THE AMERICAN FEDERATION OF LABOR’S STRATEGIC RETREAT AND ITS CONSEQUENCES

We believe in being moderate in our demands, but absolutely radical in our determination to achieve them.
—Samuel Gompers, to the 1904 American Federation of Labor (AFL) Convention

The employers’ counterattack checked the pace of unionization in the United States. Open shop tactics hit machinists, industrial workers, and coal miners especially hard. These workers formed a natural constituency for public labor protections, and their setbacks muted support for inclusive labor market programs in the United States. Craftsmen in the construction and other skilled trades withstood the open shop assault more readily than the miners or machinists. The open shop drive helped the craft union leaders of the AFL reinforce their strength as organized labor’s strategists.

The open shop drive, then, severely retarded the unions’ will and ability to enlist government as an ally in their challenge to employer sovereignty. The weakness of machinists, miners, and industrial unions in the AFL reduced support for industrywide union organizing, an independent labor party, and comprehensive labor legislation. In 1900, the AFL had not decisively rejected social insurance or government regulation of working conditions for men in the private sector. It did so over the course of the next fifteen years. By rejecting these universal protections, the AFL in effectced labor market dominance to employers by the 1930s.

Lacking labor support, facing business resistance, and coping with a fragmented political structure, Progressive Era policy reformers made the best of the growing employer dominance of labor markets. These reformers backed away from challenging employer prerogatives. They came to view policy innovations that protected employer control of the labor market as virtues that suited
“American circumstances.” Their proposals increasingly conceded, rather than questioned, employer sovereignty in American labor market policy.

THE MUTED VOICE OF MACHINISTS, MINERS, AND INDUSTRIAL UNIONS

The union shop drive and the obstacles inherent in competitive American federalism hit machinists, industrial unions, and coal miners harder than other unions. The corporations beat back the machinists’ efforts to organize key industries. American federalism precluded the national cooperation of coal producers that was a necessary condition for sustaining the strength of the United Mine Workers of America (UMWA).

Machinists

No group of American workers occupied a more critically important position in the battle for the labor market than the machinists. They bore the brunt of the assault of mass production on specialized skills, of scientific management on craft power, and of the open shop drive on the union shop strategy. Armed with indispensable metalworking skills, the machinists worked at key jobs in vital industries: railroad maintenance shops; mass production plants (including automobiles); and smaller, owner-run shops that worked metal. They ran increasingly complicated machinery. Their job required diverse skills, involved diverse products, and created diverse working arrangements and methods of pay. Employers recognized that machinists exercised unusual power in the workplace. American employers especially welcomed new management techniques that reduced that power. Machinists became the “nursery” of scientific management. Time and motion studies and the subdivision of tasks struck directly at the machinists’ craft power and solidarity.

These occupational changes caused many machinists to question the crafts-based strategy of the AFL. The fate of machinists in large firms and of the growing army of unskilled workers became increasingly interdependent. Many machinists gravitated toward broader-based strategies for worker protection: industrial unionism, political socialism, and universal labor laws. Machinists thus served as the front line in the battle for the labor market. In the United States, as in every industrializing nation, their position made machinists natural leaders of campaigns to restrict employer power.

British and German machinists gradually came to lead their nations’ union movements into universal worker protections and labor politics. Like their American counterparts, British and German machinists were skeptical of industrial unionism and wary of politics in the late nineteenth century. Before 1900, Great Britain’s Amalgamated Society of Engineers leaned toward a crafts-based union strategy similar to that of the AFL. In 1891, the British machinists voted by a two-to-one margin to seek the eight-hour day “by voluntary trade union action rather than by legislation.” This vote represented a decisive victory for the many British machinists who viewed legislation as interference with the “natural liberties” of “free adult males.” In July 1901, however, the British House of Lords jeopardized British trades unions in its Taff Vale decision. In this decision the Lords, acting as a supreme court, ruled that unions were liable for triple damages when they inflicted harm on employers by striking and picketing. This decision fundamentally threatened union finances, autonomy, and existence. The British machinists’ union dropped its previous reluctance to engage in political action. It committed itself to independent labor politics by affiliating with the Labour Representation Committee, a predecessor of the British Labour Party.

German machinists also advocated political neutrality at the turn of the century. As factories enlarged, the machinists understood that their bargaining power depended on cooperation with other metalworkers, including the unskilled. Out of self-interest, then, German machinists helped to create an economically powerful federation of several metalworking craft unions. This federation laid the foundation for industrial unionism in Germany. Though large firms in heavy industry continued to resist the unions before World War I, the small and medium-sized metal working enterprises (unlike the American metal shops) frequently agreed to metalworkers’ union demands. By 1916, the German metalworkers’ federation constituted the nation’s most powerful force for industrial unionism, a strong component of the Socialist Party, and a potent constituent for labor market policy in Germany.

American machinists also came to support industrial unionism strongly, for the same reasons that British and German machinists came to support it. The International Association of Machinists (IAM), formed in 1888, primarily enrolled machinists on the southern and western railroad lines at first. Machinists in urban areas began to shift the core union membership north in the 1890s. By century’s turn several IAM leaders were active socialists. While highly skilled machinists in small shops remained true to crafts-based unionism, machinists in railroad shops and larger plants found the crafts approach ineffective. Many favored the nationalization of the railroads and other industries. Many also favored government arbitration of labor disputes. In contrast to the AFL policy, these American machinists wanted to unionize workers of different skill levels within the same industry. Industrywide unionization would increase their
economic power to deal with corporations (though, as a self-defined “manly” craft, their inclusiveness rarely extended across established boundaries of race and gender).

