

CHAPTER 5

The Labor Movement

SS.912.A.3.9 Examine causes, course, and consequences of the labor movement in the late 19th and early 20th centuries.

SS.912.A.3.10 Review different economic and philosophic ideologies.

Names and Terms You Should Know

Labor Union

Strike

Lockout

Knights of Labor

American Federation of Labor

Samuel Gompers

Haymarket Riot

Homestead Strike

Pullman Strike

Ideology

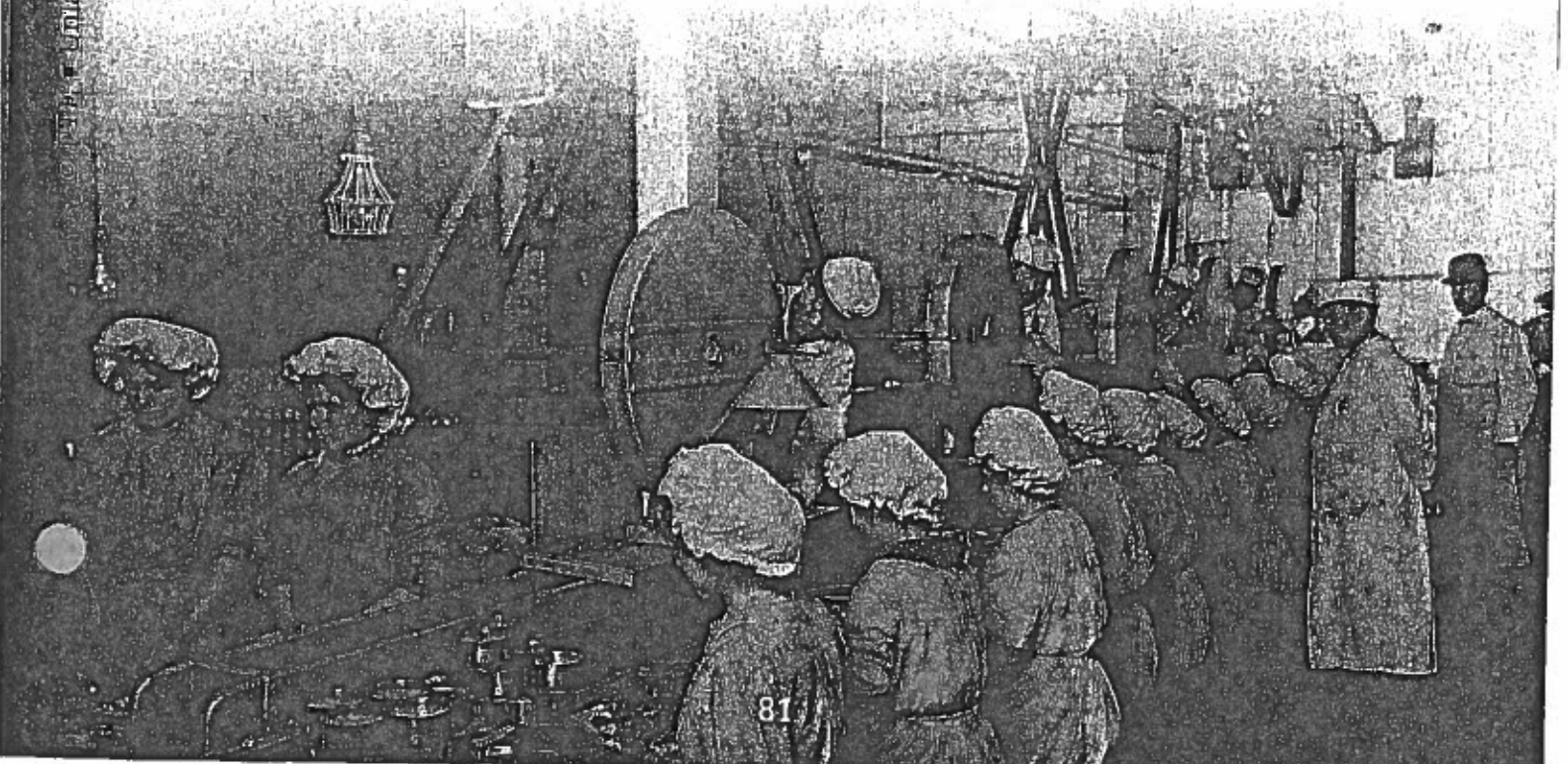
Capitalism

Social Darwinism

Communism

Socialism

Anarchism



Florida "Keys" to Learning

1. America's Second Industrial Revolution led to worsening conditions for many industrial workers. They labored in unpleasant or dangerous conditions for long hours at monotonous and repetitive jobs, and received low wages.

2. Individual workers had no bargaining power with large corporations. Some workers began to organize into labor unions to improve their conditions. Through their union, they could negotiate wages and working conditions collectively with their employer. They could also go on strike.

3. Two early national unions were the Knights of Labor and the American Federation of Labor. The Knights of Labor invited skilled and unskilled workers to become members, including women and African-Americans. However, after a series of unsuccessful strikes, it collapsed. The American Federation of Labor was a federation of unions of skilled workers with more limited objectives.

4. Management had many advantages over labor unions in the late nineteenth century. Government leaders and the public generally sympathized with management and were suspicious of labor unions.

Management could fire or lock out workers, blacklist union leaders, and obtain government support to put down strikes.

5. Early major strikes were largely unsuccessful. People blamed union organizers when a bomb went off in Chicago during the Haymarket Riot. A large group of steel workers striking against Carnegie's Homestead steel mill were defeated when the state militia intervened. President Cleveland used federal troops to break up the Pullman strike.

6. An ideology is a set of related beliefs about people, society and government. Several new economic and philosophical ideologies emerged in response to the Industrial Revolution. Capitalists continued to support *laissez-faire* policies. Social Darwinists thought the wealthy at the top of society were simply superior to others. Communists predicted a violent proletarian revolution would overthrow the wealthy ruling class and create a more just and egalitarian society in which property was held in common. Socialists also desired social change but sought to achieve this through peaceful means. Anarchists opposed organized government.



