Lesson 1 The Labor Movement

ESSENTIAL QUESTION
What features of the modern labor industry are the result of union action?

Reading HELPDESK

Academic Vocabulary
legislation  laws enacted by the government
prohibited  prevented or forbade

Content Vocabulary
craft union  labor union whose members perform the same kind of work; same as trade union
industrial union  labor union whose members perform different kinds of work in the same industry
strike  union-organized work stoppage designed to gain concessions from an employer
picket  demonstrate or march before a place of business to protest a company’s actions or policies
boycott  protest in the form of refusal to buy, including attempts to convince others to take their business elsewhere
lockout  management refusal to let employees work until company demands are met
company unions  unions organized, supported, or run by an employer
Great Depression  worst period of economic decline in U.S. history, lasting from approximately 1929 to 1939
right-to-work law  state law making it illegal to require a worker to join a union
independent unions  labor union not affiliated with the AFL-CIO or the Change to Win Coalition
closed shop  arrangement under which workers must join a union before they are hired; usually illegal
union shop  arrangement under which workers must join a union after being hired
modified union shop  arrangement under which workers have the option to join a union after being hired
agency shop  arrangement under which nonunion members must pay union dues
civilian labor force  noninstitutionalized part of the population, aged 16 and over, either working or looking for a job
Chapter 9: Labor and Wages

Lesson 1 The Labor Movement, Continued

TAKING NOTES: Key Ideas and Details
Use a graphic organizer like the one below to track the developments and changes in the U.S. labor movement.

Colonial Times to the 1930s

Guiding Question For what purposes did early unions form?

Today, only one out of every nine American workers belongs to a labor union. Even so, unions are important. They played a major role in helping to create the legislation, or laws, that affects our pay and working conditions today.

Early Union Development

In 1778, printers in New York City joined together to demand higher pay. This was the first attempt to form a union in America. Before long, unions of shoemakers, carpenters, and tailors formed, too. Each hoped to negotiate, or work out, agreements that covered hours, pay, and working conditions. Only a small fraction of all workers belonged to unions, but most were skilled workers and so had strong bargaining power.

Until about 1820, most of America’s workforce was made up of farmers, small-business owners, and the self-employed. Soon immigrants began to arrive in great numbers, and provided a supply of cheap, unskilled labor. This posed a threat to the unions that were working to preserve existing wage and labor standards.

Also, public opinion was largely against union activity. Some parts of the country even banned labor unions. Often, union organizers were seen as troublemakers, and many workers believed they could better negotiate with their employers on their own.

Civil War to the 1930s

The Civil War led to higher prices and a greater demand for goods and services. Manufacturing grew, and the farming declined. Hourly workers in industrial jobs made up about one-fourth of the country’s working people.

Working conditions in some industries were difficult. This began to soften hostile, or negative, views toward unions. Many of the cultural and language differences between immigrants and American-born workers began to fade. This made the labor force more united.
Lesson 1 The Labor Movement, Continued

Types of Unions

In the industrial post–Civil War period, the two main types of labor unions shown in Figure 9.1 were the most common. The first was the **craft**, or **trade union**. This is an association of skilled workers who do the same kind of work. The Cigar Makers’ Union, begun by union leader Samuel Gompers, is an example of this type of union.

The second common type of union was the **industrial union**. This type is an association, or grouping, of all workers in the same industry, regardless of the job each worker does. The development of basic mass-production industries, such as steel and textiles, or cloth, helped the growth of this kind of union. Because many of the workers in these industries were unskilled and could not join trade unions, they started industrial unions.

Union Activities

Unions tried to help workers by fighting for higher pay, job security, and better hours and better working conditions. If an agreement could not be reached, workers would **strike**, or refuse to work until certain demands were met. Unions also pressured employers by having the striking workers **picket**. A picket is a march in front of the employer’s business. Striking workers carry signs about the dispute, or argument, with the employer. The signs might ask other workers not to seek jobs with the company. They might ask customers and suppliers to support the union by taking their business to another company.

If striking and picketing did not force a settlement, a union could organize a **boycott**. A boycott is a mass refusal to buy products from targeted companies. When a boycott was effective, it hurt the company’s business.

Employer Resistance

Employers resented the strikes, pickets, and boycotts. They fought unions in a number of ways. Sometimes the owners called for a **lockout**. This is a refusal to let employees work until they agree to management demands.

Lockouts, once relatively rare, have been used increasingly by modern employers. In 2011, the National Football League locked out its players for 130 days. In the same year, the National Basketball Association locked out its players for 161 days. The New York City Opera even locked out its singers and orchestra briefly in 2012.