American employers acknowledged the pivotal role of the machinists by targeting open shop tactics against them. Large corporations singled out the machinists as they battled unions. In preparation for its change to the open shop, International Harvester’s general manager of manufacturing indicated that “We consider it probable that we shall have trouble with machinists, pattern makers, and some of the other skilled trades,” but that the trouble could be overcome in reasonable time with reasonable expense and was worth the effort even at a high cost. After the breakdown of the Murray Hill agreement, the National Metal Trades Association (NMTA) became a leader in the smaller firms’ open shop drive.

The open shop counteroffensive took a heavy toll on the IAM’s organizing momentum. While the number of IAM members rapidly increased to more than fifty thousand (or more than one in six American machinists) by the middle of 1901, the employer counteroffensive brought this expansion to a near standstill. The IAM represented a smaller percentage of American machinists’ membership in 1910 than it had before the employer counterattack.

Much as Taff Vale had done in Britain, the failure of Murray Hill and the open shop drive further convinced many IAM members of the futility of the AFL’s crafts-based approach. In a 1903 IAM referendum, three-quarters of the respondents endorsed industrial unionism over craft unionism. A majority also endorsed socialism. In 1911 the membership replaced IAM president James O’Connell, a chief author of the Murray Hill agreement, ally of Gompers, and proponent of the crafts approach who opposed opening the IAM to less skilled workers. The new IAM president, William H. Johnston, had run for governor of Rhode Island as a Socialist. Under Johnston, the union pursued industrial organization more aggressively. The strengthening economy and growing membership of the mid-1910s seemed to validate the IAM’s commitment to industrial unionism. The machinists emerged from World War I with more than a quarter of a million members and represented more than a third of the nation’s machinists.

Yet the IAM could not make the metal trades into the kind of potent economic force that existed in Germany. Many of the other American metal trades, including the Boilermakers, Steamfitters, Sheet Metal Workers, and Blacksmiths, retained their craft focus. They stayed loyal to the crafts-based unionism of the AFL leadership. These unions obstructed efforts to create the kind of metal trades federation that German machinists had forged. Instead, when the AFL loosely collected the unions in a “Metal Trades” department, these unions retained their independence. Gompers appointed former IAM president O’Connell to head the Metal Trades Department as a check on the IAM. The craft-centered AFL leadership and the industrial IAM continued to fight bitterly into the 1920s.

Corporations constituted a much greater problem for the IAM than the AFL craftsmen. Even at the height of its strength, the IAM could not dent the resistance of many of the largest corporations. Lead by a fledgling industrial union and the IAM (and with the blessing of the AFL), an alliance of workers of varied skills and ethnic backgrounds conducted an organizing strike against the Westinghouse works near Pittsburgh in mid-1916. Labor leaders viewed Westinghouse as a critical case. Unionizing the plant would create a union foothold in the large businesses that were reshaping the American economy. But a bloody battle with plant guards turned the tide. The strike collapsed. Westinghouse’s East Pittsburgh works remained free of unions until the 1930s. While other corporations made concessions to the machinists during the war, these concessions generally proved short-lived.

After the war, the IAM tried, but failed, to forge a “middle way” between narrow craft unionism and the mass-movement Industrial Workers of the World (IWW). General Electric defeated an organizing drive spearheaded by the IAM in 1920. The increasingly conservative AFL Executive Council turned back new efforts to amalgamate the metal trades. In 1922, the union lost a two-year strike against the American Can Company, which was closely associated with U.S. Steel. In the same year, the IAM participated in the railroad shopmen’s strike that ended disastrously for the unions involved. In 1922 IAM membership shrank to less than half the wartime peak and to less than a quarter of it in 1925.

Table 5.1: Machinists and Membership in the International Association of Machinists, 1890–1930

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of U.S. Machinists</th>
<th>Membership in International Association of Machinists</th>
<th>Percentage Unionized</th>
</tr>
</thead>
<tbody>
<tr>
<td>1890</td>
<td>186,828</td>
<td>N/A</td>
<td>–</td>
</tr>
<tr>
<td>1900</td>
<td>283,145</td>
<td>22,500</td>
<td>8</td>
</tr>
<tr>
<td>1910</td>
<td>461,344</td>
<td>60,970</td>
<td>13</td>
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<tr>
<td>1920</td>
<td>801,901</td>
<td>282,496</td>
<td>35</td>
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<tr>
<td>1930</td>
<td>640,289</td>
<td>69,397</td>
<td>11</td>
</tr>
</tbody>
</table>

Though employers and AFL leaders blunted the IAM’s drive for inclusive industrial unionism, the IAM itself abandoned independent party politics. The Clayton Act of 1914 and other lobbying successes persuaded many machinists that direct legislative influence would have more certain and immediate benefits than an effort to elect a labor slate to office. Strongly supportive of Socialist Party presidential candidate Eugene V. Debs in 1912, machinists shifted to Woodrow Wilson and the Democrats by the end of Wilson’s first term. Much like the AFL leadership, the IAM had concluded by the early 1920s that the nonpartisan support for “labor’s friends” would bring results more quickly and surely than the path of independent politics.  