Workers Face New Problems

One of the main factors behind America's rapid economic growth was the increasing exploitation of the industrial worker. Gains in industrial productivity were often achieved at terrible human costs. Critics of industrial capitalism complained that industrial workers were being treated as no better than "wage-slaves."

Impersonal Conditions As factories and workplaces grew larger, individual workers lost personal contact with their actual employers and all influence over their own personal working conditions.

Long Hours Workday hours were long by today's standards. Workers faced a six or even seven-day workweek of ten to fourteen hours labor each day. Steel workers in Carnegie's mills, for example, worked 12-hour shifts seven days per week.

Boring, Repetitive Tasks Skilled workers, like carpenters or mechanics, have extensive training and perform a wide range of specialized tasks. But as industrialists broke up manufacturing into a series of simple tasks to achieve greater speed and efficiency, each worker became nothing more than a human cog in a vast machine. Industrial work became less skilled, more repetitive, monotonous and boring. There was little pleasure or job satisfaction in repeating the same task for hours on end. And factory rules often prohibited talking among employees during working hours.

Low Wages Wages were so low that many workers could not afford minimal requirements for food, shelter and clothing. Every member of the family had to work to make ends meet, even though women and children were especially low paid. Immigrants from overseas and migrants from the countryside flooded the labor market with workers willing to work for very low wages.

Dangerous Conditions Conditions at work in the late 19th and early 20th centuries were often extremely

hazardous. There were insufficient safeguards around machinery and overworked employees were often extremely tired. Hundreds of thousands of workers were injured or killed in accidents each year, especially on the railroads or in the coal mines. Others suffered debilitating illnesses from unhealthful working conditions.