At other times, management has responded to a strike, or the threat of a strike, by hiring all new workers to replace the strikers. Some owners even set up **company unions**. These unions are organized, supported, or run by employers. The idea is to head off efforts by outside unions to organize their workers.

The Ludlow Massacre

Perhaps nothing is a better example of early U.S. labor struggles than one strike in Colorado. The United Mine Workers of America had organized a strike against a coal mining company owned by John D. Rockefeller. They wanted better pay and working conditions. When the company forced workers out of company-owned homes, the miners and their families moved into tents set up by the union.
Lesson 1 The Labor Movement, Continued

The strike, expected to end after a few days, instead lasted 14 months. At times, fights broke out between striking miners and company guards. The mining company also hired private police and had help from the Colorado National Guard.

One fight in the spring of 1914 turned into an all-day battle and a terrible fire. In the end, dozens of people were killed, including 2 women and 11 children. The violence, quickly called the “Ludlow Massacre,” sparked rioting in other mining communities. The conflict eventually claimed nearly 200 lives.

Attitude of the Courts

Throughout this period, the courts had an unfavorable attitude toward unions. Under English common law—on which much of U.S. law is based—unions were considered to be anti-business. Members could be arrested in the United States. Even the Sherman Antitrust Act of 1890, aimed mainly at curbing monopolies, was used to keep labor in line.

For example, in 1902 the United Hatters Union called a strike against a hat manufacturer in Danbury, Connecticut. The company had rejected a union demand. The union decided to apply pressure on stores to not stock hats made by the Danbury firm. The firm charged the union with conspiracy in restraint of trade under the Sherman Act. It filed a damage suit that went all the way to the Supreme Court. The Supreme Court ruled that the union had organized an illegal boycott in restraint of trade. The decision dealt a severe blow to organized labor.

The Danbury Hatters case and several other anti-union decisions pushed organized labor to call for reform. The resulting Clayton Antitrust Act of 1914 helped to reduce the threat to unions. This new law prevented labor unions from being attacked under the Sherman Act.

Reading Progress Check

Recalling How did unions change from their beginning in the 18th century through the early part of the 20th century?

Labor Since the 1930s

Guiding Question Have labor laws since the 1930s strengthened or weakened the union movement, and why?

During the 1930s, times were especially hard for working people. Jobs were scarce, and people did not have unemployment insurance. In response, Congress passed a series of laws that supported organized labor. Although a backlash against labor followed, these laws provided the most important labor protections that are still in effect today.
Labor in the Great Depression

The Great Depression was the worst period of the economic decline and the lack of growth in the history of the United States. It began with the collapse of the stock market in October 1929. The economic output reached bottom in the year 1933 and did not recover to its 1929 level until 1939. At times, as many as one in four workers were without a job. Others kept their jobs, but saw pay cuts. In 1929, the average hourly manufacturing wage was 55 cents. By 1933, it plummeted, or rapidly fell, to 5 cents in some areas.

The Great Depression brought misery to millions, but it also changed views on organized labor. Common problems united factory workers, and union leaders renewed their efforts to organize workers.

Pro-Union Legislation

New legislation soon aided labor. The Norris-LaGuardia Act of 1932 stopped federal courts from issuing rulings against unions that were peacefully striking, picketing, or boycotting. This forced companies to negotiate directly with the unions during labor disputes.

The National Labor Relations Act, or Wagner Act, of 1935 established the right of unions to have collective bargaining. The act also created the National Labor Relations Board (NLRB). The Board has the power to police unfair labor practices. The NLRB can oversee and certify union election results, too. If a fair election results in a union, then the employer has to recognize and negotiate with it.

The Fair Labor Standards Act of 1938 applied to businesses that engage in interstate commerce, or trade across state boundaries. The law set the first minimum wage and established time-and-a-half pay for overtime. (By 1940 “overtime” was defined as “more than 40 hours per week.”) The act also prohibited types of child labor. These were defined as any labor for a child under 16 and work that is dangerous to a child under 18.

Anti-union Backlash

The union movement had grown strong by the end of World War II, but then public opinion shifted again. Some people feared that communists had secretly entered the unions. Others were concerned over production losses due to the increased number of strikes. Many people began to think that now management, not labor, needed support.

Growing anti-union feelings led to the Labor-Management Relations Act, or Taft-Hartley Act, of 1947. The act had a tough anti-union part known as Section 14(b). It allows individual states to pass right-to-work laws. A right-to-work law is a state law making it illegal to force workers to join a union in order to be hired.

If a state does not have a right-to-work law, new workers may be required to join an existing union. If a state does have a right-to-work law, then new hires can decide for themselves if they want to join the union. Today, the 24 states shown in Figure 9.2 passed right-to-work laws under Section 14(b).