The experience of the IAM shows how the union shop and open shop strategies constricted organized labor’s influence on American public policy. The AFL’s commitment to crafts, the strength of the large corporations, and the anti-unionism of smaller employers decisively altered the way that American machinists struggled to secure their goals. Historian Jeffrey Haydu argues that the experience of the American machinists is a crucial case. American machinists had far less economic and political success than their British counterparts, he rightly argues, because of more intense and effective employer opposition.  

**Coal Miners**

Coal fueled the nation’s economy. Rich fields of bituminous coal stretched from northwestern Pennsylvania through Ohio, Indiana, Illinois, Tennessee, Kentucky, West Virginia, and Alabama. Thousands of mine owner-operators produced coal in these fields. These owners, trying to eke out profits in a market they could not control, frequently engaged in cutthroat competition.  

American coal miners had strong reasons to demand government action on their behalf. Since wages constituted two-thirds of the cost of producing American coal, operators vigorously resisted union demands for recognition, shorter hours, and higher pay. Scattered in small mining communities distant from large cities, miners were hard to organize and easy to divide. Miners’ skills were mastered with relative ease, so that potential strikebreakers were abundant. Mine operators intentionally lured immigrants to the mines to make miner solidarity more difficult to sustain. Company stores and housing increased miners’ dependence on the operators. Wages based on tonnage invited operators to cheat in weighing the coal that miners produced. Explosions and cave-ins entombed hundreds of miners yearly.  

The miners thus lacked the labor market advantages of the skilled crafts workers. Crafts-based unionism made much less sense for advancing unionism in the coal industry. Labor laws were a more practical way to limit hours, raise wages, and ensure safe mines. Initially reluctant to turn to government, miners abroad came to support political solutions to the problem of worker protection. The Miners Federation in Britain affiliated with the Labour Party when it became practical to do so. The mine workers’ union, in turn, became a foundation for building British trade union power. More than half of all British miners were unionized in 1900, and 70 percent were unionized a decade later. The Miners’ Federation, with over half a million members, enrolled one in four British union members in 1910.  

Coal miners in the United States, like those abroad, were drawn to a broader political strategy than the crafts-based union shop. The UMWA asserted more aggressively than did the AFL the need for broad industrial organization and government action. They sought a legal floor for wages and a ceiling on hours, with unions negotiating for improvements on these basic standards. They sought laws that would reduce competition from immigrants and children and guarantee safe working conditions. The UMWA supported the nationalization of communication, transportation, and coal mines as well as protective legislation for miners. Mine union leaders were at the forefront of lobbying for expanding state regulation, public labor market management, and work insurance.  

When confronted by concerted union action, many bituminous mine operators offered to collaborate with each other and the union for their mutual economic advantage. In 1897, coal operators revived an interstate coal mining agreement that set prices and wages in much of the “central competitive field” in Ohio, Illinois, Indiana, and Pennsylvania. The agreement stipulated that the union would enforce the agreement and police wildcat strikes. More important, the UMWA agreed with midwestern operators in 1897 that they would launch a drive to unionize the West Virginia coal fields. Cheaper West Virginia coal gradually was gaining a larger and larger share of the urban and factory energy market. Until the West Virginia producers joined the agreement, they could underprice the unionized mines in the states north of them. UMWA president John Mitchell described West Virginia as the prime threat to the cooperative agreement in the central field.  

West Virginia’s operators, however, had no interest in the agreement and fought to maintain union-free mines. Especially in southern West Virginia, employers relished their competitive advantage and growing market share. The UMWA’s organizing drives in West Virginia in 1897, 1902, and 1907 had limited success. The UMWA expanded the unionization of West Virginia miners to about 16 percent of the state’s tonnage produced in 1905. The operators’ open shop counterattack dropped the tonnage produced under union contract to 7 percent in 1912. Union contracts covered about half the West Virginia coal
The UMWA’s failure in West Virginia weakened the union’s attraction to employers elsewhere. Without the West Virginia mines in the union agreement, northern operators lost market share to their nonunion competitors to the south. Coal operators and labor leaders unsuccessfully sought to establish minimum standards of mining competition that would limit the advantages of the nonunion mines. Since the federal government had no authority to set such standards, however, proponents of mining regulation had to rely on the much more difficult uniform state law approach. Efforts to create uniform state coal mining laws fared no better than the campaign for uniform state corporation laws, however. By 1924, a federal official concluded that constitutional obstacles made nationwide labor standards in bituminous coal mining virtually impossible to implement in any effective way.

The federal government temporarily nationalized the industry during World War I, and it imposed some national standards for the duration. The postwar collapse of the economic boom fueled the open shop. Southern mines cut wages quickly. Many northern owners who had signed contracts with the union went out of business in 1921. Those operators that remained in business turned against the interstate agreement and the union. After a prolonged strike in 1922, the UMWA fell from half a million members in the bituminous fields to fewer than a hundred thousand (mainly in Illinois and Indiana) in 1928.

Even though its strength did not match that of British miners’ unions, the UMWA remained a powerful force in the American labor movement through the Progressive Era. However, it could not bring about either national laws or uniform state laws. American political institutions foreclosed both the legislative and the economic routes for protecting coal miners and diluted the strength of an important constituency for broader worker protection.

