

- business and discuss *one* reason why the regulation of big business became the concern of the federal government.
3. Some of our greatest national industries are the automobile, petroleum, meat-packing, and steel industries. Write about *one* of these industries, including in your discussion *all* of the following points:
 - a. Why the industry is important.
 - b. In what part (or parts) of the country most of the industry is carried on.
 - c. Why it developed in that location (or those locations).
 - d. What raw materials it requires.
 - e. One person who was prominent in its development.
 4. Listed below are four important events in the technological development of the United States. Show specifically how each of *two* of these brought about changes in the American way of life.
 - a. 1903—first story portrayed in motion pictures
 - b. 1903—first powered heavier-than-air flight at Kitty Hawk
 - c. 1909—manufacture of the Model-T Ford
 - d. 1920—start of commercial broadcasting at radio station KDKA
 5. Congress has created many special independent agencies to regulate business. (a) Name *three* such agencies or commissions. (b) For each of the agencies or commissions named in answer to a, explain *one* condition that led to its creation.
 6. Modern factories employ mass-production techniques to turn out large quantities of goods.
 - a. Describe briefly how an assembly line works.
 - b. What is meant by (1) standardized parts, and (2) division of labor?
 - c. Why do modern factories need a smaller proportion of highly skilled workers than did factories in the past?
 - d. It is claimed that assembly line production lowers the price at which articles can be sold. Can you justify this claim?
 7. The railroads have been an important means of transportation for nearly 150 years. (a) State *one* effect of railroads on the development of America. (b) When was the first transcontinental railroad built? (c) Compare travel by railroad before 1850 with travel by railroad today. (d) Name *three* other forms of transportation that exist today and state how *each* has affected railroads.

Part 4. Labor Organizes to Improve Its Position

ORIGIN OF LABOR UNIONS

The rise of the factory system resulted in the creation of a laboring class, living in cities and towns and dependent upon wages for its livelihood. Low pay; long working hours; unsanitary, dangerous, and uncomfortable working conditions; and periodic unemployment caused much dissatisfaction among workers. To improve their lot, they began to organize into unions.

A labor *union* is an association of workers formed for mutual benefit and protection. It seeks recognition by the employer as the official representative of the employees; and it tries to win higher wages, shorter hours, and better working conditions for its members.

KNIGHTS OF LABOR

Although various groups of craftworkers in the large cities had banded together into unions in the early 19th century, their organizations were generally small and short-lived. The first important national union was organized in 1869 by *Uriah S. Stephens* in Philadelphia. Known as the *Knights of Labor*, it aimed to unite all workers—male and female, black and white, skilled and unskilled—into one large union. Every member in a given geographic area, regardless of craft, industry, or position, belonged to the same local group, or assembly.

The Knights came out for (a) an eight-hour workday, (b) equal pay for men and women performing similar work, (c) abolition of child labor, (d) consumer cooperatives and worker-owned and -operated manufacturing enterprises (producer cooperatives), (e) government regulation of trusts, (f) a graduated income tax, and (g) government ownership of railroads and telegraph lines. The organization's leaders did not favor the use of strikes as a labor weapon. They preferred to exert economic pressure on employers by means of boycotts, and to settle labor disputes by arbitration.

Under the leadership of *Terence V. Powderly*, its head from 1879 to 1893, the Knights attained a membership in excess of 700,000 by the mid-1880's. Starting in 1886, however, it began to lose strength; after 1893 it disappeared from view. Among the reasons for the Knights' decline were the following:

1. A series of unauthorized strikes initiated by its members proved unsuccessful and discredited the organization.
2. The conflicting interests of skilled and unskilled workers caused dissension within the union.
3. The Knights set up more than 125 cooperative ventures (including a shoe manufacturing plant and a coal mine), but most were unable to operate profitably and many failed.
4. It lost public support as a result of the *Haymarket Massacre*. This bloody incident occurred at a rally held by striking workers in Chicago's Haymarket Square in May, 1886. They had gathered to protest the

slaying of several strikers by police at the McCormick Harvester plant a short time earlier. As the meeting was nearing its end, police arrived on the scene. A bomb was thrown, killing seven police officers and wounding dozens of bystanders. Additional people were hurt in the panic that ensued. Although no one knew who actually threw the bomb, eight radical agitators were arrested for the crime, tried, and found guilty. Four were executed, one committed suicide, and the others received life sentences. (In 1893 the governor of Illinois, John Peter Altgeld, freed the three surviving prisoners, claiming that they had not received a fair trial.)

Despite the fact that the Knights of Labor had not sponsored the Haymarket rally and had condemned the bombing, the public and the press blamed the union for the incident.