Child Labor Textile mills and coal mines made use of child laborers to perform special tasks and because they were paid less than adults. As many as one out of every five children under 15 years old was working outside the home in 1910. These children were deprived of opportunities for sunshine, fresh air, play, or to improve their lives by attending school.

Periodic Unemployment Today, we have worker's compensation to pay workers for injuries they receive on the job. But in the late nineteenth century, workers' compensation did not exist. Employers also did not provide health insurance or contribute to a pension for an employee's old age. There was no unemployment insurance when a worker lost his or her job. Most companies gave no paid "sick days."

Lack of Opportunity for Advancement It was difficult to move from an unskilled to a skilled position or to find a new job with higher wages. There were generally no promotions or automatic increases in pay for being at a job a long time. In times of recession or intense competition with rival companies, pay might even be cut or workers could be laid off.

Unpleasant Living Conditions Most workers lived in crowded, inner-city slums or in company towns. With their low wages, they could not afford better housing. In company towns like Pullman, the company controlled not only the workers' wages, but what workers paid in rent and for food and other supplies in the company store. The company controlled town officials and the police, making it almost impossible for workers to complain or to organize against the company.

Workers Organize

With the rise of large corporations, individual workers lost all their bargaining power with employers. Since most work was unskilled, workers could be easily replaced. The only way to achieve better

conditions seemed to be through better worker organization. Therefore, industrial workers began to organize. Such organizations, known as labor unions, generally had three main purposes.

Goals of Unions

- ▶ **To Obtain Higher Wages and Better Working Conditions:** By joining together, workers felt they could demand better pay, shorter hours and better working conditions. If an employer refused their demands, all the workers at a factory, steel mill, mine, or other workplace might strike (*walk off their jobs at the same time*). The business owner's operations would halt, forcing the owner to come to terms with the striking workers to get things going again.
- ▶ **"Mutual Aid" Societies:** Members of unions regularly contributed to special funds to provide pensions and insurance benefits in times of need, such as injury, illness, strike, or death.
- ▶ **To Place Pressure on Government:** Unions also acted as pressure groups on government. Union leaders tried to coordinate workers' votes to influence politicians in favor of their demands. Unions also contributed directly to campaign funds and lobbied in legislatures. Some labor leaders wished to go further and use unions to create a new political party that would represent workers.

Attention Workingmen!
MASS MEETING
TO-NIGHT, at 7.30 o'clock,
HAYMARKET, Randolph St. Bet. Desplaines and Halsted.
Good Speakers will be present to denounce the latest
atrocious act of the police, the shooting of our
fellow-workmen yesterday afternoon.
THE EXECUTIVE COMMITTEE.

The Historian's Apprentice

- ▶ Imagine you are an industrial worker in the late 1870s. Write a letter to a friend describing your conditions at work and how organizing a union might help to improve those conditions.
- ▶ Pretend you are a union organizer entering a factory in 1875. Give a speech explaining to the workers there why they should form a union.

Workers Seek a National Voice

In the decades after the Civil War, worker organizations were generally weak. To oppose national corporations, labor leaders reasoned they needed to form their own national unions.

The Knights of Labor

Founded by Terrence Powderly in 1869, the Knights of Labor formed a single nationwide union. Both skilled and unskilled workers were encouraged to join.





Terrence Powderly

African Americans, women, and rural farm workers were all welcomed.

The Knights demanded an 8-hour workday, higher wages, and safety codes in factories. They opposed child labor and convict labor and favored equal pay for women. The Knights of Labor also strongly supported restrictions on immigration, since they saw immigrants as competitors willing to work for lower wages. Membership in the Knights soared in the prosperous 1880s. By 1886, they reached their peak strength of 700,000 members.

The Knights preferred the arbitration of disputes to strikes, but they were willing to support strikes whenever they believed they were necessary. In the end, however, the Knights proved to be too loosely organized. Skilled workers resented being grouped together with unskilled laborers. The general public associated the Knights with unpopular radical political ideas. After a series of unsuccessful strikes, members started leaving for other organizations and the Knights of Labor finally fell apart.