**Industrial Workers**

Chapter 4 demonstrated that the U.S. Steel Corporation had the power to resist the unionization of workers in the pivotal steel industry. Automobile production, a fast-growing industry in America, also generated enough employment to lay the basis for industrial unions and labor politics. Instead, unions had little impact in the industry until the 1930s. The U.S. auto industry emerged in Detroit, a bastion of the open shop. Detroit employers beat back the union shop with unusual success. Between 1902 and 1910, employment in the Detroit auto plants grew rapidly. During these years the membership of the AFL-affiliated Carriage, Wagon, and Automobile Workers’ Union (CWAWU) declined from 5,500 to 1,100.

In 1913–14, the CWAWU, many of the other AFL craft unions, and the IWW cooperated in an attempt to organize the auto industry in Detroit. Now
one large corporation—the Ford Motor Company—overshadowed other automakers. The coalition specifically targeted Ford for its unionization drive. Like other open shop employers, Henry Ford refused to surrender managerial control to union negotiators. He denied that workers could gain anything from unions that his factories could not provide. Ford expanded both corporate welfare and corporate surveillance to defeat the unions. Ford’s five-dollar day, instituted in January 1914, created a profit sharing plan for which workers could qualify if they demonstrated efficiency and company loyalty. Ford also established a Sociological Department to investigate the personal lives of Ford employees. Ford investigated workers’ faithfulness, productivity, and union sympathies. When union militancy increased again during the war, the corporate welfare aspect of the Ford plan began to fade. Ford cultivated an extensive network of industrial spies and informants successfully to break strikes.

War temporarily facilitated unionization in the auto plants. The CWAWU became a more militant and socialist union during World War I. The AFL, ever more firmly under the control of the craft unions, revoked its charter in 1918. The sharp economic depression of the early 1920s weakened the autoworkers’ union and permitted the automakers to counter strikes with production cuts and strikebreakers. The autoworkers’ union evaporated after 1921, shrinking to 1,500 members in 1929, when the industry employed 450,000 workers. While the auto industry continued to grow in importance as an employer in the 1920s, unions had virtually no presence in the industry until the sitdown strikes of 1936–37. Ford’s workforce was not organized until 1941.26

THE STRENGTHENED POSITION OF THE CRAFT UNIONS

Craft unions in the industries “least exposed . . . to the geographical competition of industry”27 weathered the open shop assault comparatively well. By the mid-1920s, the strength of the American trade union movement lay in construction and printing, two economically localized industries, and in the railroad operating jobs (engineers, firemen, conductors, and brakemen). These craft unions enjoyed natural labor market power. Without the direct help of government, they could limit the number of available workers, compel employer concessions, and ensure a measure of protection for their members. Access to jobs became as important a resource for craft unions as patronage jobs were for elected officials.

Persuaded that their fortunate circumstances reflected superior strategy, the craft unions defined AFL strategy in ever narrower terms. The leaders of these unions distilled the militancy and inclusiveness of the AFL’s union shop strategy at the turn of the century. Because they could win worker protections directly from employers, they advocated that all workers do so. Thus, they abandoned most workers to the protection of their employers.

The Building Trades

The AFL’s strongest unions were in industries where employers had little alternative to skilled labor and no opportunity to relocate production. Construction epitomized these circumstances. Building a facility is a highly specialized enterprise. Construction involves small firms contracting for specific tasks. Builders tailor each product to individual customers. Buildings are not portable, and little construction work can be done at distant, nonunion plants. Interstate competition is a marginal factor in construction, compared to manufacturing. It requires highly specialized skills (such as bricklaying) that cannot easily be mechanized. Building craftsmen, however, could easily move among job sites. These conditions favored employer-union cooperation on terms relatively favorable to labor. Without some form of discipline, small contractors could compete ruthlessly. Unlike many manufacturing firms, however, virtually all builders competed only in local markets. In many areas, builders favored strong unions that could enforce agreements and thereby impose some stability on an otherwise chaotic local construction market. The union shop established a floor under labor costs (the largest cost component for these contractors) for all competitors. Given their market advantages and often superior organization, the construction unions could pressure recalcitrant builders to join the agreement and enforce exclusive contracts that allowed the local construction union to monopolize its services.28

Unlike the machinists or the coal miners, the building craftsmen could and did achieve their goals mainly though the union shop. By controlling apprenticeships, the building trades limited the supply of workers and increased their value. In San Francisco, construction workers enjoyed high wages. Even hod carriers enjoyed higher wages than machinists.29 The building trades required limited and local legislation, rather than inclusive national standards. In cities such as San Francisco, as much as half of the municipal labor force in the early 1910s consisted of construction jobs. The municipal code required that work on public building and repair projects be conducted by union members. This local provision furnished substantial protection for these craftsmen.30

The building trades exerted much more influence in the American labor movement than did their counterparts in Great Britain. Membership in building construction unions constituted 15 percent of American union membership in 1897, 21 percent in 1910, and 27 percent in 1929. In 1939, more than three-
quarters of American construction workers were unionized. This figure was more than one and a half times higher than that of any other American industry and more than double the unionization rate of British construction workers. This growth, in combination with the difficulties experienced by the machinists and the miners, considerably strengthened the influence of the building trades and the craft perspective in the AFL. By the mid-1920s, William L. Hutcheson, the head of the United Brotherhood of Carpenters and Joiners of America, was a dominant American labor leader.