AMERICAN FEDERATION OF LABOR

Founded in 1881 under a different name and reorganized in 1886 as the *American Federation of Labor (AFL)*, this union soon became the leading organization of workers in the United States. Unlike the Knights of Labor, the AFL did not advocate sweeping political and economic reforms. Rather, it concerned itself with such down-to-earth issues as higher wages, shorter hours, and better working conditions for its members. Also unlike the Knights, it organized skilled workers by trades, or crafts. Each craft formed its own national union, consisting of many locals scattered throughout the country. The AFL served as the parent body of these self-governing national unions. Thus, it became a union of unions rather than a union of individual workers. *Samuel Gompers*, a cigarmaker by trade and one of the founders of the AFL, became its first president in 1886. He held that position for most of the next 38 years. (His successor, *William Green*, headed the AFL from 1924 to 1952. Upon Green's death, *George Meany* became the Federation's third president.)

Under Gompers' able leadership, unionized workers won important gains, and the AFL grew steadily. Its membership increased to 550,000 in 1900, 2 million in 1910, and 4 million in 1920.

The prosperity of the 1920's, opposition by employers' associations, unfavorable court decisions, and the Great Depression weakened organized labor. Membership in the AFL declined, reaching a low point of 2 million in 1933. But with the passage of favorable labor legislation during the New Deal administration of President Franklin D. Roosevelt, union membership began to rise again. By 1952 the AFL consisted of 100 national unions with a membership of 8 million.

CONGRESS OF INDUSTRIAL ORGANIZATIONS

Some leaders of the AFL opposed the Federation's ideas of (1) organizing only skilled workers, and (2) maintaining many separate craft unions within one industry. They believed that the best way to unionize the large, mass-production industries was to organize all the workers in an industry—skilled, semiskilled, and unskilled—regardless of craft into a single industrial union.

Led by *John L. Lewis*, head of the United Mine Workers, these unionists in 1935 formed a committee for industrial organization within the AFL. Meeting opposition from craft union advocates, they broke away from the Federation and in 1938 established the *Congress of Industrial Organizations (CIO)*. Lewis became the first president of the new labor group. In 1940 Lewis withdrew from office and was replaced by *Philip Murray*. Upon Murray's death in 1952, *Walter P. Reuther* assumed the presidency.

The CIO succeeded in unionizing the automobile, steel, rubber, oil-refining, textile, shipbuilding, and communications industries. By 1950 it comprised over 30 industrial unions with a membership of 6 million workers.