The American Federation of Labor

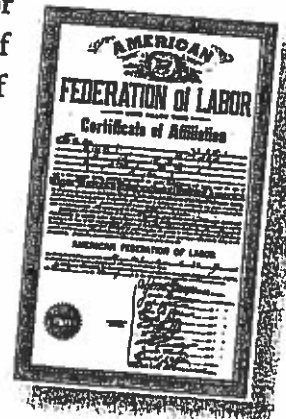


A new nationwide labor organization was founded in 1881 by Samuel Gompers, a Jewish immigrant who worked making cigars. In 1886, it adopted a new name as the American Federation of Labor, or AFL. Unlike the Knights of Labor, the AFL was a federation of several national craft unions, including those of carpenters, cigar-makers, and shoemakers. Its membership was restricted to skilled workers. The AFL also did not admit women. At first,

Gompers insisted that the affiliated craft unions admit African-American workers, but when several refused to do so, Gompers backed down. As a result, only the United Mine Workers and a few other AFL unions admitted African Americans in these years. African-American leaders complained that the unions were holding African Americans back, especially by refusing to admit young blacks as apprentices. Gompers also failed to counteract ethnic prejudice against different nationalities within particular craft unions.

Gompers limited the goals of the AFL to obtaining immediate benefits for its members—higher pay, an 8-hour workday, better conditions in the work place, and a “closed shop” policy (in which the employer promised to hire only union members). Gompers believed that the worker’s interests were best served, not by resisting industrial capitalism, but by bargaining for a greater share of its profits. To counter the concentration of industry in the hands of a few owners, Gompers believed workers had to band together to speak in a single voice. While Gompers favored peaceful bargaining with employers, he was willing to use strikes and boycotts when necessary. He also supported political candidates who backed union demands.

The American Federation of Labor soon became the leading voice of organized labor. By 1900, it had half a million members. It was weakened, however, by the fact that in its early years it excluded unskilled workers. These constituted the bulk of the American labor force. By 1910, fewer than 5% of American workers were unionized.



The Historian's Apprentice

- ▶ Create a Venn diagram comparing the Knights of Labor and the American Federation of Labor.
- ▶ Write one or two paragraphs explaining why the AFL was more successful than the Knights of Labor.

The Tactics of Labor and Management

Organized labor had a number of tactics at its disposal. While on strike, union workers carried signs outside their place of employment—known as the “picket line”—to win public support and prevent the use of *strike-breakers* (temporary workers hired by management to operate the factory, mine or mill while the regular workers were out on strike). To support themselves during a strike, union members made contributions while they were working to a **strike fund**.



strike-breakers were African-American workers or immigrant workers with different ethnic backgrounds than the strikers.

In the early days of unions, employers had many more weapons at their disposal than today:

- ▶ The company’s managers—those people running the company—could simply fire striking workers and hire new ones.
- ▶ If management did not agree to worker demands, they could close the factory to keep the workers from their jobs. This was known as a **lockout**.
- ▶ When workers went on strike, management often brought in temporary workers known as “**strike-breakers**” (or “**scabs**”). These worked in factories or mines until the dispute with the striking workers was settled. Often the

▶ Employers might force their employees to sign agreements, known as “**Yellow Dog**” Contracts, that they would not join a union.

(Such agreements were later made illegal.)

- ▶ Union leaders and members were often fired. Their names might be circulated to other employers so that they could not get another job. This practice was known as “**blacklisting**.”
- ▶ Employers hired private detectives, known as *Pinkertons*, to spy on union leaders and to break up strikes, often with violence and sometimes even murder.
- ▶ Finally, employers might seek a court order prohibiting a strike. Once such an **injunction** (court order) was issued, employers could count on the government to break up the strike. Police or even state troops might be used to break up the strike.