Printers

As in the case of the building trades, the printers retained substantial bargaining power in the early twentieth century. Like construction, printing was intensely competitive and very localized. Employers could not stockpile newspapers and could ill afford a work stoppage.

The printing craftsmen made sure that the introduction of new machinery strengthened rather than weakened their market position. Instead of resisting the introduction of the Linotype machine in the late nineteenth century, the International Typographical Union (ITU) helped manage the changeover to the new presses. In return, the printing employers granted the union control of apprenticeships that trained workers for the new technology. The printers, then, staked their future on limiting entry into the trade. Their gamble succeeded. The ITU helped stabilize the industry. When printers in Zanesville, Ohio, went off the job on an unauthorized strike at the turn of the century, for example, the union president sent union typesetters from other cities to replace the striking workers. The American Newspaper Publishers’ Association concluded a collective agreement with the ITU in 1901 that conceded control of work rules to the union in return for union policing of work conditions and wildcat strikes.

Printers, then, rarely needed the support of other unions to improve their hours, wages, and job conditions. They generally declined to support wider enforcement of the union shop across the printing trades. Despite the pleas of other crafts for help, the ITU rejected demands that it seek the “joint closed shop” for all jobs in the printing industry.

The printers joined the building trades as leaders of the AFL as the high tide of unionization receded after World War I. By 1920, unions enrolled half of American printers, a level comparable to the 58 percent of British printers in unions. By 1930, the printers and the building craftsmen together constituted two-fifths of the AFL membership, but only 10 percent of the American labor force.

Railroad Brotherhoods

Four brotherhoods—locomotive engineers, firemen, trainmen, and conductors—organized the elite workers of the railroad industry. The insurance policies they offered members strongly attracted skilled workers to join the brotherhoods. All these workers were engaged in the highly dangerous work of moving trains, and private insurance companies rarely found it profitable to write policies for them. Aloof from less skilled railroad workers, these unions were conservative even by the standards of the AFL, and they refused to join the federation. The defeat of the industry-inclusive American Railway Union in the 1894 Pullman strike ensured the brotherhoods’ dominant role in representing railroad workers. By the outset of World War I, the Brotherhood of Locomotive Engineers and the Order of Railway Conductors enrolled over 90 percent of their potential members. The four brotherhoods together, though, represented only about one-fifth of railroad workers.

The brotherhoods had little interest in making common cause with less-skilled railroad workers or other crafts workers in the AFL. They sought state laws setting qualifications for conductors, engineers, and telegraphers, hoping to control and limit the supply of skilled labor in their own occupations. These unions, however, largely had ignored earlier pleas by less-skilled railroad workers for state laws mandating weekly pay. They claimed that such laws constituted an unwarranted state interference in the federally governed industry.

Federal jurisdiction over railroads encouraged the brotherhoods to lobby for legislation narrowly beneficial for themselves. The Erdman Act of 1898, an early lobbying success, reinforced the brotherhoods’ conservatism. That law protected the brotherhoods’ insurance funds and established national mediation mechanisms that ratified the brotherhoods’ industrial position. The brotherhoods won the eight-hour day when Congress passed the Adamson Act of 1916. The brotherhoods, however, refused to join the IAM and other unions in the railroad shop crafts strike of 1922.

THE AFL’S NARROWING AGENDA

The uneven development of unions in the wake of the open shop counterattack fortified crafts-based unionism in the AFL. Natural selection seemed to be producing the survival of the fittest American unions. When craft unions fought and won labor market battles, as did the printers in securing the venerated eight-hour day, Gompers held up their success as a model. Such a union, organized to take advantage of natural craft divisions and fueled with material benefits for
members, stood a much greater chance of withstanding economic vicissitudes and employer counterattacks than any alternative. No other national labor movement in the world could compare with the AFL for "thoroughness and clearness in scope of purpose, militancy of spirit, soundness in finances . . . or continuity and rapidity of development," Gompers wrote after touring Europe.41

The AFL leaders espoused craft unionism while defending the federation from the centrifugal forces that it set in motion. Jealously protecting their turf, strong craft unions skirmished to control the unionization of overlapping tasks. Jurisdictional battles dissipated union energy in huge amounts. Carpenters disputed shipwrights' claim to control ship carpentry. Boilermakers clashed with ironworkers. Plumbers battled steamfitters. Brewery workers contended with steam engineers. Upholsterers disputed autoworkers. Internally, the craft unions bureaucratized themselves more than their counterparts in western Europe.42

The union shop strategy had an unanticipated effect: it made organizational durability a key concern for the leaders of the AFL. Independent of their personal stake in the labor bureaucracy, Gompers and his allies developed a stake in fending off every imagined challenge to the dominance of their organization. The open shop drive and its allies in government hardened this attitude irreversibly.

