the passage of the Sherman Antitrust Act (1890). The law, designed to prevent corporations from engaging in monopolistic practices, was eventually turned against unions as "combinations in restraint of trade." The federal courts repeatedly held that the Sherman Antitrust Act was applicable to unions, and attorneys for employers used the act to secure injunctions against strikes and boycotts.

**LABOR LEGISLATION.** Despite the obstacles encountered by the labor movement, some of its objectives were enacted into law. The eight-hour workday was instituted in 1868 for federal employees engaged in public works projects and established in 1892 for all federal employees. The immigration of Chinese laborers, who had been competing for jobs with native-born workers in the Far West, was suspended in 1882. The Erdman Act, passed by Congress in 1898, provided for the mediation of disputes involving railroads engaged in interstate commerce and their employees, and it prohibited the use of the yellow-dog contract by interstate railroads. (Ten years later the Supreme Court declared the latter provision unconstitutional on the ground that it violated the freedom of contract and property rights of the railroads.) Although the Supreme Court generally maintained that state laws regulating employment were unconstitutional, it upheld certain of those laws as valid exercises of the states' police power. Thus in 1898 the Court sustained in *Holden v. Hardy* a Utah law establishing maximum working hours for miners and in 1908 in *Muller v. Oregon* an Oregon law setting maximum working hours for women. In 1907 Congress passed the Hours of Service Act, limiting, in the interest of public safety, the number of consecutive hours that railroad employees could work.