The Historian's Apprentice

Pretend that the Old Virginy Spinning Mule Textile Co. (or “Mule Co.”) is a textile company in Roanoke, Virginia, in 1885. Factory employees work at the company for ten hours a day for six days a week. They receive very low wages. Factory workers have organized into a union. The managers of the factory and union leaders are about to meet. Your teacher will appoint 3 students as managers representing the company and 5 as the Board of Directors of Mule Co. Your teacher will appoint 2 students to act as mediators who work openly and behind the scenes to resolve deadlocked issues. Finally, your teacher will appoint 3 students as union leaders. The rest of the class will act as union members.

Positions of Management:

1. Wages must remain low in order for the company to be profitable.
2. Working hours must remain the same.
3. The company has to invest in equipment and issue some dividends to shareholders.
4. The company may have to use strike-breakers, hire a new workforce, or temporarily close its factory to remain competitive.

Positions of Workers:

1. 10% raise in pay.
 2. Eight-hour workday.
 3. More protection needed against factory accidents.
 4. If their demands are not met, they may go out on strike.
- ▶ Have both sides meet separately to prepare their respective positions for the negotiations. The members of the management team should present their proposals to the union leaders. The union members should gather behind their union leaders, shouting encouragement, defiance, and support for their union leaders.
 - ▶ Several sessions may be required with the use of mediators, as necessary.
 - ▶ If an agreement is reached, it will have to be accepted by Mule Co.'s Board of Directors, and separately by the union members.
 - ▶ What did you learn about collective bargaining from this activity?

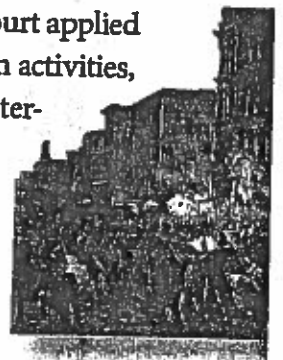
The Role of Government

The attitude of government was critical to the fortunes of the early labor movement. In the late 19th century, government leaders were often partial towards business and took a hostile view of unions. There were many reasons why the federal and state governments favored management over unions:

- ▶ Only a small number of workers were actually unionized.
- ▶ Government leaders saw their proper role as providing protection to private property. Strikers seemed to threaten the security of property.
- ▶ Public opinion was hostile to unions. The public believed that union demands would raise prices.
- ▶ Union activity was associated in the public mind with violence, anarchism, socialism

and ideas brought over by recent European immigrants.

- ▶ Businesses contributed to politicians' campaign funds, while business and government leaders often shared the same general outlook. Government officials believed America owed much of its economic success to its business leaders.
- ▶ *Laissez faire* attitudes gave businessmen the power to hire or fire employees as they pleased.
- ▶ Government leaders feared the disruptive effect of strikes. In 1895, the Supreme Court applied the Sherman Antitrust Act to union activities, ruling that strikes were an illegal interference with interstate commerce. In several strikes, state governors or even the President of the United States sent in troops to suppress the strike and restore order.



Milestones of the Early Labor Movement

One effect of the organization of labor was the occurrence of strikes. There were more than 20,000 strikes involving six million workers in the twenty years from 1880 to 1900. Early strikes were often violent and workers were sometimes killed. Here are three of the milestones of the early labor movement.

The Haymarket Riot (1886)

A nationwide strike in favor of the eight-hour workday was held on May 1, 1886. Two days later, striking workers gathered in front of the McCormick Harvesting Machine factory in Chicago. Strikers began fighting with strikebreakers until police fired into the crowd, killing several demonstrators. Anarchist leaders, most of them immigrants, called for a rally to be held the next evening at Haymarket Square in



response. Anarchists believed in overthrowing capitalist society and establishing self-governing communities. Their advertisements, in English and German, accused the police of killing strikers on behalf of business interests. On the evening of May 4th, the rally at Haymarket