Gompers and other AFL leaders took an increasingly hard line against proponents of other approaches to worker protection. Gompers argued that the sad experiences of the Knights of Labor and the American Railway Union proved that industry-wide unions lacked the resilience for sustained worker protection.43 He was incensed by his socialist critics. He presented the German case as an example of government unreliability, arguing that German Socialists elected to that nation's parliament had failed to amend Germany's backward labor legislation. The leadership narrowly won a test vote committing the AFL to socialism (4,897–4,171) in 1902, as the open shop counterattack gathered momentum. Growing craft union power strengthened the leadership's ability to fend off the socialists. Even in 1912 and 1913, when socialist strength in the AFL peaked with firm support among the miners, machinists, brewery workers, and garment workers, socialists still constituted only a third of the AFL convention vote. These AFL socialists failed to end Gompers's leadership.44

Over the course of the first thirty years of the twentieth century, the original militancy of the AFL's union shop, crafts-based strategy eroded. "Voluntarism" ossified into a defense of craft control over jurisdiction and benefits, to the exclusion of broader worker protections.45 The AFL leadership increasingly came to accommodate employer rights and reconstituted its demands accordingly, tacitly conceding the superior power of business after the open shop drive. The AFL in the 1910s gradually surrendered the aspiration to control production. It scaled back its ambitions and began to emphasize the distribution of profits. It made wages the top union priority. By the 1920s, under the leadership of Gompers's successor William Green, the unions had fallen back to the position of hoping that they could persuade employers that cooperation with independent unions could increase business profits. Vehemently opposed to scientific management before World War I, the AFL came to support improvements in efficiency during the 1920s.46

The AFL, in effect, strategically abandoned much of the field of labor protection to employers. British and German unions in the 1890s displayed much the same sentiment for a narrow craft union approach to securing labor market power that American unions displayed. In these nations, however, adversity and opportunity propelled the growth of industrial unions and independent labor politics. The AFL, in contrast, became primarily concerned with the protection of the prerogatives of the craft unions that dominated it, even at the cost of expanded union membership and worker protection. The result was a Pyrrhic victory for the strategy that had been formulated during the battles of the last decades of the nineteenth century.

The AFL's hardening commitment to the crafts-based strategy increasingly restricted its legislative vision. Though the federation developed long lists of legislative priorities for the federal government in the Progressive Era, these lists included many specific initiatives aimed at protecting particular groups of (usually unionized) employees. Its political tactics emphasized pressure group activities such as endorsements, lobbying, and campaign aid.47 The AFL increasingly opposed those government efforts that undermined their control of the material benefits that gave them leverage against hostile employers, antagonistic courts, and capricious officeholders.

Some of the state labor federations pursued more ambitious political agendas in defiance of the AFL leadership. The AFL had encouraged the growth of the state federations, recognizing the importance of state laws for protecting workers and their unions.48 Several of the state labor federations eluded national AFL direction. Some of the most important state federations, such as those in New York, Illinois, and California, ignored the AFL's strictures against support of far-reaching regulatory and social insurance measures. These state federations pushed worker protection further along the national policy agenda than did the AFL itself.49

PROGRESSIVE REFORMERS, BUSINESS, AND THE AFL

Civil servants, university professors, settlement house leaders, social reformers, lawyers, and lobbyists turned general labor market hopes, fears, and
animosities into specific labor market policy proposals. These policy entrepreneurs advised elected officials about the appropriate priorities for the public agenda. They brought new aspects of labor market problems to policymakers’ attention. They crafted what they viewed as specific, appropriate, and politically feasible solutions to these problems. The alternatives that these policy reformers offered to legislators, administrators, judges, and interest group leaders constituted the concrete options for the course of American labor market policy.

In the first thirty years of the century, these American reformers adapted their proposals to expanding employer power, shrinking labor aspirations, and gaps in constitutional authority. Florence Kelley, head of the National Consumers’ League, sought constitutional loopholes through which to advance labor market regulations that could later be expanded to the entire workforce. Confronted by the growing imbalance in labor market power that favored business, some of these reformers made a virtue of business power. University of Wisconsin economist John R. Commons, for example, promoted solutions that used employer sovereignty itself to increase worker protection.

The group of reformers surrounding Commons constituted America’s most influential labor market experts. Commons commanded national respect as a labor market authority in these years. He wrote definitive works on labor markets, unions, and legislation. He helped design progressive legislation in Wisconsin that other states emulated. He participated in the era’s most important public investigations. Appointed to the U.S. Commission on Industrial Relations in 1913, Commons shaped its agenda, staffed it with his graduate students, secretly brought together leading industrialists and the AFL, and wrote a minority report that articulated his vision of national labor problems.

Commons also was one of the most potent intellectual forces behind the American Association for Labor Legislation (AALL, 1906–42). The AALL was the most self-conscious and active organization that promoted the expansion of labor market policy in the United States during the Progressive Era.

Commons (like Gompers) believed that existing labor market arrangements had merit because they had evolved slowly and naturally. Trade unions had, by securing collective bargaining agreements across state lines, “enact[ed] by the power of organization, uniform laws which our federal system and our written constitutions have prevented the states from enacting.” Government, Commons believed, should take a cautious and indirect role in steering these natural labor market developments, prescribing a regimen for preventing social ills rather than intervening surgically to correct them. Business, the engine of prosperity, should be induced to become the engine of worker protection. In the United States, capitalism had produced a strong economy and a standard of living higher than that in Europe. American businessmen, the architects of this prosperity, “are ingenious, alert, they take chances . . . They are also quite superior to our politicians and other government officials.” U.S. Steel’s accident prevention work inspired Commons to craft programs that would build on the best corporate practices. Commons sought to “regulate but not destroy the system,” to “save Capitalism by making it good.”