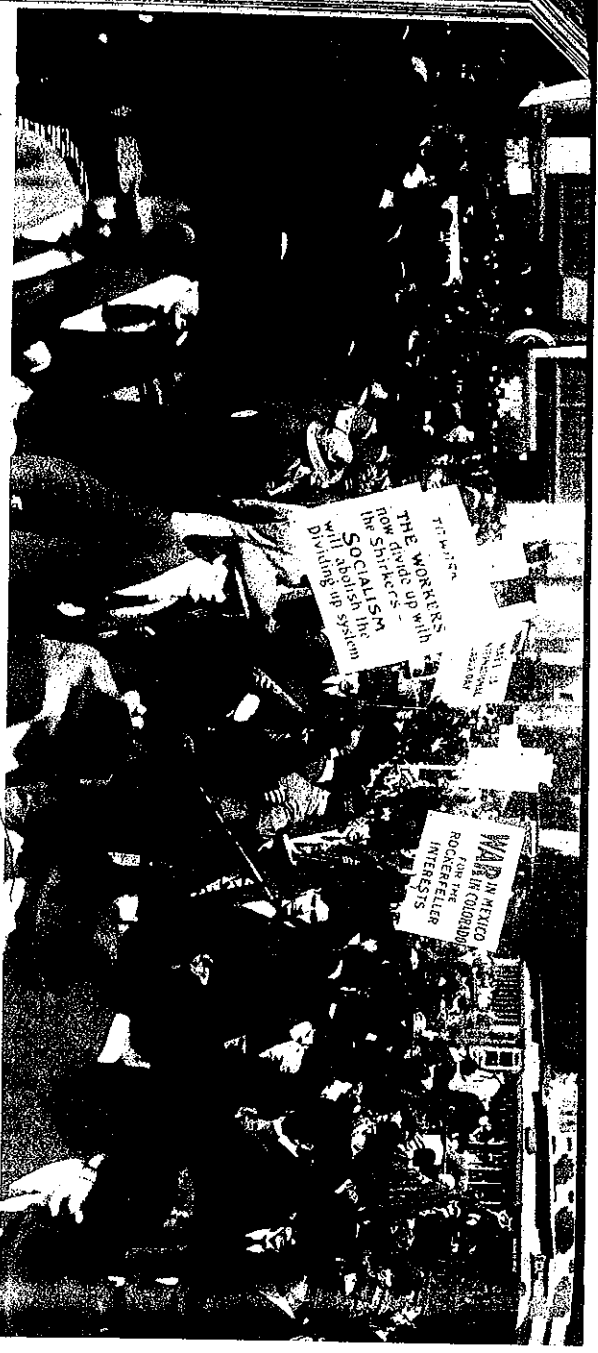
THE AFL AND THE CIO MERGE

In 1955 the leaders of the AFL and the CIO negotiated a merger of the two labor organizations. They hoped that unification would (1) increase labor's political influence, (2) strengthen their ability to organize non-union companies and industries, (3) eliminate competition for new members, and (4) curtail jurisdictional strikes between rival units of the two labor groups. The combined organization became known as the *American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)*. Its current president is John J. Sweeney.

At the present time, the AFL-CIO comprises 67 craft and industrial unions with a combined membership of some 12.5 million.

LARGEST AFFILIATES OF THE AFL-CIO

Union	Membership
1 Brotherhood of Teamsters	1,400,000
2 United Food and Commercial Workers	1,400,000
3 Federation of State, County, and Municipal Employees	1,300,000
4 Service Employees International Union	1,300,000
5 American Federation of Teachers	985,000
6 Laborers' International Union of North America	820,000
7 Association of Machinists and Aerospace Workers	780,000
8 United Automobile, Aerospace, and Agricultural Implement Workers	760,000
9 Brotherhood of Electrical Workers	750,000
10 United Steelworkers of America	700,000
11 Communications Workers of America	630,000
12 International Union of Operating Engineers	360,000
13 Hotel and Restaurant Employees International Union	350,000
14 American Postal Workers Union	350,000
15 Paper, Allied-Industrial, Chemical and Energy (PACE) Workers	320,000
16 National Association of Letter Carriers	315,000



▲ In New York City's Union Square in 1914, IWW members protest violence against striking coal miners in Colorado.

with Gompers as its president, focused on collective bargaining, or negotiation between representatives of labor and management, to reach written agreements on wages, hours, and working conditions. Unlike the Knights of Labor, the AFL used strikes as a major tactic. Successful strikes helped the AFL win higher wages and shorter workweeks. Between 1890 and 1915, the average weekly wages in unionized industries rose from \$17.50 to \$24, and the average workweek fell from almost 54.5 hours to just under 49 hours.

INDUSTRIAL UNIONISM Some labor leaders felt that unions should include all laborers—skilled and unskilled—in a specific industry. This concept captured the imagination of **Eugene V. Debs**, who attempted to form such an industrial union—the American Railway Union (ARU). Most of the new union's members were unskilled and semiskilled laborers, but skilled engineers and firemen joined too. In 1894, the new union won a strike for higher wages. Within two months, its membership climbed to 150,000, dwarfing the 90,000 enrolled in the four skilled railroad brotherhoods. Though the ARU, like the Knights of Labor, never recovered after the failure of a major strike, it added to the momentum of union organizing. **E**

"The struggle for the organization of the oppressed."
EUGENE V. DEBS

SOCIALISM AND THE IWW In an attempt to solve the problems faced by workers, Eugene Debs and some other labor activists eventually turned to socialism, an economic and political system based on government control of business and property and equal distribution of wealth. Socialism, carried to its extreme form—communism, as advocated by the German philosopher Karl Marx—would result in the overthrow of the capitalist system. Most socialists in late-19th-century America drew back from this goal, however, and worked within the labor movement to achieve better conditions for workers. In 1905, a group of radical unionists and socialists in Chicago organized the **Industrial Workers of the World (IWW)**, or the Wobblies. Headed by William "Big Bill" Haywood, the Wobblies included miners, lumberers, and cannery and dock workers. Unlike the ARU, the IWW welcomed African Americans, but membership never topped 100,000. Its only major strike victory occurred in 1912. Yet the Wobblies, like other industrial unions, gave dignity and a sense of solidarity to unskilled workers.

OTHER LABOR ACTIVISM IN THE WEST In April 1903, about 1,000 Japanese and Mexican workers organized a successful strike in the sugar-beet fields of Ventura County, California. They formed the Sugar Beet and Farm Laborers' Union of Oxnard. In Wyoming, the State Federation of Labor supported a union of Chinese and Japanese miners who sought the same wages and treatment as other union miners. These small, independent unions increased both the overall strength of the labor movement and the tension between labor and management.

MAIN IDEA

Contrasting

E How did craft unions and industrial unions differ?

Background

See socialism on page R44 in the Economics Handbook.