Square began peacefully. However, after several speakers addressed the rally, a large police force approached the speaker's stand and ordered the crowd to disperse. A dynamite bomb was thrown at the police, killing one policeman instantly. What happened next is unclear, but according to most reports the police opened fire as the crowd ran in all directions. Six other policemen and four demonstrators

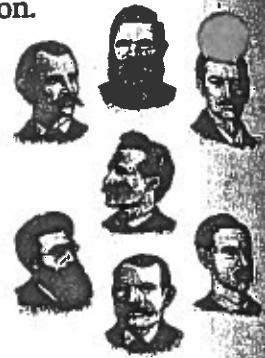
later died from their wounds. In the public mind, unions became associated with anarchism and violence.

Police arrested several labor leaders and searched their meeting halls and offices. Eight (five of them German immigrants) were put on trial and found guilty, even though only one was linked



Mathias J. Degan, policeman killed in the Haymarket Riot

by any evidence at all to the explosion. Seven of the eight were sentenced to death. Two of the sentences were changed to life imprisonment by the governor, while one of the defendants committed suicide; four others were hanged. Much of the public wrongly associated these events with the Knights of Labor, which dissolved soon afterwards.



Homestead Strike (1892)

In 1882 and 1889, the steel workers' union held two successful strikes at Andrew Carnegie's steelworks at Homestead, Pennsylvania. Carnegie and his partner Henry C. Frick believed that union rules were slowing down steel production and preventing the use of more advanced machinery, so they decided to break the union when it came time to negotiate a new contract. Carnegie, who had spoken in favor of

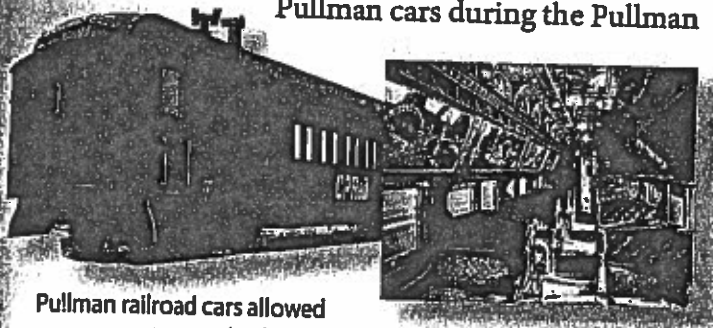


Henry C. Frick unions, put Frick in charge and left for Scotland. Frick made unrealistic offers in the next contract negotiations and locked out the workers from the steel mill at Homestead. The workers went on strike and surrounded the plant with their picket lines. Frick hired Pinkerton detectives to reopen the steel mill. The Pinkertons attempted to break through the picket lines at night, leading to a violent battle with the strikers. After the strikers defeated the Pinkertons, the state militia was called in to restore order—allowing Frick to bring in strike-breakers ("scabs") to run the mill. A misguided attempt to assassinate Frick further increased public sympathy for the company and against the unions. Members of the steel workers union were fired and "blacklisted" from employment in the steel industry, while their union collapsed.



Pullman Strike (1894)

George Pullman invented railroad cars in which passengers could sleep, and made a vast fortune. His workers lived in Pullman, Illinois—a company town. Pullman owned their houses and company stores in the town. His workers went on strike when Pullman lowered their wages but refused to lower his own rents and food prices. After their rent was deducted, many Pullman workers were only being paid a few cents a day. Labor leader Eugene V. Debs had helped form the American Railway Union (the “A.R.U.”). He called on its members not to handle Pullman cars during the Pullman



Pullman railroad cars allowed passengers to travel in luxury and even provided sleeping berths.

Strike. The strike thus brought railroads in the western United States to a virtual standstill. President Cleveland sent in federal troops to end the strike, on the grounds that he needed to guarantee delivery of the mails. In fact, the strikers had not interfered with the mail. The government also used a court injunction to stop the strike, on the grounds that it interfered with interstate commerce. The U.S. Supreme Court upheld the injunction in 1895. The collapse of the strike destroyed the American Railway Union. Eugene Debs was sent to prison for six months, where he became a socialist.