Public policy toward labor markets, Commons concluded, should try to induce business itself to prevent problems such as industrial accidents, and even disease and joblessness. Labor law relies too heavily on “penalties and punishment” and not enough on business incentives, Commons wrote. Public policy should leave business and labor free and should “endeavor to widen and enlarge the opportunities for their employment.” To do so, policy should reward business for preventing social problems and penalize business for causing them. Commons’s extensive work with the National Civic Federation (NCF) also manifested this faith in business self-regulation. So did his affirmative answer to the question, Can Business Prevent Unemployment? (in his coauthored book of that title).

In this view, labor markets would constitute the foundation of American social policy. It is significant that an “American Association for Labor Legislation” led so many battles for social programs in the Progressive and New Deal Eras. This title indicates that these reformers viewed even health insurance as a remedy for labor market failure. Arthur Altmeyer, another Commons student and architect of the Social Security Act, accounted for the differences between American and British social security provision in terms of the former’s origins in labor legislation rather than the Poor Law reforms.

America’s labor market reformers insisted that the impartial and professional administration of labor laws was essential for business trust in government. AALL leaders such as Henry Farnam deplored the patronage appointment of factory inspectors and other labor officials. Commons championed the idea of “industrial commissions” as a new form of governance for the corporate age. These commissions would remove industrial relations from patronage politics and laissez-faire judges. Such commissions were not simply a defense against patronage. They constituted a positive vision of an American form of corporatist management of the labor market. In spite of the separation of powers, such commissions could align labor policy: they could legislate, execute, and adjudicate the laws of worker protection.

The reformers’ insistence on neutral labor market administration drove a wedge between them and organized labor. The issue of industrial commissions decisively alienated the AFL leadership from the AALL. The industrial commission concept directly challenged the AFL’s long-standing support for public offices controlled by labor itself. Top labor leaders did not want neutral admin-
istrators. These union officials wanted administrators who were sympathetic to the unions. Gompers viewed the notion of industrial commissions as an effort by intellectuals to establish a bureaucracy that would control workers. In New York, the AALL poured its resources into a successful campaign for an industrial commission. When the bill passed, Gompers quit the AALL.61

When the AALL championed health insurance, Gompers bitterly attacked the proposal as a fundamental attack on the union strategy of self-reliance. Trade unions, in helping to provide a living wage, had established a far more effective health insurance plan than the "would-be 'uplifters'" could devise. Compulsory insurance, however, would undermine trade union activity by removing a reason for workers to join unions. Just as bad, they would require a new bureaucracy that would threaten union independence.

the American labor movement . . . will not yield any field of activity directly affecting the workers to any agency other than the workers themselves. We commend to the consideration of the self-constituted guardians of labor, the fact that the American labor movement has had to contend with organized antagonism of no mean caliber; with enemies avowed and pseudo; with hypocritical pretenders; with subsidized institutions and associations, and that the labor movement has never run away from the battle or the contest, and is now in a stronger, more powerful and influential position for service than at any time in its history. Though desirous of avoiding any conflict or contest which can be avoided, the men in control of the so-called American Association for Labor Legislation are respectfully but insistently advised that in any struggle which that association may desire to inaugurate or maintain, they will find the American labor movement an adversary worthy of any combatant, and that after the smoke of the battle shall have cleared away, the American labor movement will still be marching along the road to triumph in the protection and promotion of the rights, interests, welfare and freedom of the toilers. (Italics added)62

In this statement, Gompers reveals the scars of government betrayal, battles for the union shop, and the open shop countertack. His choice of words reveals his view of the AFL as an organization that had survived a protracted siege, its union shop strategy intact and its aspiration for union-established worker protection alive. In this moment of AFL confidence, with the Clayton Act a year old and union membership expanding again, the AFL decisively broke with potential allies in the fight for universal public worker protections.

Reformers and unions should have been natural allies in the battle for public labor market protections. As the battle for American labor markets unfolded, however, they sometimes became irreconcilable rivals for labor market control. Their mutual distrust strengthened the hand of business. As chapters 8 and 9 detail more fully, reformers adapted to business power and trade union rivalry by proposing programs for labor market management and social insurance that further strengthened the position of employers and invented a uniquely American path to labor market governance.

Florence Kelley of the NCL had a better understanding of the AFL's fears of new labor market institutions placed beyond labor's influence. She also had a particularly acute understanding of the policy constraints and opportunities imposed by the American constitution. Kelley worked to build coalitions, especially at the state and local level, that could successfully exploit constitutional loopholes to enact enforceable regulations for women and children. These coalitions involved women's groups, social reformers, and often state and local labor federation. Protective labor legislation for special groups, it was thought, would lay a foundation for more inclusive labor protections.63 The success of the NCL and other groups in securing protection for groups of workers that generally were difficult to unionize, however, may have made it easier for Gompers and other AFL leaders to oppose universal hours and wage regulations.