Other laws were aimed at stopping criminal influences that had begun to develop in the labor movement. The most important law was the Labor-Management Reporting and Disclosure Act, or Landrum-Griffin Act, of 1959. This act required unions to file regular financial reports with the government. It also limited the amount of money union officials could borrow from the union.
Exploring the Essential Question

Before the passage of labor laws, managers had much more power over when and for what reason they could fire workers, if workers did not work the hours and in the conditions that management set for them, they could be fired right away. It is not typical in most workplaces to work a five-day workweek. But if management threatened to fire you if you did not work the hours they demanded, how would you respond? Do you think unions are right to fight for the rights of workers or does this place unnecessary limits on the economic system? Explain your answer.

The AFL-CIO

The American Federation of Labor (AFL) began in 1886 as an organization of trade unions. It later added several industrial unions. The trade and industrial unions, however, did not always agree. John L. Lewis was the president of the United Mine Workers of America. The AFL and Lewis did not get along, so in 1935, Lewis and his industrial unions were made to leave the AFL. They formed their own Congress of Industrial Organizations (CIO). The CIO quickly organized unions in industries that had not been unionized before. New members included workers in the huge steel and automobile industries. By the 1940s, the CIO had nearly 7 million members.

As the CIO grew stronger, it began to challenge the power of the AFL. In 1955, the AFL and the CIO united to form the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO). By 2005, however, disagreement over the best way to spend union funds resulted in a breakup of the AFL-CIO. The breakaway unions formed the rival Change to Win Coalition.

This split did not seem to weaken the political influence of organized labor. The remaining AFL-CIO unions focused their efforts on lobbying politicians. The Change to Win Coalition focused its efforts on recruiting new union members.

Independent Unions

Although the AFL-CIO and the Change to Win Coalition are still major forces, other unions are also important. Many of these are independent unions. They do not belong to either the AFL-CIO or to the Change to Win Coalition. One example is the Major League Baseball Players Association. Other examples are the Fraternal Order of Police and the U.S. Airline Pilots Association.

Reading Progress Check

Analyzing Why did the Great Depression have such a strong and lasting impact on the labor movement?
Organized Labor Today

Guiding Question  How do the types of union arrangements differ?

Unionized workers participate in several kinds of unions. Also, union participation in the labor force varies widely from one industry to another.

Kinds of Union Arrangements

The most restrictive, or tightly controlled, kind of union arrangement is the closed shop. In this type of union, an employer agrees to hire only union members. This was common until the Taft-Hartley Act of 1947 made the closed shop illegal for all companies involved in interstate commerce. Most firms in the United States today directly or indirectly engage in interstate commerce, so few, if any, closed shops still exist.

Another union type is the union shop. In a union shop, workers do not have to belong to the union to be hired, but must join soon afterward and remain as members as long as they keep their jobs.

Another union arrangement is the modified union shop. Under this type of union, workers do not have to belong to a union to be hired and cannot be made to join one to keep their jobs. If workers voluntarily join the union, however, they must remain members for as long as they hold their jobs.

An agency shop is a union governed by a security agreement that does not make a worker join a union to get or keep a job. It does make the worker pay union dues to help pay for collective bargaining costs. Nonunion workers also are subject to the contract terms negotiated by the union, whether or not they agree with the terms.

An agency shop is also known as “fair share.” Unions like to use this term to remind everyone that the union dues the nonmembers pay are used on behalf of all the workers, whether they are union members or not.

Unionized Workers in the Labor Force

Today, the United States has a population of about 320 million people. About half of the people belong to the civilian labor force. This term describes men and women 16 years old and over who are either working or actively looking for a job. The “civilian” classification excludes prisoners, other institutionalized persons, and members of the armed forces.

Here are some important features of unionized working people:

• One out of every nine working Americans is either unionized or represented by a union.
• More men than women are union members, regardless of age.
• More workers over the age of 45 are unionized than are younger workers.
• African Americans are more likely than other workers to belong to unions. Asian Americans are the least likely to be union members.
• Union membership among full-time workers is more than twice as high as that of part-time workers.
• Industries with the highest rates of unionization are local governments, state governments, and the federal government, as shown in Figure 9.3.

Finally, union membership rates also differ a great deal by state. In the three most unionized states—Alaska, Hawaii, and New York—at least one in five workers is unionized. In the three states that are the least unionized—Arkansas, North Carolina, and South Carolina—about one worker out of thirty is unionized.
Lesson 1  The Labor Movement, *Continued*

**Contrasting** How do the types of union arrangements differ?

____________________________________________________

____________________________________________________

____________________________________________________