These three strikes demonstrated the continuing sympathies of the government and the public in favor of employers and against labor unions. However, attitudes would change in the early 20th century.



Violence erupts as troops intervene in the Pullman Railroad strike

The Historian's Apprentice

- ▶ Make an illustrated timeline of the most important events in the early labor movement, including the formation of the Knights of Labor and AFL and the three strikes described above.
- ▶ Use the Internet or your school library to find out more information about one of these strikes. Then present your findings in the form of a research report or oral presentation to the class. Be sure to include contemporary illustrations or photographs that depict these events.

The Rise of Ideology

Responses to industrialization also led to the rise of different ideologies. An *ideology* is a system of related beliefs and ideas about people, society and government.

Capitalists believed that free market capitalism was the best system. Influenced by the earlier writings of Adam Smith, they argued that capitalism gave enterprising individuals the freedom to develop

new businesses. By pursuing their own profit, these entrepreneurs also benefitted all of society by producing better goods at lower costs.

Social Darwinists were influenced by the works of Charles Darwin, the biologist who first formulated the theory of evolution. Social Darwinists argued that societies were subject to the same laws as other organisms. Both individuals and whole societies were

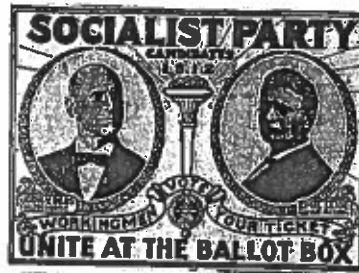
in fact in competition with one another, and only the strongest would survive. Although some people might suffer, it was natural that the best and strongest people would rise to the top and enjoy positions of power, wealth and authority. Likewise it was only fitting that more advanced societies, like the United States, should rule over less advanced ones.

Communists followed the ideas of Karl Marx. They challenged the class structure of industrial society. In *The Communist Manifesto* (1848), Marx and his co-author Friedrich Engels declared that all of history was the history of class struggle, in which the rich took advantage of the poor. In the new industrial society, the bourgeoisie exploited the proletariat (workers). Although the proletariat added value to goods by their labor, this added value went to the factory owner as profit. Eventually, Marx and Engels predicted, the proletariat would rise up and overthrow the bourgeoisie in a

violent revolution. Then they would establish an ideal classless, Communist society. Private property would be abolished.

Socialists believed that workers were generally oppressed but that their conditions could be gradually improved without a violent revolution. By electing government officials favorable to labor, they could introduce needed reforms like social security and free public schools. Socialists believed that the government might even take over some businesses, such as railroads and the telephone, to operate them for the public good. Eugene Debs was one of the founders of the American Socialist Party and several times became its candidate for President of the United States.

Anarchists were alarmed at the influence of the rich on government. They favored abolition of central governments, by violence if necessary.



Eugene Debs poster in 1912

The Historian's Apprentice

Make your own three-column chart comparing these ideologies. Make the first column "Ideology," the second column "Famous People," and the third column "Important Ideas." Then fill in the chart using information from this chapter and from your own research in your school library or on the Internet.

Review Cards

Problems Faced by Industrial Workers

- ▶ Impersonal conditions / boring, repetitive tasks
- ▶ Long work days
- ▶ Low wages / periodic unemployment
- ▶ Dangerous conditions / No workers' compensation
- ▶ Lack of opportunity for advancement
- ▶ Child labor

The First National Labor Unions

- Knights of Labor:** Terrence Powderly / skilled and unskilled workers / Women & minorities welcomed as members / collapsed shortly after Haymarket Riot
- American Federation of Labor (AFL):** a federation of different unions of skilled workers (such as carpenters, shoemakers, etc.) / Samuel Gompers / focused on improving conditions and raising wages / hostile to immigration / most member unions refused women or African Americans