POLITICIANS AND THE BATTLE FOR LABOR MARKETS

Partisan politics facilitated progressive labor legislation from about 1905 to 1916. Even in the conservative 1920s, partisan considerations worked against the repeal of those labor laws passed in the Progressive Era. For most of the period from 1900 to 1932, Republicans firmly controlled the national government and many states. Employers expected the Republicans to champion employer freedom, and indeed Theodore Roosevelt in his first term showed little interest in labor reform. From 1903 to 1910, Speaker Joseph Cannon (R., Illinois), a strong conservative and instinctive supporter of employers, firmly controlled the House of Representatives and its agenda. Cannon largely agreed with the NAM on labor proposals. Gompers viewed Cannon as "the strategic center to the opposition to labor."64

Roosevelt's reelection in 1904 marked a political opening for labor reform as the AFL entered partisan politics and the Republican coalition came under stress. Frustrated by its failure to secure even modest labor protections from the federal government, the AFL laid a "Bill of Grievances" before the president and Congress in early 1906. The federation asked for the long-sought eight-hour law for government contractors, restrictions on immigration, a convict labor law, and relief from injunctions. In that year's November election, the AFL campaigned to defeat prominent Republican enemies, including Cannon.65 When an AFL delegation lead by Gompers met with the Republican Party platform committee before the 1908 presidential election, NAM leaders in
and federal labor legislation flowed in unprecedented volume. Before the 1910 election, the AFL counted seven legislative successes in the 59th Congress (1905–7), eleven in the following Congress, and sixteen in the next. After 1910, the federation counted twenty-nine legislative successes in the 62nd Congress (1911–13), thirty-five in the 63rd Congress (1913–15), and thirty-two in the 64th Congress (1915–17).72

Progressivism weakened during World War I. Business began to reassert itself in the state capitals. The Republicans regained undisputed control over Congress and the presidency during the 1920s. The AFL’s shrinking base and prior commitment to the Democrats reduced its political influence. Many Republican elected officials, however, including Presidents Warren G. Harding, Calvin Coolidge, and Herbert Hoover, avoided direct confrontations with unions and curbed the most extreme anti-labor sentiments in their party. They did not repeal the labor laws of the Wilson years. They also refused to endorse the renewed open shop drive of the 1920s or to make it the central Republican theme of the 1924 presidential campaign.73

Political competition, then, tended to work moderately in favor of the worker protection agenda, rather than against it. American political structure, and the interest strategies that it shaped, explain why the Progressive Era modernized employer sovereignty instead of creating a labor market policy that substantially restricted employers’ prerogatives.

STRATEGIC INTERESTS IN THE BATTLE FOR AMERICAN LABOR MARKETS

By the 1910s, the dynamic interaction of American employers, workers, and reformers had shaped their labor market policy strategies in a way distinctly different from their counterparts abroad. Employers did not eliminate the closed shop, but they checked its expansion. The open shop counterattack especially weakened those unions that advocated more inclusive government labor protection and a more mass-based, industrial union movement. The AFL increasingly represented white, male craftsmen of Northern European extraction. It steadily lost touch with the majority of the workforce that was assembling automobiles, forging steel, mining coal, serving customers, and attending to the clerical complexity of the marketplace. Reformers, recognizing the economic strength of employers and the limitations of government, elevated the fact of business strength into the virtue of business proprietorship of labor protection.

In doing so, the prospective proponents of an expansive and inclusive labor market policy retreated. They conceded to employers their prerogatives in the
labor market. Their strategic adaptation reflected the peculiar circumstances set in motion by American policymaking institutions. Corporations, intransigent open shop employers, craft-unions labor "barons," and "pragmatic" policy reformers all benefited from limited national authority, competitive American federalism, and the complex policy process. These American political institutions impeded employer-union cooperation, socialism, and public restraints on employers. U.S. policymaking institutions did not determine that labor market programs that were exceptionally protective of employer rights would be implemented. These institutions, however, made the behavior that resulted in the policy that was the most reasonable course of action for the most influential participants in the battle for the American labor market.

Employers did not win every policy battle. By the 1920s, however, they largely had won the war. The interests of American labor market combatants had permanently and decisively deviated from that in most comparable nations. Between 1912 and 1922, the fundamental elements of worker protection—child labor protection, public employment offices, the Clayton Act, and health insurance—had failed. By the start of the New Deal, the institutional legacy of these years made it difficult to sustain a substantive challenge to employers' prerogatives.

NOTES

1. American Federation of Labor, Proceedings of the Twenty-fourth Annual Convention, 1904: 6; hereafter, cited as AFL Proceedings, [date]. In his welcoming address to the delegates, Gompers was reflecting on the open shop drive.


9. Laslett, Labor and the Left, 165


16. Gary Marks, Unions in Politics: Britain, Germany, and the United States in the Nineteenth and Early Twentieth Centuries (Princeton: Princeton University Press, 1980), 173–79. Marks finds that German coal miners' unions were relatively weaker than British counterparts, opposed by better organized coal operators, and internally divided by ethnicity and religion. Nevertheless, the German miners also came to demand legislative solutions to the problem of labor protection (179–84).


18. Marks, Unions in Politics, 170, 184–94.


27. This observation was made by Leo Wolman, *Ebb and Flow in Trade Unionism* (New York: National Bureau of Economic Research, 1936), 96.


40. The printers' success in winning the eight-hour day was held up as a special victory in 1905; see *AFL Proceedings*, 1905: 25, 79.


55. John R. Commons, Myself (New York: Macmillan, 1934), 118, 143; on the inspiration by U.S. Steel, see 141–43.


57. Moss, Socializing Security, 59–76.


61. Moss, Socializing Security, 29–32; Yellowitz, Labor and the Progressive Movement in New York State, 120, see also 139–40.


